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**FROM THE OPEN DOOR TO THE WTO: CONSTRUCTING THE NATIONAL
INTEREST TOWARD CHINA, 1898-2000**

By

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**A dissertation submitted to the Graduate Faculty in Political Science in partial fulfillment
of the requirements for the degree of Doctor of Philosophy, The City University of New
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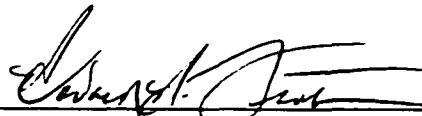
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Chapter One

Introduction

On May 24, 2000, the United States House of Representatives voted by a narrow margin to approve Permanent Normal Trade Relations (PNTR) for China, paving the way for China's accession to the World Trade Organization (WTO). The passage of PNTR became a lightning rod for concerns on a range of issues in US-China relations, including the military implications of China's economic growth, the export of US capital and jobs to China, labor standards, human rights and religious freedom, and relations between China and Taiwan.

In many ways the fight over PNTR and China's WTO accession belongs securely in the last decade of the twentieth century. It illuminates the hopes and fears provoked by globalization and seems emblematic of the complexity of foreign policy since the end of the Cold War. The debate provoked intense lobbying from a range of interest groups, including corporations and unions, religious organizations, and human rights groups, and appears to stand in sharp contrast to the Cold War period in which governmental actors seemed to dominate the policy making process and security issues, the agenda.

Many observers have noted the increased activity of interest groups around foreign policy making since the end of the Cold War. The disintegration of the Soviet Union brought greater flexibility for policy makers, but also the breakdown of consensus among elites and the public on the appropriate role for the US in the world arena, allowing issues other than security to come to the fore. At the same time, globalization, with increasing international flows of capital, goods and information, has added an

international dimension to many formerly domestic issues, and given new constituencies a bigger stake in foreign policy. As a result it is widely held that foreign policy has lost its former insulation from domestic political pressures and now exhibits many characteristics of the domestic policy sphere.¹

Some commentators speak of a transition to a more open foreign policy making process with cautious optimism but others are suspicious of the participation of interest groups.² Samuel Huntington, for example, has charged that interest groups are distorting policy, and that “the institutions and capabilities - political, military, economic, intelligence - created to serve a grand national purpose in the Cold War are now being suborned and redirected to serve narrow subnational, transnational, and even nonnational purposes.”³

The instability and tension in US relations with China since 1989 have also been attributed by many scholars at least partly to the increased role of domestic interest groups. The demise of the Soviet Union decreased China’s strategic importance and reduced the importance of security considerations, while growing trade and US investment in China have put economic issues at the top of the agenda. At the same time, the Chinese government’s violent suppression of pro-democracy demonstrations in 1989

¹ John T. Tierney, “Congressional Activism: its Various Forms and Implications,” in David A. Deese, ed., *The New Politics of American Foreign Policy* (New York: St. Martin's Press, 1994).

² For an optimistic view, see Jeffrey E. Garten, “Business and Foreign Policy,” *Foreign Affairs*, vol. 76, no.3 (May/June) 1997, 62-79; Harry Harding, “Public Engagement in American Foreign Policy” (New York: the American Assembly, 1996).

³ Samuel P. Huntington, “The Erosion of American National Interests,” *Foreign Affairs*, vol. 76, (Sept/Oct) 1997, 28-49.

drew attention to human rights in China and since then concern has mounted over the use of prison labor and religious persecution. Throughout the 1990s, the annual extension of most-favored-nation status (MFN) was the occasion for a tussle over China policy in which a range of interest groups played an energetic role, as business groups attempted to prevent the revocation of normal trade relations in the face of pressure from unions, human rights groups and religious organizations to end MFN.⁴ Again, it appears that a unified national interest of the pre-1989 period has been replaced, or at least obscured, by a host of particularist ones.

But a longer historical view reveals a less straightforward picture. Most accounts of recent US China policy take 1989 as a watershed, marking both the end of the Cold War and, with the crisis over Tiananmen, the end of a period of relative calm in US-China relations.⁵ Few look back further than the previous decade for comparisons. But the battle over WTO/PNTR was the finale to a century of US-China relations and, from this

⁴ Richard S. Ross, ed., *After the Cold War: Domestic Factors and US-China Relations* (Armonk: M.E. Sharpe, 1998); Thomas A. Metzger and Ramon H. Myers, *Greater China and US Foreign Policy: the Choice Between Confrontation and Mutual Respect* (Stanford: Hoover Institution Press, 1996); David Shambaugh, "The United States and China: Cooperation or Confrontation?" *Current History*, vol. 96, no. 611, (September) 1997; Richard Bernstein and Ross H. Munro, *The Coming Conflict with China* (New York: Knopf, 1997); Michael L. Lasater, *The Changing of the Guard: President Clinton and the Security of Taiwan* (Boulder: Westview Press, 1995); David Michael Lampton, "US-China Policy in the Age of the Finance Minister: Clinton Ends Linkage," *China Quarterly*, no. 139 (September) 1994, 597-621; Kenneth Lieberthal, "Domestic Forces and US-China Relations," in Ezra F. Vogel, ed., *Living With China: US-China Relations in the Twenty-First Century* (New York: Norton, 1997); Robert Sutter, *US Policy Towards China: an Introduction to the Role of Interest Groups* (New York: Rowman & Littlefield, 1998).

⁵ Harry Harding, *A Fragile Relationship: the US and China since 1972* (Washington, D.C.: Brookings Institution, 1992) is an exception that goes back to 1972.

perspective, the vision of a pluralistic policy making process replacing a state-centered one loses its purchase.

This is not to argue that the international environment is unimportant or domestic interests irrelevant, but rather to say that neither can be taken at face value. An examination of several key moments in US-China relations over the last century shows that the national interest with regard to China was rarely self-evident or the means to attaining it undisputed. From the earliest days, Americans had a number of goals in China that were sometimes contradictory and there was considerable disagreement even among governmental actors over the appropriate course of action. In a situation where the challenges and constraints of the international environment left a good deal of room for policy choice, a certain conception of the national interest had to be constructed and fought for, and the vision that triumphed as policy concealed underlying disagreement and conflicts of interest. This was not simply a matter of choosing between isolation and engagement but between different forms of involvement in China.

If the national interest with regard to China has often been elusive, neither is it true that policy has been the product of competition among domestic interests, at least in any straightforward way. Certainly, policy has not been an uncomplicated representation of economic interests; even when business interests have agreed on the general thrust of policy, there have often been disagreements about the specific methods that should be employed, and ideological considerations have frequently outweighed the economic. The value of an interest group analysis is also lessened by the important role played by actors who strain the model because they do not fit the conventional distinctions between

international and domestic, or governmental and nongovernmental actors, including members of the legation in China, powerful ideological blocs in Congress, and lobbyists for Chinese governments and political parties.

There are other curious and recurring aspects of US policy toward China that are not explicable either in terms of the structure of the international system or the role of interest groups as commonly conceived. First, one is struck by the continuity of the themes that have marked debates over China since the turn of the century despite the changes in the international environment in which that relationship has been conducted. Many of the competing images of China that we see today - potential ally in Asia or security threat, alluring market or trap for the unwary, fledgling democracy or repressive regime, emerging power or basket case - have remained remarkably similar over the last 100 years. Then, there is the persistent fact that although US commercial and financial interests in China have been relatively insignificant compared with those in other parts of the world, the potential of the China market has consistently been exaggerated. Finally, at least since the time of the Open Door Notes in 1899, and even during the height of the Cold War, any construction of the American national interest in China has borne the additional burden of purporting to benefit China. These representations have played an important role in shaping both the form policy has taken and the way in which it has subsequently been understood. As historians and area experts have often pointed out, US relations with China have always had a strong symbolic or ideological component, and China has frequently served as a secondary reference point in defining changing

conceptions of the US national identity and role in the world.⁶

In this dissertation I suggest that our understanding of US-China policy can be improved by problematizing the concepts of national and domestic interest and considering the way in which ideas have shaped US relations with China over time. Drawing on recent work in international relations that attempts to integrate the study of ideas into analyses of foreign policy behavior, and on the rich historical literature on US-China relations, I show that ideas have been important in several ways.

First, religious and political goals were important motives for many missionaries and diplomats involved with China and these aspects of the relationship cannot be dismissed as justifications for underlying economic or security interests with which they were not always compatible.⁷ In addition to their direct contribution to policy making, the views of these groups played an important role in influencing public perceptions of China and of US interests there, creating enduring images that persist and continue to shape policy to this day.⁸ These “myths” about China have played an important role in political debate, providing simplified narratives that are used to justify competing policy

⁶ John King Fairbank, *China Perceived: Images and Policies in Chinese-American Relations* (New York: Vintage Books, 1976); Richard Madsen, *China and the America Dream: a Moral Inquiry* (Berkeley: University of California Press, 1995); Harold Isaacs, *Scratches on Our Minds: American Images of India and China* (New York: J. Day: 1958); Christopher T. Jespersen, *American Images of China, 1931-1949* (Stanford: Stanford University Press, 1996); Warren Cohen, *The American Response to China: A History of Sino-American Relations* (New York: Columbia, 1990).

⁷ John King Fairbank, *The Missionary Enterprise in America and China* (Cambridge: Harvard University Press, 1974).

⁸ Fairbank, *China Perceived*; Michael H. Hunt, *The Making of a Special Relationship: The United States and China to 1914* (New York: Columbia University Press, 1983); Paul A. Varg, *The Making of a Myth: The United States and China, 1897-1912* (East

proposals.

In addition to the representations of China mentioned above, perceptions of the US interest in China have been influenced by ideas about the relationship of China policy to other foreign policy decisions. Thus, understandings of the situation in China and the appropriate response have often been framed by perceptions of US relations with other countries, particularly Japan and later the Soviet Union.

As well as moving within its own constellation of symbols, and being influenced by US relations with other nations, US-China policy has historically been framed by broader debates about the nature of US security, economic, and ideological interests; debates that are arguments both about the nation's enduring national identity, and about how it should be understood and adapted to a specific historical challenge.⁹

Finally, major decisions have institutionalized certain ideas about the national interest with regard to China, establishing a new status quo, shaping expectations, and setting the terms of debate for the future.¹⁰

I use the concept of *recognition* as a framework for examining the interaction between interests and ideas in the construction of the national interest with regard to China.¹¹ I consider five defining moments in the history of US-China relations: the Open

Lansing: Michigan State University Press, 1968).

⁹ Sanjoy Banerjee, "The Cultural Logic of National Identity Formation," in Valerie M. Hudson, *Culture and Foreign Policy* (Boulder: Lynne Reiner Publishers, 1997). The role of national identity on interest formation is discussed below in the literature review.

¹⁰ Judith Goldstein and Robert O. Keohane eds., *Ideas and Foreign Policy, Beliefs, Institutions, and Political Change* (Ithaca: Cornell University Press, 1993).

¹¹ Charles Taylor, "The Politics of Recognition," in Amy Gutman (eds) *Multiculturalism: Examining the Politics of Recognition*, (Princeton: Princeton University Press, 1994);

Door policy of 1898-1900; the recognition of the Republic of China in 1911-13; the non-recognition of the PRC in 1947-53; the normalization US-PRC relations in 1972-79; and the decision on WTO/PNTR in 2000. In three of the cases examined, 1913, 1949, and 1979, the decision concerned the recognition of a new or, in 1979, an existing regime in China. In the first and last cases, the Open Door and the WTO, China's government had not changed, but these decisions strongly resemble recognition because each involved a judgment about China's status in the international community, redefined relations between China and the US, and provoked a public debate over US interests in China, expectations for China's future development and the anticipated consequences of US policy.

In many ways, these moments of recognition resemble paradigmatic shifts.¹² In each case, events in China or in the broader context of US-China policy created mounting pressure on the existing policy framework, resulting in a fundamental re-examination of US policy. Resolution of the crisis involved not only a reassessment of policy in the light of new circumstances, but also a re-evaluation of the US role in China that amounted to a change of worldview. In the process, participants within and outside government offered competing interpretations of the same body of facts and of their implications. These interpretations were based partly on ideological convictions that led them to stress different aspects of the American foreign policy tradition or national identity, and partly

Axel Honneth, *The Struggle for Recognition: the Moral Grammar of Social Conflicts*, (Cambridge: MIT Press, 1996).

¹² Thomas S. Kuhn, *The Structure of Scientific Revolutions*, 2nd ed., Chicago: University of Chicago Press, 1970.

on differing interpretations of other international problems, including their understanding of America's relations with Japan and with Russia. As a result of the shift in policy, one vision emerged victorious and would be institutionalized as policy, shaping the terms of future debate. Proponents of defeated views were marginalized, yet in each case, the marginal view would survive, often to be revived in later moments of crisis.

The multi-layered meanings of the word recognition lend themselves well to my task of exploring the several aspects, material and conceptual, which have fed into the construction of US foreign policy toward China. First, there is the obvious level of *formal* recognition. In each case, the US had to pass judgment on China's prospective status in the international community or, as in the case of the WTO, in an international economic organization. In effect, it had to consider China's role as a player in a certain international game. On each occasion, the US response had important implications for China's future, for the US-China relationship, and for other participants.

Beyond its formal meaning in international law, the concept of recognition encompasses several other meanings that are useful in sorting out the different ways in which ideas shape the perception of interests. The idea of recognition frequently has a *normative* quality, implying a sense of approval or validation that goes beyond the neutral acknowledgment of the existence of a nation or regime.¹³ In his study of attempts to establish new international systems or regimes, Alexander George argues that they

¹³ "The act of acknowledging as true, valid, or entitled to consideration; formal acknowledgement as conveying approval or sanction of something; hence notice or attention accorded a thing or person." *Oxford English Dictionary*, 2nd ed. (Oxford: Clarendon Press, 1989), vol. 8, 341.

require both cognitive and normative legitimation; the former referring to public perceptions of the president's qualifications to make foreign policy decisions, and the latter to the need for those decisions to be justifiable in terms of enduring national identity and experience.¹⁴ Although recognition is often seen as a legal status to be granted on the fulfillment of certain objective conditions, I will show that normative legitimacy has been important and contentious in every major debate over China policy and each recognition of China has implied an element of endorsement for a particular regime, and certain expectations with regard to the future.

Arriving at the decision has in turn drawn on a more basic, *cognitive*, type of recognition.¹⁵ As we shall see, decisions about recognizing China have rested on certain perceptions of the situation in China at that time, of its future prospects and of the nature of US interests there. Yet, even at this level, the process has been far from straightforward. On each occasion there were significant differences of opinion among governmental and nongovernmental actors on all of these counts and the debate over the national interest was at least partly an argument over what was actually happening in China, how the situation was likely to develop, and what US interests were. Very often, these debates also involved an assessment of US relations with other countries, most specifically Russia and Japan.

¹⁴ Alexander L. George, "Domestic Constraints on Regime Change in U.S. Foreign Policy: The Need For Policy Legitimacy," in Ole R. Holsti, Randolph M. Siverson, and Alexander L. George, eds., *Change in the International System* (Boulder: Westview Press, 1980), 235.

¹⁵ "The action or fact of apprehending a thing under a particular category, or as having a certain character." *Oxford English Dictionary*, vol. 8, 342.

I also consider two less obvious aspects of recognition: the *reflexive* and the *transformative*. Perception of the “other” says something about the observer, and US policy toward China has always revealed something of the way the United States views itself. This reflexive aspect of recognition encompasses enduring ideas about the national identity, but it is also shaped by historically specific debates about the source of US prosperity and its global responsibilities. Like other levels of recognition, this self-perception has also been a contested terrain.¹⁶ As a result, each recognition decision has also been about defining a certain role for America with regard to China and the world at large. Even at times when apparently objective factors such as shifts in the international balance of power or a dramatic increase in trade and investment opportunities in China provided sufficient justification for a change in policy, this reflexive debate has been an important part of establishing normative legitimacy.

Finally, in accepting one of these representations and acting upon it in policy toward China, successive recognitions have also been *transformative*. Recognition changed the status quo, throwing the weight of US policy behind one interpretation of China’s situation and one set of desired outcomes. As such, each decision has formed the basis for the next round of decision making, crystallizing certain expectations and providing the context for future debate.¹⁷

¹⁶Michael H. Hunt, *Ideology and Foreign Policy* (New Haven: Yale University Press, 1987); Alexander Wendt, “Anarchy is What States Make of It,” *International Organization*, 46, no. 2 (Summer) 1992, 391-425; and *The Social Theory of International Politics* (Cambridge: Cambridge University Press, 1999); Banerjee, “The Cultural Logic of National Identity Formation.”

¹⁷ Another aspect of recognition that I will not consider here, is the *reciprocal* one of

Literature Review

Foreign policy can be approached from a number of disciplinary perspectives, including international relations, American politics, public policy, and history/area studies, each of which brings a different emphasis and approach to the material. My research draws both on the work of historians and area specialists, who highlight themes that are often ignored or undervalued in the search for theoretical elegance, and on recent work in international relations that explores the role of ideas in foreign policy making.¹⁸

For most of the lifespan of the discipline of international relations, realism, and later the neorealism represented by the work of Kenneth Waltz, has been the dominant paradigm.¹⁹ In response to what they saw as the misguided and utopian idealism of the interwar period, scholars such as E. H. Carr and Hans Morgenthau criticized the attempt to apply to the international sphere the institutions and norms of democratic politics, which they saw as sustained by a set of historically specific social and cultural circumstances. Instead they argued instead for a politics based on the acknowledgment of

China's changing perception and response to the US.

¹⁸ Paul Gordon Lauren, "Diplomacy: History, Theory, and Policy" in Paul Gordon Lauren, ed., *Diplomacy* (New York: Free Press, 1979), 3-18; Goldstein and Keohane, *Ideas and Foreign Policy*; Wendt, *The Social Theory of International Politics*; Peter J. Katzenstein, ed. *The Culture of National Security: Norms and Identity in World Politics* (Berkeley: California University Press, 2000); Hudson, *Culture and Foreign Policy*.

¹⁹ There has been considerable debate over the relationship between classical realism and neorealism, over which scholars belong to which school, and over what constitutes the defining characteristics of both theories. Many distinctions can indeed be drawn both among scholars critics classify as realist or neorealist, and even within the work of individuals over time. See for example the debate between Richard Ashley, Robert Gilpin, and Kenneth Waltz in Robert O. Keohane, ed., *Neorealism and its Critics* (New York: Columbia University Press, 1986).

the human lust for power and enduring conflicts of interest.²⁰

Motivated by their concern for the avoidance of war, these theorists charged the statesman with the responsibility of working to maintain the balance of power that they saw as crucial to the maintenance of peace. Although they acknowledged that the goals of nations are many faceted, and culturally and historically specific, their primary focus was on security and on the acquisition of power.²¹ In considering the role of ideas, the early realists considered them primarily in the context of ideology - as justifications for behavior whose real roots lie in self-interest - or in the context of efforts to attain an ideal but unachievable state of international harmony.²²

While claiming classical realism as its ancestry and also stressing the balance of power, neorealism, usually represented by the work of Kenneth Waltz, downplays the role of human nature and instead emphasizes the primacy of the international system in determining state behavior, viewing the foreign policy agenda as fundamentally determined by rational state actors in response to the challenges and opportunities of an anarchic international environment. Although not a theory of foreign policy *per se*, it assumes that states have an objective “national interest” in the context of their interaction with other states in the international arena: to survive and to maximize their power

²⁰ Edward Hallett Carr, *The Twenty Years Crisis, 1919-1939: An Introduction to the Study of International Relations* (New York: Harper & Row, 1939); Hans J. Morgenthau, *Scientific Man vs. Power Politics*, (Chicago: University of Chicago Press, 1946).

²¹ *Politics Among Nations*, 6th ed. (New York: Magraw-Hill, 1985) 11.

²² Morgenthau considers the role of national identity in *In Defense of the National Interest* (New York: Knopf: 1951), but the topic features less prominently in his better known work, *Politics Among Nations*.

relative to other states.²³ Although Waltz acknowledges that states may fail to pursue the national interest due to lapses of rationality or domestic pressures, the national interest is assumed to be identifiable and discerning it is the task of the foreign policy maker. Like the “public interest,” the national interest appears as an almost metaphysical purpose that transcends the interests of individuals or groups, and actual policy can be evaluated against its standard.²⁴ Because academic neorealists are primarily concerned with system-level outcomes and treat states as functionally equivalent units, the role of domestic interests and ideological factors is generally excluded from the analysis.

A very different view of the relationship between the national and domestic interests has been offered by scholars who see the national interest as embodying the goals of domestic groups, generally economic elites.²⁵ In their view, US foreign policy over the decades has broadly reflected the interests of the corporate business community, with ideology serving an instrumental role in mobilizing support for the realization of these interests. Challenges to the neorealist conception of the national interest have also come from the field of international political economy, falling into rough groupings descended from earlier liberal, Marxist, and mercantilist thinking. These perspectives differ in their understanding of what constitutes the national interest, with liberals seeing

²³ Kenneth N. Waltz, *The Theory of International Politics* (Reading, Mass: Addison-Wesley, 1979).

²⁴ James N. Rosenau, *The Scientific Study of Foreign Policy* (New York: Free Press, 1971), 239-49; Friedrich Kratochwil, “On the Notion of Interest in International Relations,” *International Organization*, vol. 36, issue 1 (Winter), 1982, 1-30.

²⁵ Charles A. Beard, *The Idea of the National Interest: an Analytical Study in American Foreign Policy* (Chicago: Quadrangle Books, 1966); William A. Williams, *The Tragedy of American Diplomacy* (New York: Dell Publishing Co., 1962).

it as a shared human interest in further economic integration, Marxists as the interest of capital owning elites, and mercantilists as the state interest in furthering its political power through the accumulation of superior resources. However, each assumes that there is little difficulty in discerning the objective interests involved and, while not necessarily denying the existence of cultural, ideological, and symbolic factors, largely excludes them from the analysis or, in the case of Marxism, regards them as epiphenomenal.

Much recent theorizing in international relations has taken the form of critiques of neorealism. Although Waltz makes it clear that his goal is not to explain or predict specific instances of state behavior, many scholars have been frustrated by the inability of his theory to provide a framework for doing this, and have sought to modify, supplement or reject some of neorealism's assumptions; most notably the idea of a unified national interest, the focus on the international environment to the exclusion of domestic politics and institutional factors, and the belief that only material interests rather than ideas cause behavior.

The end of the Cold War saw a surge of theoretical work that employs concepts drawn from comparative politics and theories of interest group behavior in domestic politics to build a framework for foreign policy analysis that incorporates both international and domestic factors. Robert Putnam laid the general framework for this work by describing foreign policy making as a "two-level game" in which political leaders face pressures both from the international arena and from their domestic

constituencies.²⁶ While accepting that the international system imposes constraints on state behavior, this approach questions the neorealist assumptions that state actions can be adequately explained by reference to systemic variables; that the state is a unitary actor that engages in rational decisionmaking; and that political decision making in the domestic sphere is characterized by hierarchy.²⁷

Instead these scholars assert that foreign policy is only broadly determined by the international system. Leaders have a certain leeway to select their foreign policy goals and the means of pursuing them, and in doing so they consider the domestic implications of their choices. This “residual variance” attributable to different domestic circumstances leads to significant differences in state responses to similar international pressures.²⁸ These writers also question the neorealist assumption of a unitary state with a durable and coherent “national interest.” Unless state survival is directly at stake, they contend, domestic actors will rarely be united behind a unified set of foreign policy goals and instruments. Instead, the “domestic distributional consequences” of foreign policy (its impact on different constituencies) will lead societal groups and political actors to have

²⁶ Robert D. Putnam, “Diplomacy and Domestic Politics: The Logic of Two-Level Games,” *International Organization*, vol. 42 (Summer) 1988, 427-60; David Skidmore and Valerie M. Hudson, eds., *The Limits of State Autonomy: Societal Groups and Foreign Policy Formulation* (Boulder: Westview Press, 1993); Peter B. Evans, Harold K. Jacobson, and Robert D. Putnam, *Double-edged Diplomacy: International Bargaining and Domestic Politics* (Berkeley: University of California Press, 1993); Helen V. Milner, *Interests, Institutions, and Information: Domestic Politics and International Relations* (Princeton: Princeton University Press, 1997).

²⁷ Kenneth Waltz’s *Theory of International Politics* is usually the statement of structural realism taken for criticism. Skidmore and Hudson, *Limits of State Autonomy*; Milner, *Interests, Institutions, and Information*.

²⁸ Evans, Jacobson and Putnam, *Double-edged Diplomacy*; Skidmore and Hudson, *Limits*

different preferences.²⁹

Two-level game theories have obvious advantages over those that are purely state or society centered but, at least so far, their applicability is limited. Milner's specific concern is with cooperation agreements, which effectively impose a clear outcome – countries either manage to coordinate their interests or they do not. As she acknowledges, most work in this vein deals with trade policy, and calculations of interests are made entirely in economic terms. Yet many policy decisions involve ideological concerns such as human rights, anti-communism, or religion.³⁰ Furthermore, even apparently objective security or economic interests look very different when viewed through different conceptual lenses.

Given their rational emphasis, and the primacy given to security and economic interests, until the 1980s few theorists of international relations considered the role of ideas in shaping foreign policy or, if they did, it was in the context of a criticism of idealism.³¹ There has recently been more interest in exploring the way in which ideas influence policy making

Drawing on Max Weber, Robert Keohane and Judith Goldstein have argued for including the role of ideas into frameworks for understanding foreign policy making. They distinguish three kinds of beliefs: *worldviews*, which include religious and

of State Autonomy.

²⁹ Milner, *Interests, Institutions, and Information*, 36-7

³⁰ *Ibid.*, 63.

³¹ E.H. Carr is an exception, as is Robert Jervis, *Perception and Misperception in International Politics* (Princeton: Princeton University Press, 1976), although he approaches the issue from a psychological angle.

ontological beliefs that “define the universe of possibilities for action;” *principled beliefs*, which are normative ideas that specify how to distinguish right from wrong; and *causal beliefs* about cause-effect relationships that indicate how to achieve objectives. These ideas form a hierarchy of depth and ease of change, with worldviews operating at the most profound level, and causal beliefs about how to achieve desired or avoid unwanted outcomes being the most susceptible to revision.

Goldstein and Keohane start from Weber’s premise that while material interests govern action, ideas act as “switchmen” determining the tracks along which it runs. They suggest three causal pathways. First, ideas serve as road maps in the sense that normative preferences or particular beliefs about causality will choose participants to prefer one course of action over another. Second, when more than one outcome is possible, ideas can act as a “glue” to help build a consensus for a particular course. Finally, “ideas embedded in institutions specify policy in the absence of innovation,” by which they mean that ideas have a causal effect because when they form part of the basis of a policy choice they become institutionalized in norms and rules.

Alexander Wendt goes further than Goldstein and Keohane in his claims about the way in which ideas affect the formation of interests. Taking what he terms “a modernist constructivist” position, Wendt rejects the radical conceptual relativism of some post-modernists, pointing out that although the world may permit of many representations, some will prove erroneous and even fatal; that testing theories against others allows us to establish their relative success, if not their relationship to any pre-theoretical truth; and that in the natural if not in the social sciences we have made progress in our ability to

understand and predict. He also argues for what he calls a “rump materialism” which recognizes that “brute facts” (differences in military strength, wealth, geography and natural resources) impose hard constraints, “defining the outer limits of feasible activity and the relative costs of pursuing various options.”³² However, Wendt challenges the neorealist assumption that interests are constituted by material facts, arguing that not only do ideas act as intervening variables between material capabilities and interests and outcomes, but that they often play a constitutive role in the perception of interests. As he puts it, “we want what we want because of how we think about it.”³³

Drawing on cognitive psychology and cultural anthropology, Wendt views interests as a kind of cognition, in the sense that desires and motivations are shaped by “schemas” about how the world works, about self-identity, and about what is desirable. These frameworks of knowledge are partly determined by biological drives, but also strongly influenced by socialization and culture. For the state, Wendt argues that ideas play a constitutive role at two levels, on the unit level in terms of beliefs about state identity, and at the system level in terms of beliefs about the international environment and the particular state’s relationship to it.³⁴ In a similar vein, but with a more empirical focus, Jepperson, Wendt, and Katzenstein argue that the national security interests of many states have changed in ways not explicable by changes in the balance of power or the distribution of capabilities, and that even security interests are defined partly in

³² Wendt, *Social Theory of International Politics* 56-68; 109-111; 111.

³³ *Ibid.*, 114.:119.

³⁴ *Ibid.*, 122-35

response to cultural factors, including both national identity and international norms.³⁵

Other recent work on the role of ideas focuses more exclusively on national identity, and the way in which culture and shared national experience shape the way in which people conceptualize and respond to new foreign policy challenges. Work in this vein often references the work of Clifford Geertz on the role of culture as a web of shared meaning that shapes the interpretation of the world and that of Benedict Anderson and Ernest Gellner on the historical development of national identities.³⁶ Seeking to avoid the static conceptions of national character that gave early studies of political culture a bad name, these scholars explore the ways in which conceptions of national roles and identities shape decision makers' perception of events and interests. They show how in times of crises, debates over foreign policy become conversations in which the participants appeal to competing visions of the national identity, and dispute the impact that certain courses of action will have upon it.³⁷

In the American context, scholars have identified a narrative of national identity with regard to foreign policy that encompasses several recurrent debates. One is over the relationship between the quest for national greatness and the promotion of liberty, a theme that had its origins in the struggle between Thomas Jefferson and Alexander

³⁵ Ronald Jepperson, Alexander Wendt and Peter Katzenstein, "Norms, Identity and Culture in National Security," in Katzenstein, *The Culture of National Security*.

³⁶ Clifford Geertz, *The Interpretation of Cultures: Selected Essays* (New York, Basic Books, 1973); Benedict Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism*, (London: Verso, 1983); Ernest Gellner, *Nations and Nationalism* (Oxford: Blackwell, 1983).

³⁷ Banerjee, "The Cultural Logic of National Identity Formation;" Hellmut Lotz, "Myth and NAFTA: the Use of Core Values in U.S. Politics," in Hudson, *Culture and Foreign*

Hamilton in the 1790s, pitting Jefferson's vision of the US as an agrarian republic enjoying its liberty with little need for contact with the potentially corrupting outside world, against Hamilton's vision of American as "the embryo of a great empire:" a great commercial nation with a strong navy "able to dictate the terms of the connection between the old and the new world!" Another is the tension between order and democracy prompted by the experience of the French Revolution and characterized by the debate between John Adams and Thomas Jefferson. Michael Hunt argues that although the expansionist vision of Hamilton and Adams' cautious attitude to political change became the dominant trends, dissenting views have continued to fuel persistent tensions in US foreign policies ever since.³⁸

This work resonates with work of Axel Honneth and Charles Taylor, both of whom argue that group conflict can fruitfully be seen as a struggle for recognition. Drawing on Hegel, George Hebert Mead, and the object relations theory of Donald Winnicott, Honneth challenges the Hobbesian view, so dominant in much international relations theory, of the inevitability of conflict inherent in a world in which autonomous individuals motivated by fear and greed are unrestrained by a higher power. Taking exception to Hobbes's reduction of motivation to material desires, Honneth argues that individuals are also motivated by the desire for recognition of their individuality and the pursuit of equal status and respect and that these symbolic concerns shape their

Policy.

³⁸ Michael H. Hunt, *Ideology and US Foreign Policy*, 17-18; 25; 24.

perception of material interests.³⁹ In a similar vein, Charles Taylor argues that much of contemporary identity politics is a struggle for the recognition of and provision of conditions for the survival of, groups' specific cultural identity.⁴⁰

This literature challenges the assumption shared by neorealists and two-level game theorists that interests and identities are given or exogenous, seeing them instead as subject to contention, and to redefinition and adaptation through experience, debate, and interaction. Although these issues have often been the preserve of postmodernists, they have also been explored by modernist liberals interested in topics such as the role of ideas in regime change, consensus-building and policy legitimation.⁴¹

These considerations raise important questions that seem to be largely absent from contemporary discussions of US-China relations, at least those written by political scientists, which have focused largely on changes in the international environment and the role of domestic groups. As mentioned above, most of this work takes the end of the Cold War and the Tiananmen crisis as a dividing line and focuses on the role of domestic groups in post-Cold War policy making. The events of 1989 produced a burst of publications on US-China relations, much of it describing the intense battles over policy in the 1990s. Many writers see human rights groups as exerting a considerable influence over policy in the early 1990s, culminating in Clinton's 1993 decision to link the

³⁹ Honneth, *Struggle for Recognition*.

⁴⁰ Taylor, *Multiculturalism*.

⁴¹ Alexander Wendt, "Anarchy is What States Make of it: the Social Construction of Power Politics," *International Organization*, vol. 46, no. 2. 391-425; George, "Domestic Constraints on Regime Change"; Richard Melanson, *American Foreign Policy Since the Vietnam War: the Search for Consensus from Nixon to Clinton* (Armonk: M.E. Sharpe,

continued extension of most-favored-nation status to improvements in human rights.

Thomas Metzger and Ramon Myers blame the deterioration of US-China relations in the 1990s largely on the influence of the Chinese pro-democracy movement, which they regard as naive and utopian, and David Shambaugh praises the Clinton administration for later reclaiming China policy from the human rights interest groups who had “captured” it after Tiananmen.⁴²

Most observers also point to the mobilization of business interests following Clinton's election, and consider that they played a crucial role in persuading the President to delink MFN and human rights in 1994. Richard Bernstein and Ross Munro claim that China more or less blackmailed US corporations with interests in China into pressuring Clinton to delink trade from human rights in 1994.⁴³ In his more comprehensive account of Clinton's China policy, Lasater also attributes delinkage to the influence of corporate interests, saying that business found allies among members of the administration responsible for trade and economic policy who were critical of the State Department's management of China policy.⁴⁴ Analysing the 1993 Executive Order that linked extension of MFN to improvements in human rights, and the 1994 decision to delink it again, David Lampton puts pressure from the business community, supported by economic agencies, administration staff, and a group within Congress, top of his list of factors contributing to

2000).

⁴² Thomas A. Metzger, and Ramon H. Myers, *Greater China and US Foreign Policy*; David Shambaugh, “The United States and China: Cooperation or Confrontation?”

⁴³ Metzger and Myers, *Greater China and US Foreign Policy*; Bernstein and Munro, *Coming Conflict with China*.

⁴⁴ Lasater, *Changing of the Guard*, 64.

Clinton's decision to delink.⁴⁵ Surveying the groups active on China policy between 1989 and 1997, Robert Sutter of the Congressional Research Service concludes that business interests were strategic in bringing about Clinton's reversal on MFN in 1994 and that the Taiwan lobby was responsible for forcing Clinton give Taiwan President Lee Teng-hui a visa in 1995.⁴⁶ Like most other commentators, Sutter concludes that the superior resources and unity of business has enabled it to win out over other groups seeking a greater prominence for human rights. In the case of Taiwan policy he feels that although the Taiwan lobby has won some short-term victories, as in the case of Lee's visa, in the long run, China is winning the battle.⁴⁷

This literature generally takes the concepts of the national and domestic interests as unproblematic, although David Lampton's recent book, *Same Bed Different Dreams*, does include a brief discussion of how historical experience and narratives of self-identity have colored perceptions of interests on both sides.⁴⁸ It is also notable for its lack of historical context: the crisis presented by Tiananmen is the starting point for most studies and few writers on contemporary foreign policy give more than a cursory glance to the history of US-China relations. This creates two problems. First, without an historical analysis, it is hard to say how the current state of relations between governmental and nongovernmental actors compares with earlier periods or whether they offer any insights

⁴⁵ Lampton, "US-China Policy in the Age of the Finance Minister;" Kenneth Lieberthal, "Domestic Forces and US-China Relations."

⁴⁶ Sutter, *U.S. Policy Toward China*.

⁴⁷ Ibid.

⁴⁸ David M. Lampton, *Same Bed Different Dreams: Managing U.S. China Relations, 1989-2000* (Berkeley: University of California Press, 2001).

into modern circumstances. In particular, the pre-1914 period suggests itself as an interesting comparison, characterized as it was by a multi-polar international system and a high level of economic interdependence. Second, without reference to the history of US-China relations it is hard to understand the importance of religious and political interests or the fervor of the debates.

These themes are found in the work of historians and area specialists who have focused on US-China relations. They reveal several motives for US involvement in China that continue to shape policy today: the lure of the market, the desire to bring Christianity to the world's most populous nation, and democratic idealism, or the desire to promote the spread of republican government and democratic institutions. As the 19th century drew a close, there arose the additional question of whether China would be dominated by Russia, posing a security threat.⁴⁹

Work on the early period of US-China relations points to the complexity of the relationship between national and domestic, and material and ideological, interests. This literature has a strong critical bent, highlighting the selective perception of China by many Americans: their exaggerated appraisals of China's commercial potential; their failure to recognize the importance of Chinese nationalism; and their assumption that a modern China would be cast in America's image. Emphasizing the importance of this formative period for the evolution of later policy, many authors trace later problems in China policy back to this early period in which unfortunate patterns of thought and action

⁴⁹ Varg, *Making of a Myth*, 15; Tang Tsou, *America's Failure in China 1941-1950* (Chicago: University of Chicago Press, 1963), vol. 1, 5.

were forged.⁵⁰

Because this literature is by area specialists and historians, the policy making process itself is not the primary object of analysis. Yet, even without explicit intent this work makes it clear that the US national interest in China was never clear or uncontested. At least some of the difficulties in formulating an appropriate China policy resulted from the different and sometimes contradictory interests held by the various constituencies involved with China policy, and these interests cannot be reduced to the economic. With missionaries and business people pursuing different agendas, successive administrations were forced to decide which of their goals to endorse and how far to go in using state power to support them. Nor were governmental actors always unified in their views. Presidents, secretaries of state, and diplomats serving in and outside China often held different conceptions both of the national interest and the best means of achieving it.

Neither was the nature of specific interests straightforward. As we shall see, while security was always a concern, there was frequent disagreement about the nature and degree of the threat and the best means of addressing it. Economic interests were nearly always exaggerated, partly as a result of the enduring myth of the China market, while political and missionary interests reflected a paternalistic conception of America's relationship to China that often overestimated the prospects for political reform and underestimated Chinese nationalism and anti-foreignism.⁵¹

⁵⁰ Varg, *Making of a Myth*; Tsou, *America's Failure*; Madsen, *China and the American Dream*; and Foster Rhea Dulles, *American Policy Toward Communist China, 1949-1969* (New York: Thomas Y. Crowell Company, 1972).

⁵¹ Hunt, *Special Relationship*; James Reed, *The Missionary Mind and American East*

Perception of the nature of these interests, the relationship among them, and the best way to realize them was also shaped by debates over broader US goals: expansionism in the 1890s, self-determination in the 1910s, anti-communism in the 1940s, détente in the 1970s, and globalization in the 1990s.⁵²

Methodology: the Recognition Decisions

This research uses a historical method to show how US policy toward China has evolved over the last century, with each instance of recognition marking a shift in policy that shaped the debate for the subsequent period. It draws both on the political science literature and on the work of historians and area specialists, as well as government documents, newspaper articles, and autobiographies of key actors.

For each episode, I first describe the situation to which US policy was a response, the legacy of past policy, and the factors that led to the need for a new recognition. I then consider the policy making process and its outcome through the framework of the five aspects of recognition. 1) At the formal level, what were the policy options open to the

Asia Policy, 1911-1915 (Cambridge: Harvard University Press, 1983), Hunt documents the lack of convergence between American and Chinese interests between 1898 and 1914 and the long-term consequences of the failure to recognize this. See also Jespersen, *American Images of China*.

⁵² Thomas J. McCormick, *China Market: America's Quest for Informal Empire, 1893-1901* (Chicago, Quadrangle Books, 1967); Marilyn B. Young, *The Rhetoric of Empire; American China Policy, 1895-1901* (Cambridge: Harvard University Press, 1968). McCormick and Young stress the role of expansionist ideology in bolstering exaggerated perceptions of the potential of the China market and the formulation of the Open Door policy. Reed emphasizes the importance of missionaries and their home public in the recognition of the Republic of China and America's response to the 21 demands in 1911 and 1915.

US and what were their implications? How would different US policies affect China's international status, the relationship between the US and China, and the position of the US in relation to other powers and the international system? 2) At the cognitive level, who was involved in the process of defining the situation in China and how did their representations of it differ? What was the role of governmental actors and interest groups in shaping the conception of US interests in China and 3) To what extent did these representations include a normative, or aspirational component? 4) On the reflexive level, what was the context for the recognition of China? What other debates did China policy intersect with and how did it reflect or shape them? What effect did this context have on the understanding of the US role in the world and US interests in China? 5) Finally, what was the legacy of the recognition decision? How did it change China's status and the relationship between the two nations? What assumptions and expectations did the decision embody, and how did it shape the relationship in future years?

Chapter outlines

The Open Door. The Open Door Notes of 1899 and 1900, though not entailing the recognition of a new state or regime in the sense of international law, nonetheless marked an important moment in US-China relations. For most of the 19th century Americans in China operated within the framework of the treaty system, benefiting from concessions won from the Qing government by the European powers. Washington pursued a policy of laissez-faire, maintaining a distance from the activities of businessmen and missionaries there, who themselves pursued agendas that were not

entirely compatible. By the late 1890s, however, several factors were undermining the viability of this policy. For different reasons, business and missionary interests were pushing for more active support from the government, the Qing dynasty was seriously weakened, and Japan and the European powers were extending their influence over ever larger territories. What appeared to be the imminent partition of China threatened to bring an end to free trade and equal access for the US.

In the summer of 1899 US Secretary of State John Hay issued a note to the powers asking them to subscribe to the principle of equal commercial opportunity in China, agreeing not to interfere with treaty ports or special interests within their spheres of interests, and to apply the existing tariffs to all goods passing through their ports. In 1900, when the foreign powers again seemed likely to partition China after the Boxer rebellion, the US issued a second note calling for the preservation of China's territorial integrity and the protection of equal opportunities for trade. Although the notes were given only grudging acknowledgment by the powers, the US pronounced them accepted.

Although the Open Door Notes became the cornerstone of American policy toward China for decades to come, and acquired an aura of inevitability, at the time they were far from the only course open. The McKinley administration considered a number of options, from inaction to taking Chinese territory and joining in partition. Each of these positions would have entailed a different recognition of the role China was to play in the international community, of the legitimacy of the Qing government, of China's condition, and of the nature of US interests there. The debate was shaped by emerging myths about the symbolic relationship between the US and China and took place within the context of

the debate over expansionism. The policy that emerged from this conjunction of international and domestic, material and ideological factors would crystallize certain assumptions and aspirations that would play an important role in shaping US-China policy for decades to come.

Recognizing the Republic of China, 1911-13. When the Qing dynasty was overthrown in 1911, the US had to decide whether to recognize the new republic. The decision was by no means straightforward. It entailed an endorsement of the revolution and, by definition, the rejection of the Manchu regime which the US had recognized since 1844. It raised the question of whether the new government would honor existing treaties, and whether it was capable of maintaining economic stability. On a broader level, the debate over recognition reflected differences of opinion over the requirements for recognition and over the role of the US in supporting new democracies around the world.

There were many differences of opinion over how the US should respond. On the international level, Britain and the European powers were waiting for assurances that the regime would abide by existing treaties and obligations, and expected the US to follow suit. Business interests were opposed to hasty recognition, but missionaries gave wholehearted support to the new government. Within the Taft and then the Wilson administrations, key governmental actors took different positions on the issue. On a reflexive level, the views of Presidents Taft and Wilson reflected very different conceptions of the normative meaning of recognition and of the US role in the world. Taft placed less emphasis on democracy than on economic interests and China's willingness to uphold international obligations, while Wilson's policy toward China reflected his

emphasis on consent and self-determination. His position was also influenced by his connections with the missionary world.

Wilson's 1913 decision to recognize the Republic of China encapsulated a highly selective perception of the new government that was strongly influenced by missionary views, and an idealized conception of the US role in China. Both were to have important implications for future policy.

Non-recognition of the People's Republic of China, 1949. When it became apparent in the late 1940s that the Guomindang (KMT), America's ally in the Second World War, was losing the civil war against the Chinese Communist Party (CCP), the Truman administration was forced to consider whether it would be prepared to recognize the People's Republic of China. The decision, which came to a head with the founding of the PRC in October 1949, had momentous implications. To recognize the PRC would be to abandon the Republican government on which the US had hung its aspirations for China since 1913, and to admit the Chinese Communist Party to the international table, including the Security Council of the United Nations.

Harry Truman, Dean Acheson, General George C. Marshall and George Kennan all wanted to disengage from the KMT and were prepared to recognize Communist China. Business groups, missionaries and most China experts were also cautiously in favor of recognition. All hoped that recognition and trade would lure the CCP away from the USSR and perhaps even lead to an Asian Titoism. But the administration was stalled by differences of opinion over how to extricate themselves from the KMT and by a group of enthusiastic supporters of Chiang Kai-shek who formed a coalition with isolationists

and fiscal conservatives in Congress to hold the European Recovery Program hostage to aid for Chiang. This group had an entirely different perception of the situation in China and of the role the US had played in the past and should play in the future.

The continuation of small amounts of aid to the KMT and the delay in recognizing the People's Republic led to the deterioration in relations and an escalation of propaganda on both sides. At the same time, discussion of China policy increasingly became part of the broader debate over containing Communism. With China's entry into the Korean War in 1950, Taiwan, now regarded as a vital bastion against Communism in Asia, became the recipient of substantial military and economic aid. As a result, US policy became frozen in the form preferred by the China Lobby and Chiang's exile regime was recognized as the government of the whole of China.

Normalization of Relations with the People's Republic of China, 1972-1979.

Nixon's decision to thaw the chilly relationship that had persisted between the US and China since 1950 and initiate a new relationship that would result in the normalization of relations in 1979 was an enormous shift in policy. It is generally seen as a prime example of realist foreign policy in action – the coming together of two former enemies to increase their leverage against a third power.

However, although the international balance of power was the paramount concern for Nixon and Kissinger, and economic and ideological concerns took a back seat, other factors did come into play in making normalization possible and shaping the form it took. Religious organizations and China scholars played an important role in turning around public opinion well before Nixon's trip and presenting an image of China that contrasted

with the threatening images of the 1950s and early 1960s. In the period between the Shanghai Communiqué in 1972 and normalization in 1979, there were contrasting views of how the US relationship with Taiwan should be handled, and Congress also played an important role in modifying the Taiwan Relations Act.

Although Nixon explicitly stated that domestic issues were not relevant to the relationship and that recognition in 1979 did not imply approval, Nixon and Kissinger, and later Carter, went out of their way to present the CCP in a favorable light and Mao and Zhou as great leaders. In granting MFN in 1980, proponents in Congress were also optimistic about the impact trade that would have on the political environment in China. Although Nixon and Kissinger stressed geopolitics and security concerns, in the end recognition prompted the revival of all the old issues in US-China relations that had been suppressed since 1950. It also laid down a particular formula for dealing with the Taiwan situation which continues to complicate policy.

China's Accession to the World Trade Organization, 2000. China's accession to the WTO can be seen as a final act of recognition. Although formally concerned only with trade, debate over the bill became the venue for an all-encompassing debate over US relations with China. The question this time was not whether the US should recognize China's government but whether China was entitled to become a full member of the international economic community, arguably no less important a table to which states seek admission. The criteria, beyond China's willingness to join, appear to have been 1) whether China itself may at some point become a military threat to the United States and thus whether the US should contribute to the growing economic power of a potential

rival; 2) whether China's membership might have a detrimental effect on the US economy, through the competition of imported goods with domestic manufactures and the export of US capital and jobs to China; and 3) whether China's record on human rights should not justify excluding it from the international trade organization in order to retain some leverage.

The nature of the national interest in China was strongly contested, with each side marshalling different descriptions of the situation there and making different claims about the relationship between security, economic, and political interests. These representations contained many ghosts from earlier debates in China policy and revived many of the old conflicts about America's role. The debate also reflected the larger conflict over the role of the WTO in general and the virtues of free trade agreements such as NAFTA and Fast Track. Although proponents repeatedly denied that PNTR was an endorsement of the regime, its passing has nonetheless crystallized a certain perception of the situation in China and expectations of how things will develop.

Conclusion. A brief chapter summing up the main themes and suggesting possibilities for future research.

Chapter Two

The Open Door

Although the Open Door Notes of 1899 and 1900 did not constitute recognition in international law, they captured many elements of that process, marking an important departure from previous US policy toward China and establishing what were to become enduring patterns in relations between the two countries. Yet, although the international circumstances prompted a shift in policy at this time, and economic interests played an important role, neither changes at the international level nor the activities of domestic groups can adequately explain the policy that was pursued or the tangled interactions of governmental and nongovernmental actors that produced it. Perhaps more importantly, neither captures the implications of the complex mix of ideas and interests that were institutionalized as policy and shaped US-China relations in the decades that followed.

Before turning to the Open Door, it is important to understand the policy environment that preceded it and the factors that made a change in US policy seem necessary.

China as treaty partner – US relations with China prior to 1895

Until the 1840s, US relations with China were governed by the “Canton system” established by the Chinese in 1759 as a way to manage their dealings with British merchants.¹ American merchants began trading with China in 1784 and early commerce

¹ John King Fairbank and Merle Goldman, *China, A New History* (Cambridge: Harvard University Press, 1998), 195.

in silks, porcelains and tea was lucrative, encouraging fantasies about the potential of the China market. However, trade was subject to numerous restrictions. Foreigners had to limit their business to the port of Canton and operate only through specified intermediaries. American missionaries, the first of whom arrived in 1830, were also strictly limited in their activities.²

The US did not establish a diplomatic mission in China until 1843, with merchants conducting their own consular business prior to that. This was largely because the Chinese emperor refused to receive foreigner emissaries on terms of equality, regarding diplomatic missions as tribute bearers from barbarian states. However, for several decades the US government did not push for formal relations, and to the extent that there was a China policy it grew out of the actions of Americans in China.³

Missionaries and businessmen coexisted in China but were not always in accord. Their disagreements stemmed from their different agendas. Businessmen aimed to make money, missionaries to convert the Chinese to Christianity and eliminate many of their traditional customs. As a result, missionaries criticized the involvement of American merchants in the opium trade and their often lavish lifestyles, both of which undermined

² Paul A. Varg, *Missionaries, Chinese and Diplomats. The American Missionary Movement in China, 1890-1952* (Princeton: Princeton University Press, 1958).

³ Michael H. Hunt, *The Making of a Special Relationship: the United States and China to 1914* (New York: Columbia University Press, 1983), 10-6. There was no reaction from Washington, for example, when the American sailor Francis Terranova was executed by the Chinese after a perfunctory trial in which he was held responsible for the accidental death of a local woman.

missionary claims of Christian virtue.⁴ They also chafed under the restrictions of the Canton system, which denied them access to potential converts, and they pushed for change in China's exclusionary system of foreign relations, which the first American missionary, Elijah Bridgman, described as "replete with evils."⁵

As the most communicative group of Americans in China, missionaries were also the primary source of information about events there for many Americans. Through writings and talks given on visits home, their perceptions colored the public's understanding of China and things Chinese. Earlier images, influenced by European writers of the 18th century, who had presented the Chinese as a highly civilized and cultured people governed by enlightened bureaucrats, were replaced by accounts that cast the same population as a swarming mass of uneducated, depraved heathens, whose conversion should be pursued even if it required violent means.⁶ "The Chinese," said S. Wells Williams, "need harsh measures to bring them out of their ignorance, conceit, and idolatry."⁷

American businessmen, meanwhile, were more prepared to take the Chinese as they found them and sell them opium if they wanted it. They made the best of their opportunities within the existing framework of relations and, although they wanted to

⁴ Arthur Schlesinger Jr., "The Missionary Enterprise and Theories of Imperialism" in John King Fairbank, ed., *The Missionary Enterprise in China and America* (Boston: Harvard University Press, 1974).

⁵ Hunt, *Special Relationship*, 38.

⁶ Michael H. Hunt, *Ideology and US Foreign Policy* (New Haven: Yale University Press, 1987), 69-71; Harold R. Isaacs, *Scratches on Our Minds: American Views of India and China* (Armonk: M.E. Sharpe, 1980), 124-40. The negative image of the Chinese was reinforced by the fear of growing Chinese migration to the US.

improve the environment for trade, were largely unconcerned with broader issues of reform. Many had little social contact with Chinese and were unsympathetic toward the often impoverished, zealous missionaries who seemed to be bringing trouble upon themselves.⁸

Britain forced the Chinese to end the Canton system through the Opium War of 1839-42. The Treaty of Nanjing, the first of the Unequal Treaties, opened up four more ports to trading, required that China treat foreign envoys as equals, and kept Chinese tariffs low.⁹ America remained neutral in the conflict, benefiting somewhat from the disruption of trade between the Chinese and the British. But when the war was over, there were concerns that the concessions won by the British would put American traders at a disadvantage unless the US could negotiate similar treatment. Congressmen eyed the enormous Chinese population hungrily. Disagreeing with those who begrudged the cost of maintaining a consul, Representative Isaac E. Holmes from South Carolina said it was impossible to estimate “how much of our surplus productions might be sold in that almost boundless country and how much of our tobacco might be there chewed, in place of opium.”¹⁰

Others disputed the importance of the mission when trade was growing without it,

⁷ Hunt, *Special Relationship*, 35.

⁸ *Ibid.*, 36-40. There were exceptions, including the firm of D.W. C. Olyphant, which financed the first American mission to China and later provided free passage to missionaries on its ships. Isaacs, *scratches*, 126.

⁹ John King Fairbank, *The United States and China*, 3rd ed. (Cambridge: Harvard University Press), 142-6.

¹⁰ Wen Hwan Ma, *American Policy Toward China* (New York: Arno Press and the New York Times, 1970), 8.

and resented the Chinese refusal to deal with foreigners on equal terms. But after some debate, in March 1843 Congress passed the bill and President Tyler appointed Caleb Cushing as the first commissioner to China with the task of concluding a treaty.¹¹ Cushing's mandate, as laid out by Secretary of State Daniel Webster, was primarily commercial: to secure equal access to Chinese ports and other facilities with a view to expanding American exports. But it also attempted to differentiate Americans from the British and establish credentials with the Chinese as a friendly and pacific power:

It cannot be wrong for you to make known,... that the United States, once a country subject to England, threw off that subjection years ago. asserted its independence... and now meets England upon equal terms upon the ocean and upon the land. The remoteness of the United States from China, and still more the fact that they have no colonial possessions in her neighborhood, will naturally lead to the indulgence of a less suspicious and more friendly feeling than may have been entertained towards England, even before the late war between England and China.¹²

Missionary interests are not mentioned in Cushing's mandate, although Peter Parker returned to America to urge the President and Congress in support of the Opium Wars, and many other missionaries wrote to journals on the subject.¹³ But missionaries had a great interest in the terms of the treaty and their language skills and knowledge of China got them what they wanted: Cushing was accompanied in the negotiations by three

¹¹ Ibid., 7-10; see also, Ping Chia Kuo, "Caleb Cushing and the Treaty of Wanghia, 1844," *Journal of Modern History*, vol. 5, issue 1, (March) 1933, 34-54.

¹² Ma, *American Policy Toward China*, 11-2. This hope was not new. John Adams had remarked in 1785, "Much will depend upon the behavior of our people who may go into those countries [of the East]. If the endeavor by an irreproachable integrity, humanity, and civility to conciliate the esteem of the natives, they may easily become the most favored nation: for the conduct of European nations in general, heretofore, has given us a great advantage." Hunt, *Special Relationship*, 13-4.

¹³ Stuart Creighton Miller, "Ends and Means: Missionary Justification of Force in

missionaries, Samuel Wells Williams, Elijah Bridgman and Peter Parker, who saw to it that toleration of their activities was on the agenda.¹⁴

The Manchu government extended the same concessions to America that it had granted to Britain, and in July 1844 the two sides signed the Treaty of Wanghia, effectively America's first recognition of China.¹⁵ China, whose rulers saw their land as the political and cultural center of the world, owed respect and tribute by other countries, was forced to assume the role of one state among many and to participate, albeit in limited fashion, in the international trading system. At the same time it had to take on treaty obligations that compromised its autonomy and placed it in an inferior position to nations it regarded as barbarian. The treaty also created an equality among the powers with regard to China: under the most-favored-nation clause, the Chinese agreed to extend future concessions to all of them.¹⁶

The treaty reflected a complex mix of interests, attitudes, and aspirations, not all of which were explicitly voiced in the text. Cushing was charged with securing equality of commercial opportunity, reflecting the already inflated hopes for the China trade. But

Nineteenth Century China," in Fairbank, *Missionary Enterprise*.

¹⁴ Varg, *Missionaries, Chinese and Diplomats*, 5.

¹⁵ *Ibid.*, 28-30. In fact, the Americans got slightly more, with a clause that stipulated that American citizens committing a crime in China would be tried and punished by the American consul. This was the beginning of extraterritoriality.

¹⁶ Kuo, "Caleb Cushing," 36. In fact, Cushing's trip to win equal status was unnecessary. The British informed him on his arrival that the Chinese had agreed to extend the same new rights won by the British to all nations. This was in accordance with the Chinese tradition of treating all foreign nations, which the emperor regarded as vassal states, with "equal benevolence." Earl H. Pritchard, "The Origins of Most-Favored-Nation Status and the Open Door Policies in China," *Far Eastern Quarterly*, vol. 1, issue 1 (February) 1942, 161-72.

the treaty also gave formal endorsement to the activities of missionaries, enabling them to press forward with their work despite the aversion of the Chinese and the limited progress they had made. Their interests were included not as the result of a prior decision in Washington, but because missionaries were indispensable assistants to diplomats in China. Nonetheless, the interest of missionaries in spreading Christianity, which was only tangentially linked to commercial interests, was part of US policy from the very start.

The treaty also reveals the odd nature of the US position toward China. In choosing not to take part in the war that made the treaty possible, but requesting equal treatment afterwards, the US was able to benefit from the concessions forced from China by the British without acknowledging responsibility for her humbled status. Webster's mandate to Cushing reflected the national concern with self-determination and America's desire to set itself apart from the European imperialists and its old rival, Britain, but it failed to acknowledge that the US was the beneficiary of the practices it criticized.¹⁷

The Wanghia Treaty had important legacies. It was the first formal acknowledgment of the importance of the China trade by Washington and it expanded opportunities for US companies. Far less intentionally, by ending the ban on proselytizing and studying with Chinese teachers, it allowed missionaries more scope for evangelism. This contributed to their becoming an important constituency for reform and political change in China and also to the rise in anti-foreign feeling among the Chinese, both of

¹⁷ As Fairbank puts it, "By our own revolutionary tradition, we were conscientiously opposed to colonialism, suspicious of European machinations, a bit holier-than-they in our early abstention from empire and even from power politics. Yet at the same time by demanding most-favored nation treatment we were quick to enjoy all the semi-colonial

which would have a significant effect on future policy. On a political level it involved the US in a relationship that mixed altruistic aspirations with participation in a system that eroded China's autonomy. Amongst other things, this created a blind spot for many observers with regard to Chinese nationalism and xenophobia, and an exaggerated perception of shared interests between the US and China.¹⁸

The treaty was to provide the framework for US-China relations until the close of the century. In 1858 its reach was extended when the British and French forced the Chinese to open the country further to both foreign business and evangelism. On the pretext that the Chinese had not complied with the Treaty of Nanjing and still refused to receive foreign envoys as equals, they attacked the capital. America again remained neutral, although several prominent missionaries called for the use of force.¹⁹ Most missionaries opposed the idea of the US taking territorial concessions, but when negotiations over the establishment of diplomatic missions in Beijing were stalled in May 1858, Peter Parker advocated sending troops and possibly seizing Formosa. His influential missionary colleague, Samuel Wells Williams, also supported the use of force.²⁰

fruits of extraterritoriality." Fairbank, *The United States and China*, 290.

¹⁸ Fairbank, *The United States and China*; Hunt, *Special Relationship*.

¹⁹ Samuel Wells Williams said the Chinese "would give nothing unless fear stimulated their sense of justice, for they are among the most craven of all people, cruel and selfish as heathenism can make men, so we must be backed by force if we wish them to listen." Miller, "Ends and Means," 261.

²⁰ Williams was responsible for inserting clauses in the Tianjin Treaty that guaranteed tolerance for missionaries and their Chinese converts. He noted later that if the Chinese had understood the implications of these clauses they would never have signed. Varg, *Missionaries, Chinese and Diplomats*, 9-12.

Despite the more open environment, US trade with China saw a downturn during the 1860s as a result of civil war at home and stiff competition with European companies in China. Exports decreased from \$9 million in 1860 to \$1 million in 1875 and the number of US firms operating in China fell. Missionaries were more active. Not content with the newly gained right to travel short distances outside the treaty ports, they pressed into the interior, where their presence provoked the hostility of the rural population and led to increasing outbreaks of anti-missionary violence.²¹

Until the last decade of the 19th century, Washington did not take active measures to support either constituency. Provided that China fulfilled its treaty obligations, successive administrations were content to secure the benefits that were granted to other foreign powers and to protect American citizens there, and they made a point of doing no more. Washington endorsed the idea of increasing trade with China, but it did little to promote it beyond a little tinkering with the tariff. Regarding open access to markets as the only necessary condition for US business to prosper, the US government gave no assistance to specific businesses or financiers seeking loans or concessions and seems to have been concerned that shady or overly ambitious firms might taint the national image. In 1887, President Grover Cleveland expressly forbade the Minister in Beijing Charles Denby to use his position to promote American companies. This stood in marked contrast to the policy of the European and Japanese governments, whose legations actively supported companies seeking contracts and concessions in China. Denby, who received

²¹ Ibid., 154-7; 180-1. Chinese peasants accused missionaries of sorcery, child murder, and lechery. The gentry, who saw missionaries as a threat to the Confucian tradition and

frequent requests for assistance, and knew that European firms were receiving state backing, sent repeated appeals to the State Department, but was unable to reverse the ruling.²²

Nor was the US government entirely supportive of missionary activity in China in the 1860s and 1870s. US officials in China were aware that missionary work provoked hostility among the Chinese, and that anti-foreign uprisings disrupted commerce and undermined the stability of the central government, lessening its ability to meet the requirements imposed on it under the Unequal Treaties. Anson Burlingame, Frederick Low, and Benjamin Avery, who served as ministers to Beijing during this period, were unsympathetic to missionary pleas for government protection. Although they did not recall the missionaries from the interior, the ministers rejected the claim that the missionaries' expansion into the hinterland was sanctioned by treaty rights. Furthermore, the American ministers were unwilling to weaken the Chinese government further by obliging it to take the unpopular step of defending the missionaries. Charles Denby, who assumed the post in 1885, initially took the same view, considering that missionaries often brought unnecessary "worry, bother and vexation" to the legation.²³

With the establishment of the permanent legation in Beijing in 1860, US diplomats in China acquired more status and a larger role in shaping policy. Their influence was increased by the distance between the two countries, the slowness of

their own status within its social hierarchy, made no effort to protect them.

²² McCormick, *China Market*, 68.

²³ Hunt, *Special Relationship*, 158-61. Some members of the legation, including Charles Denby, noted that Chinese complaints about missionaries were remarkably similar to

communications, and the lack of knowledge about China in Washington. Along with missionaries, they became the sponsors of the third strand in US China relations, the promotion of political reform.

All the Western powers were inclined to look hopefully on any reforms that might make China more cooperative about opening the country to trade and missionary activity, but many American diplomats went further, feeling that the US could act as a guide and role model for China's reform and development. Where missionaries concentrated on religion and social work, diplomats thought that the US could play a positive role through investment in railroads and mines, the development of trade, and sponsorship of education. These men kept their eyes open for "enlightened" reformers on the Chinese side who might be their counterparts, and hoped that China might one day follow the path of Japan. Even in 1904, when his dreams for China were already considerably less ambitious, and Japan was already far ahead in terms of political and economic modernization, Charles Denby continued to hope that China might still "emulate or surpass Japan, which, in less than fifty years, has gotten rid of her old customs, and has leaped fully equipped into the arena of modern nations."²⁴

The relationship between diplomats in China and their superiors in Washington illustrates the difficulty of talking about a cohesive governmental interest, let alone a national one. Very often US diplomats were committed to a more activist approach than Washington, witness Denby's efforts on behalf of the American China Development

American exclusionists complaints about Chinese.

²⁴ David Healy, *US Expansionism: the Imperialist Urge in the 1890s* (Madison:

Corporation. Sometimes they undertook their own ventures. Anson Burlingame, who became Minister in 1861, started a school of language and literature in Beijing. He did this partly for political purposes, on the grounds that instruction in “sound morals as well as accurate knowledge would tend to exert a lasting and excellent influence at the seat of government in support of peace and commerce throughout all the provinces.”²⁵ In 1867, on leaving the US diplomatic service, Burlingame even became a minister for China, leading the first Chinese diplomatic mission to the United States and Europe. Their enthusiasm for reform and the independence from Washington displayed by diplomats such as Burlingame, even while in office, often makes them seem more like an independent constituency than merely a branch of the state apparatus.²⁶

But the diplomats’ attitude toward reform continued to reflect the tensions in US policy. On the one hand, they favored political reform that would make China more open and modern, but on the other, they had an interest in ensuring that China’s existing government was strong enough to uphold its treaty obligations and resist succumbing to foreign domination. At the same time, while hoping that the Qing would both survive and reform, America exploited the existing weakness of the imperial regime, never declining or renouncing any of the privileges secured by the Unequal Treaties.²⁷ Finally, concern for China’s future did not entail equality. Diplomats regarded China as a ward, with

University of Wisconsin Press, 1970), 103.

²⁵ Hunt, *Special Relationship*, 172-3. Characteristically, Chinese were asked to fund the school but it was administered by foreigners.

²⁶ *Ibid.*, 169-77.

²⁷ *Ibid.*, 172-3. Anson Burlingame, when he acted as Minister for the Chinese mission to the United States in 1867, did call for a more “humane and Christian” construction of the

America as guardian and mentor. Even when representing China, Burlingame behaved with arrogant paternalism, rarely bothering to consult the Chinese government in Beijing that was his nominal employer.²⁸

In addition to having different priorities in China, US diplomats disagreed about means and ends. If they agreed that the Qing needed to modernize, they disagreed over how to induce it to do so. The Minister who succeeded Burlingame, Ross Browne, soon became thoroughly frustrated with Chinese officialdom. Losing all hope in the possibility of reform, he concluded that the Chinese were bent on driving foreigners out of the country and thought that a joint effort by the powers would be the only way to batter down what he termed “the walls of isolation, ignorance, and superstition.”²⁹

By the beginning of the 1890s, the US presence in China had expanded within the framework of the treaty system. There were 81 US businesses operating in China and more than 1000 missionaries were posted there. The US had a permanent legation in Beijing and ten consulates throughout the country. Americans in China had a common interest in remaining in China and continuing their respective activities, but beyond this their goals were sometimes contradictory. Businessmen wanted little more than equal opportunity and a peaceful environment for trade, while missionaries wanted greater protection that would further curtail Chinese sovereignty and, like many members of the legation, had broader ambitions to change China by peaceful or coercive means. While

treaties, but no one seems to have gone further.

²⁸ *Ibid.*, 170-1. The Chinese exclusion laws were another obvious example of the general reluctance on the part of Americans to regard Chinese as equals. With the exception of a few missionaries and businessmen, few opposed them.

protecting their rights under the treaties, Washington did not take active measures to expand the opportunities of either missionaries or businessmen, and kept a certain distance from both groups. Finally, governmental actors did not present a unified view. Diplomats in China generally favored a more active commercial policy than Washington, and were more invested in political reform. Yet, even among themselves, they disagreed about the best methods for achieving their goals.

Even at this early stage, it is clear that US interests in China were fragmented in nature and sometimes contradictory in their goals. American influence in China was exerted primarily through nongovernmental actors, whose activities had a differentiated rather than a unified impact on China.

US-China relations in the 1890s – the treaty system under strain

The 1890s saw a shift in the US relationship with China and the build-up of tensions as the treaty framework was placed under growing strain. Over the course of the decade, a number of factors combined to create pressure for a reappraisal of US policy toward China.

On the business front American firms showed a renewed interest in China. Exports grew from \$3 million to \$14 million over the decade, and investment had grown to \$20 million by the end of the century, up from only \$6 million in 1875. The number of businesses with an interest in China had also increased to more than 150 firms, and they now included not only import and export concerns but also oil and textile producers, and

²⁹ Ibid., 173.

railway equipment companies. The Treaty of Shimonoseki that ended the Sino-Japanese war in 1895 opened up seven new ports and three new rivers to foreigners and permitted them to own manufacturing enterprises in China, presenting new opportunities for trade and investment.³⁰ Some influential businessmen were also beginning to take an interest in investment possibilities, primarily in railroads, mines, and telegraph and telephone systems. In 1898, the American China Development Company obtained a concession to build a railway between Hankou and Canton.³¹

Despite a spurt in growth, US commercial interests in China were more promise than reality. Trade with China was only two percent of all US foreign trade and was not growing faster than trade with other countries. America claimed only nine percent of all China's foreign trade and 2.5% of foreign investment.³² Furthermore, there were many indications that the fantastic projections for the China trade were unlikely to materialize. In 1899, the US Consul-General in Hong Kong, Rounseville Wildman, pointed out that "99 percent of China is still closed to the world. When the magazine writer refers in glowing terms to the 400,000,000 inhabitants of China, he forgets that 350,000,000 are a dead letter so far as commerce is concerned."³³ Even in those areas that were accessible to foreign businessmen, the vast majority of the population was too poor to buy imported

³⁰ McCormick, *China Market*, 60-1

³¹ Hunt, *Special Relationship*, 150. The American China Development Company (ACDC) was organized in 1895. Its shareholders included E.H. Harriman, Jacob Schiff of Kuyenn, Love and Company, the Presidents of the National City Bank and the Chase National Bank, former Vice President Levi Morton, an associate of J. P. Morgan, and the Carnegie Steel Corporation. The deal later fell through when the ACDC decided the terms were not sufficiently favorable.

³² *Ibid.*, 152.

goods.

American companies felt themselves at a disadvantage in competition with countries whose governments took a more active role and, with the support of the legation, they began to push for more governmental support. When China turned to the foreign powers for loans to pay her indemnities to Japan in 1895, Charles Denby appealed to President Cleveland to allow him to lobby on behalf of US bankers at a time when the US might receive credit for helping China extricate herself from the war.³⁴ Secretary of State Walter Q. Gresham refused; and European bankers, with the support of their governments, won both that and the second indemnity loan. However the tide was beginning to turn. In 1896, the new Secretary of State Richard Olney finally ordered Denby to “use your personal and official influences and lend all proper assistance to secure for reputable representatives of [American] concerns the facilities for... contracts as are enjoyed by other foreign commercial enterprises in the country.”³⁵

Both governmental officials and American businessmen were coming to regard China as the site of economic competition between the US and the other powers. This changed perception, both of the prospects for US business in China and of the need for the state to support it, was not merely the result of increased commercial activity or a realistic appraisal of the potential of the China market, but at least partly the result of the widespread acceptance of an expansionist ideology that linked American prosperity to

³³ Varg, *Missionaries, Chinese and Diplomats*, 38.

³⁴ McCormick, *China Market*, 67-8.

³⁵ *Ibid.*, 73.

overseas exports and investment.

At the same time, also at the urging of the legation, policy on missionaries became less ambivalent. This shift in policy was the result of a combination of factors rather than an initiative generated in Washington, and it rested at least in part upon a new interpretation of the relationship between missionary, commercial, and state interests. As missionaries fanned out into the interior of China, repeated attacks upon them brought calls for protection. Riots in the Yangtze Valley in 1891 were followed by more serious incidents in Chengdu, Sichuan and Fujian in 1895. After the riot in Chengdu in July 1895, missionaries gathered in Shanghai and drafted a proposal demanding an investigation, the punishment of offenders, and compensation for lost property and salaries. Local officials were to be held responsible for anti-missionary incidents regardless of their own role. Charles Denby, who had originally been less than fully supportive of the missionaries, now argued that the whole American position in China would suffer if attacks went unpunished. He endorsed the missionaries' demands and went so far as to call for gunboats to bombard the area.³⁶ Denby stressed the connection between religious and commercial interests in China, saying, "Missionaries are pioneers of trade and commerce.... Civilization, learning, and instruction breed new wants which commerce supplies.... The missionary, inspired by holy zeal, goes everywhere and by degrees foreign commerce and trade follow."³⁷ More prosaically, he remarked, "Fancy what what would happen to the cotton trade if every Chinese wore a shirt! Well, the missionaries are

³⁶ Hunt, *Special Relationship*, 158-64.

³⁷ McCormick, *China Market*, 66-7.

teaching them to wear shirts.”³⁸

The press was divided over the extent to which the missionary interest deserved to be regarded as a national one, with some papers arguing that the US should use the missionary incident to seize territory and establish a protectorate, as the Germans would do in Kiaochow (see below). Others thought the missionaries were bringing trouble on themselves and that the state had no business supporting sectarians. In the end, the administration supported Denby’s position.³⁹ With the backing of Secretary of State Olney, the legation set about forcing the Chinese government to agree to a set of demands requiring that China acknowledge full treaty rights for missionaries in the interior and that local officials take responsibility for riots regardless of their own involvement. The Chinese resisted, but a decree issued in October 1898 ordered local officials to protect churches, treat missionaries courteously, and settle conflicts between local people and missionaries fairly.⁴⁰ Denby and others wrongly predicted that this show of firmness would prevent further violence and showed how severely they underestimated Chinese hostility to missionaries.⁴¹

Meanwhile, the legation continued its efforts to promote reform. Denby gave his

³⁸ Healy, *US Expansionism*, 186.

³⁹ The Washington Post argued against missionary work in China *per se*, and said that it was inappropriate for the United States, which had no national religion, to be “in the business of proselytizing for the benefit of some favored creed.” Marilyn B. Young, *The Rhetoric of Empire: American China Policy, 1895-1901* (Cambridge, Mass: Harvard University Press, 1968), 78.

⁴⁰ Young, *Rhetoric of Empire*, 85-6. Ironically the demand for official responsibility echoed the emphasis in Chinese law on collective responsibility, to which the US had objected in the past and used as a justification for extraterritoriality.

⁴¹ Hunt, *Special Relationship*, 163-6.

support to US companies and tried to persuade Li Hongzhang of the benefits of American involvement in the construction of the Chinese railroad system.⁴² But towards the end of his time in Beijing he was beginning to lose hope in the prospect that the Qing would reform and to favor a period of Anglo-American control in which the Chinese might overthrow the Manchu regime. Other Americans agreed that China would be better off under the direction of foreigners. In 1894 a group of Americans led by Li Hongzhang's private secretary, William Pethick, and a Delaware businessman, James H. Wilson, encouraged the Japanese to take Beijing and put Li in charge of the country. The plan had some influential supporters: former Secretary of State and counselor to the Chinese legation John W. Foster and by D. W. Stevens, then counselor to the Japanese legation. Attempts were also made to recruit Denby, but the scheme fell apart when the Japanese failed to take an interest.⁴³

Both the carrot and the stick approach to American sponsorship of reform involved highly selective perceptions of the situation. Although I will not deal extensively with the reciprocal aspect of the relationship, it is important to note that even Chinese reformers did not envisage the privileged role for the US, or other foreign powers, that these paternalistic diplomats favored. Chinese intellectuals and officials reacted in a variety of ways to the challenge presented by the military and technological superiority of the West. Some rejected outright the idea of employing Western methods; others subscribed to the idea of *ti-yong*, in which foreign technology and management

⁴² From 1870, Li Hongzhang was governor of Zhili, the province in which Beijing and the port of Tianjin are located. He was also Commissioner of Northern Ports.

techniques would be underpinned by, and serve to strengthen, traditional Chinese culture and values. Still others sought to reconcile Western values with a reinterpreted classical tradition.⁴⁴ But even as the number of Chinese who favored the introduction of Western political institutions grew, nationalism remained at the core of the movement and ridding China of foreign domination was a key goal.

By the late 1890s both the American commercial and the missionary presence had increased substantially, and both groups had become more vocal in requesting state support for their activities in China, with American businessmen seeking backing for their attempts to win railway concessions and missionaries seeking protection from hostile Chinese. Led by Minister Denby, always more activist than Washington, policy began to fall in line with their desires. Increasingly, it reflected the view that missionary and business interests were linked both to each other and to overall American prestige in China.

The Sino-Japanese War, spheres of influence, and the threat of partition

These growing tensions were exacerbated by the changing relationship among the powers in China, which threatened to destabilize the treaty system. Many Americans hoped that China's humiliating defeat in the Sino-Japanese war of 1894-5 would teach the Qing government that it must reform and encourage it to follow in Japan's path of

⁴³ Young, *Rhetoric of Empire*, 27-30.

⁴⁴ Joseph R. Levenson, *Confucian China and its Modern Fate* (Berkeley: University of California Press, 1958), vol. 1, 59-133. Jonathan Unger, ed., *Chinese Nationalism*, (Armonk: M.E.Sharpe, 1996) contains useful discussions of the development and multi-

modernization.⁴⁵ William W. Rockhill, China expert at the State Department commented, “A good thrashing will not hurt China in the least... It is the only tonic which seems to suit her.” Many American missionary journals approvingly cited the comments of the English missionary Griffith John that “war is going to be a great blessing for China. It is awful chastisement, but China needed it, and will be the better for it.” However, most would have preferred to see the punishment administered by the US and Britain than by Japan.⁴⁶

In fact, the main effect of the war was to weaken the Chinese government’s ability to resist foreign demands for territory and to restrain anti-foreign feeling. It also disrupted the former balance among the foreign powers in China. Under the Treaty of Shimonoseki, China ceded Formosa and the Pescadores to Japan and gave up control of Korea.⁴⁷ In November 1897 Germany seized the port of Kiaochow in Shandong, on the pretext that two German missionaries had been murdered. It followed up with a demand for a fifty-year occupation and exclusive railway and mining rights. China gave in to this, and subsequently to the Russian demand for Port Arthur and Dalianwan on the same terms. Britain then asked for a lease on Weihaiwei and, in April 1898, France obtained a ninety-nine year lease on Guangzhouwan, as well as a new railroad concession. A series of non-alienation agreements followed that consolidated the interests of Britain in the Yangzi

faceted nature of nationalism in China.

⁴⁵ *Ibid.*, 22.

⁴⁶ Miller, “Ends and Means,” 270.

⁴⁷ Japan also demanded concessions in Manchuria, but Russia, Germany and France pressured her to retract these demands. Foster Rhea Dulles, *China and America: the Story of their Relations since 1784* (Port Washington, NY: Kennikat Press, 1967), 98.

valley, France in Yunnan, Guangdong and Guangxi, and Japan in Fujian. Agreements between the powers further stipulated priority rights in the event that China should alienate these areas, essentially assigning the territories to particular powers in the event of partition.⁴⁸ The development of these spheres of influence and the likelihood that the powers would restrict trade and investment opportunities within them, looked as if it might lead to the break-up of China and threaten US access to markets, especially in North China and Manchuria, which absorbed two-thirds of American exports. In the long run, there was the possibility that China, like Africa, would be partitioned among the powers.⁴⁹

Faced with the growing likelihood of partition, the McKinley administration considered several alternatives. The first option was to do nothing, and hope that matters would not take a turn for the worse and that Russia and Germany would continue to allow free trade within their spheres of influence. The second was for America to attempt to prevent further foreign encroachment on China's sovereignty, acting either alone or in concert with other powers, most likely Britain. Finally, the US could join the fray and itself take control of a Chinese port or other territory.⁵⁰

The decision had important implications on each level of recognition. On the formal and most immediate level of China's future role in the international community, was the question of whether China would survive as an independent, or at least quasi-

⁴⁸ Young, *Rhetoric of Empire*, 74-5.

⁴⁹ McCormick, *China Market*, 90-1.

⁵⁰ Young, *Rhetoric of Empire*, 97-107; Hunt, *Special Relationship*, 177-82; McCormick, *China Market*, 134-7.

independent state. To do nothing, or to join in partition would have been to acquiesce in China's becoming a nation divided into spheres of influence and perhaps later colonies; an Asian Africa. To protect the Qing from this fate would enable it to continue to govern China as a sovereign state, albeit within the tightly constrained role dictated by the treaties.

If the US were to take a stand, the question of whether to do so alone or in alliance with Britain was also of great importance, and had implications for America's standing in the international community. Britain had until then been the major sponsor of the Open Door in China and had several times approached the US suggesting a joint action to maintain it. To accept would have been to perpetuate America's role as the "hitchhiker" on London's policy, while to act alone was to assert her equality with Britain and status as an important player in Asia. It would also allow America to take individual credit for saving China from partition, winning Chinese gratitude and perhaps preferential treatment.⁵¹

At the normative level, the legitimacy of the Qing regime was at stake. To permit or take an active role in partition would have been to write off the Manchu government as doomed to extinction and unworthy of support. To speak out in its defense was to show at least some confidence in its ability to reform and its willingness to accept American assistance and advice. On the cognitive level, the decision entailed an evaluation of the Qing's ability to survive, control anti-foreign violence, and initiate reform. It also required an evaluation of US economic and political interests in China and the best way

to defend them.

As we have seen, on all these counts, the situation permitted of more than one interpretation. Although there had been a recent spurt in activity, US economic interests in China were still quite small and the prospects limited. Missionaries had been extremely active, but they had made few converts and the depth of Chinese hostility toward them had not been fully acknowledged. Opinions about the competence and prospects of the Qing government also varied, with some observers voicing cautious optimism and others who considering that the empire was a lost cause and advocating a period of foreign tutelage.

In addition to demonstrating the selective perception of the various Americans involved in China, the debate over China policy within the McKinley administration and in the public sphere had a reflexive aspect that revealed differences in opinion about the appropriate role for the US in the international arena. Representations of the situation in China were colored by a larger debate over US expansionism, which gave events there a heightened significance and symbolism.

By the mid-1880s the US was fast becoming the most economically powerful nation in the world, but the source of the nation's prosperity was being reappraised.⁵² Most leading businessmen and commentators saw the depression of 1893-7 as the result

⁵¹ McCormick, *China Market*, 127.

⁵² Fareed Zakaria, *From Wealth to Power* (Princeton: Princeton University Press, 1998), 45-6. Between 1885 and 1898, America grew at average rate of 5% a year, despite the depressions of the mid-1870s and early 1890s. Production of wheat, corn, industrial goods, coal, and steel rose dramatically and by 1885 US had the largest share of world manufacturing output. In 1886 it became the world's biggest producer of steel. Britain

of overproduction and the closing of the frontier and thought that the expansion of foreign trade was the only way to prevent further depressions and ensure future growth. The National Association of Manufacturers, founded in 1895, stated that “our manufacturers have outgrown or are outgrowing the home market, and the expansion of our foreign trade is [the] only promise of relief.”⁵³ From 1893, presidents Grover Cleveland and William McKinley accepted the need for new markets and open trade, as did their Secretaries of State Walter Q. Gresham, Richard Olney and William R. Day. This interpretation of America’s economic situation was evident in the debate over the 1894 and 1897 tariffs, and it both encouraged the surge of interest in trade and investment with China in the 1890s, and fueled exaggerated assessments of the potential of the China market.⁵⁴

America’s economic success was widely regarded as evidence of a process of natural selection among nations. National superiority was used to justify an American expansion that went beyond the pursuit of foreign markets to encompass the export of

had an average growth rate of only 1.6% over the same period.

⁵³ McCormick, *China Market*, 36. In 1898 the New York Bankers Association resolved, “Our capacity to produce far exceeds our capacity to consume. The home market can no longer keep furnaces in blast or looms in action. That capital may earn its increment and labor be employed enterprise must contend in the markets of the world, for the sale of our surplus products. Ernest B. May, and James C. Thomson Jr., *American-East Asian Relations: a Survey* (Cambridge: Harvard University Press, 1972), 194.

⁵⁴ McCormick. *China Market*, 37- 49. There were few dissenters; the most notable were some labor spokesman who pointed to underconsumption as the real issue, and a group of Senators from the far west led by Frank J. Cannon of Utah, who believed that the pursuit of markets for industrial goods would result in wars. However, even this group favored expanding agricultural markets.

religious, cultural and political institutions.⁵⁵ Some felt that it justified colonialism.

Professor John W. Burgess of Columbia wrote that Anglo Saxons were “called to carry the political civilization of the modern world into those parts of the world inhabited by unpolitical and barbaric races; i.e., they must have a colonial policy.”⁵⁶ Others argued that the process of governing foreign nations would be beneficial to the American national character. Senator Henry Cabot Lodge remarked, “if a man has the right qualities in him, responsibility sobers, strengthens and develops him. The same is true of nations. The nation which fearlessly meets its responsibilities will rise to the task when the pressure is upon it. I believe that these new possessions and these new questions,... will improve our civil service, raise the tone of public life, and make broader and better all our politics.”⁵⁷ Such ideas had a wide circulation in the press and through religious congregations.⁵⁸

But these visions of expansion brought difficult decisions. The new emphasis on trade raised the question of how these overseas commercial interests were to be secured

⁵⁵ Drawing on Darwin, historian John Fiske published an article in Harper’s magazine in 1885 which concluded that “the work which the English race began when it colonized North America is destined to go on until every land on the earth’s surface that is not already the seat of an old civilization shall become English in its language, in its religion, in its political habits and traditions, and to a predominant extent in the blood of its people.” Similar views were publicized by the influential congregational clergyman, Josiah Strong, who emphasized the need to spread the Anglo-Saxon virtues of liberty and “pure spiritual christianity”?” Pratt, *Expansionists of 1898*, 3-6.

⁵⁶ Pratt, *Expansionists of 1898*, 8-9.

⁵⁷ John A. Garraty, *Senator Henry Cabot Lodge: a Biography* (New York: Knopf, 1953), 206.

⁵⁸ Pratt, *Expansionists of 1898*, 19-21. Strong’s book had a circulation of 170,000 copies in English. Mahan wrote for a number of periodicals, including *the Atlantic Monthly* and *Harper’s*. Henry Cabot Lodge often cited Mahan in the Senate and Roosevelt reviewed

and protected. There was a growing awareness that the decline of Britain would shake up the international balance of power and create new tensions and competition to which the US would need to respond. The greatest fear among influential commentators such as Brook Adams and Charles Conant was the growing strength of Russia and, in this new worldview, China took on a new importance as the likely site of competition for economic and political power. It represented the only major market not already dominated by Europe and, if Russia could control it, she would dominate Asia.⁵⁹

These considerations focused attention on the disproportionate weakness of America's diplomatic and military presence in the world. Although it was already the dominant economy, in 1890, the US had an army of only 25,000 men. The whole State Department was housed in a few rooms, and no European countries sent diplomats of ambassadorial rank to Washington.⁶⁰ In 1890, the naval officer Alfred T. Mahan drew attention to the issue, arguing that sea power was the most important factor in making and breaking nations and that it had been responsible for the rise of Britain as a commercial power. He wanted to see America build a strong merchant marine to defend its commercial interests and to establish coaling stations around the world.⁶¹ These views resonated with a report issued in 1889 by Secretary of the Navy Benjamin Tracy, which proposed building two fleets for the Atlantic and Pacific that would include twenty

his books favorably.

⁵⁹ Varg, *Making of a Myth*, 18.

⁶⁰ Zakaria, *From Wealth to Power*, 47-8. US territorial acquisitions between 1865 and 1890 were tiny compared to those of other countries. During that period the US took only Alaska and the Midway islands while Britain and France each took over three million square miles of colonies.

battleships, sixty cruisers and twenty coastal monitors. Although the proposal was watered down considerably in Congress, Tracy's argument that European states with less wealth and population had much bigger fleets and that America needed a navy capable of protecting her interests, was becoming widely accepted.⁶²

But although there was a broad consensus on the need to expand trade, there was considerable disagreement over whether it was appropriate for America to engage in imperialism, then taken to entail the acquisition of colonial territories. While men like Mahan and Cabot Lodge were sanguine about the idea of governing foreign peoples, many Americans were not. Anti-imperialists saw in territorial acquisitions a betrayal of the nation's democratic principles, endless expense, and the risk of corruption.⁶³ The ensuing debate reflected the ongoing tension between the pursuit of power and liberty in conceptions of America's national identity.

The main position of the anti-imperialists was that the acquisition of colonies violated the spirit of the Constitution. In December 1898, Senator George G. Vest of Missouri introduced a resolution stating that the Constitution did not give the federal government the power "to acquire territory to be held and governed permanently as colonies" and that any territory the US did take must subsequently be admitted into the Union as states. Anti-imperialists also made frequent references to Jefferson's principle that "all governments derive their just powers from the consent of the governed."⁶⁴ Carl

⁶¹ Quoted in Pratt, *Expansionists of 1898*, 12-3.

⁶² Zakaria, *From Wealth to Power*, 128-30

⁶³ May and Thomson, *American-East Asian Relations*, 200.

⁶⁴ Healy, *US Expansionism*, 232-5. The debate provoked a thoroughgoing discussion

Schurz also mocked the idea that American government was superior to that of other nations, remarking that under US rule, Manila might be lucky enough to enjoy “a council not much less virtuous than that of Chicago.” To those who thought that colonial rule would be merely a period of political tutelage followed by self-government, Yale Professor William Graham Sumner remarked bluntly, ‘We talk of civilizing lower races, but we have never done it yet... we have exterminated them.’ Meanwhile, Southern Democrats were happy to point out the inconsistency of Northerners who had opposed slavery but were comfortable with colonialism.⁶⁵

Most anti-imperialists opposed colonialism on the grounds that it was inconsistent with America’s national identity, but some also questioned it on economic grounds. Schurz argued that trade could be conducted without colonies, and that they had not saved Britain from decline. Furthermore, while the continental US was easy to defend, overseas possessions would be vulnerable to attack and require constant vigilance leading to higher taxes and a militaristic atmosphere. Edward Atkinson was one of the few to attack the assumption that large markets were the only consideration, pointing out that almost 80% of US exports went to Europe and that purchasing power not population size determined

about the representative basis of government: whether all or only “the best” elements of the population should be represented; whether some kind of tutelage would enable countries with no experience of democracy to learn it; whether people were all in fact created equal and had equal rights, or whether those rights were acquired as societies developed; and even whether the constitution should be revised if it was incompatible with colonial acquisitions.

⁶⁵ Ibid., 240; 238; 241. Booker T. Washington asked whether “this Government can do for the millions of dark-skinned races to be found in Cuba, Porto Rico, Hawaii and the Philippine Islands that which it has not been able to do for the now nearly 10,000,000 Negroes and Indians” in the United States.

the volume of trade. William Jennings Bryan argued that imperialism would profit only army contractors, ship owners, franchise holders, and colonial officials enjoying American salaries in undeveloped countries, but that it would entail only expense to American farmers and workers.⁶⁶

In 1898 Anti-Imperialist Leagues were organized in cities in the east, and in 1899 they were consolidated into the American Anti-Imperialist League. In addition to Schurz, their supporters included E.L. Godkin, the editor of *The Nation*, and a small group of journalists and businessmen who shared opposition to slavery and support for civil service reform. Some, like the Socialist Morrison I. Swift and the steel magnate Andrew Carnegie, were unlikely bedfellows. Samuel Gompers of the American Federation of Labor was a Vice President, out of concern that authoritarian labor practices in the colonies would undermine the rights of workers in the US and that the larger standing army they would require would be used for strike breaking at home. Not all labor activists followed his lead, however. Agricultural interests were also opposed to the taking of colonies on the grounds that cheap sugar and tobacco imports from the colonies would drive domestic producers out of business.⁶⁷ Although most religious groups were excited about new prospects for evangelism, Quakers and Unitarians were opposed.⁶⁸

With some dissenters, the Republican Party by and large supported expansionism and the Democrats opposed it. Democrat Grover Cleveland had opposed the annexation

⁶⁶ Ibid., 217-8; 243.

⁶⁷ Ibid., 220-1.

⁶⁸ Pratt, *Expansionists of 1898*, 288.

of Hawaii in 1893, and in the 1896 campaign, both the conservative Cleveland and the reformist William Jennings Bryan took the anti-imperialist position, although a number of influential Democratic senators, including John T. Morgan of Alabama, did not.⁶⁹

These differences of opinion, which had surfaced periodically at earlier times, came to a head at the end of the Spanish-American war when the US had to decide whether to retain control of the Philippine islands. The debate was also highly relevant to the question of how to respond to the crisis in China because part of the argument for retaining the Philippines was their role as a stepping stone to China. Colonel Charles Denby, back from China and a member of the Schurman Commission that investigated conditions on the islands and made recommendations to President McKinley on their future, wrote, "I advocated the acquisition of these islands chiefly on the ground that their possession would enable us to prevent the partition of China. Holding enormous territories in the Far East, we have the right to intervene in any matter which points to the destruction of our interests."⁷⁰

The situation in China created by economic competition, anti-foreign violence and the territorial encroachments of the foreign powers was therefore interpreted in the context of the ongoing debate over expansionism. The emphasis on trade as the driving force behind American prosperity encouraged US firms to look for opportunities in China and inclined both them and politicians in Washington to view existing trade as a taste of greater things to come. Meanwhile, the strategic importance given to China in Mahan's

⁶⁹ Healy, *US Expansionism*, 222-4. Influential editors William Randolph Hearst and Henry Watterson also tried to move Bryan from his anti-imperialist position.

and Adams' vision of an impending struggle between the United States and Russia provided an additional reason for protecting US interests there. In the ideological sphere, the debate reflected a strong belief in the superiority of American religious, cultural, and political values and a desire to export them to the rest of the world.⁷¹ But the debate over imperialism reflected a deep split in public thinking about the way in which America should assume its new role as a great power: through the direct imposition of its institutions and values through colonialism, or through the more indirect channels of trade, investment, and cultural exchange.

Redefining US-China relations

The immediate stimulus for a reconsideration of China policy stemmed from the actions of the other powers, but it did not in itself dictate a particular response. As we have seen, a number of responses were feasible which reflected different assessments of US interests in China and America's role in the world. Initially, the President pursued the first tactic of doing nothing. In the period before Christmas 1897, McKinley and his cabinet discussed China and decided to "keep a watchful eye upon the situation as it developed."⁷² In his December 1898 message to Congress, McKinley said he had had assurances from Germany, Russia, and Britain that their spheres of influence would

⁷⁰ Ibid., 192.

⁷¹ Ibid., 214-5. Even anti-imperialists had a low opinion of capacities of people from less developed countries. Schurz argued that people from southern climes were lazy, and that this provoked their rulers to violence, eventually leading to slavery. "Have we not enough with our own South?" he questioned.

⁷² McCormick, *China Market*, 96-7.

remain open to trade⁷³ and Secretary of State Sherman tried to placate business with vague statements of concern.⁷⁴ In fact a minority, including some important business people, thought that the US should support a Russian takeover of Manchuria, partly to improve relations between the two nations and partly because Russian development of the region would expand the market for US goods.⁷⁵

The second option of an alliance with Britain had been a possibility for some time. As early as October 1894, the British had suggested that the US, Germany, Russia, and France join her to intervene and prevent Japan from taking territory in China. The US declined partly because of unwillingness to ally with other powers, but also out of a feeling that if China were to lose, defeat might serve as an impetus to reform and opening in China.⁷⁶ In March 1898 the British made overtures suggesting joint opposition to commercial restrictions other powers might impose in their concession territories. McKinley rejected the proposal, saying there was no reason to depart from the American policy of avoiding "interference or connection with European complications."⁷⁷ Later the same year McKinley deferred a response on the grounds that he was preoccupied with the war with Spain.

However, there was significant support for an alliance with Britain. Secretary of State Hay, who had formerly been ambassador to England, thought it would be the best

⁷³ Young, *Rhetoric of Empire*, 94.

⁷⁴ McCormick, *China Market*, 97.

⁷⁵ Young, *Rhetoric of Empire*, 56. Both the American China Development Corporation and their competitors seeking railway concessions, took this view, feeling that Russian influence would be an extra guarantee of their interests.

⁷⁶ McCormick, *China Market*, 56.

option, although he knew that anti-British sentiment made it impossible. Former Secretary of State Richard Olney and Senator Henry Cabot Lodge were also in favor of some kind of Anglo-American cooperation, as had Charles Denby been towards the end of his term in China. Many American businessmen, who had close relations with their British counterparts, would have accepted this course.⁷⁸ However, Hay was concerned about anti-British sentiment among Irish and German voters. Furthermore, as time went on, it seemed that the British were no longer willing to take the lead on such a policy and were instead preparing to defend their own sphere of influence.

The third option, of taking a concession in China, received serious consideration at various stages of the crisis. Edwin H. Conger, the Minister to Beijing from 1898, was strongly in favor of the idea, urging that America “either by negotiation or by actual possession” should come to “own or control at least one good port from which we can potently assert our rights and effectively wield our influence.” The Navy, which had had to depend on the British for coal supplies in the Pacific during the Spanish-American war, was also anxious to acquire a coaling port in China.⁷⁹ Although President McKinley proclaimed in December 1898 that the US would not take territory in China and that US

⁷⁷ Dulles, *China and America*, 99-101.

⁷⁸ McCormick, *China Market*, 137-9. Englishmen such as Archibald B. Colquhoun and Lord Charles Beresford were influential in US government and business circles. Both believed that the US and Britain had many shared interests and promoted joint action in China. Beresford made a trip to the US in early 1899 on which he spoke to the American Asiatic Association and many other commercial organizations.

⁷⁹ Young, *Rhetoric of Empire*, 99; 104-5. Discussing the possibility of requesting one of the Chusan Islands. R.B. Bradford, Chief of the Navy's Bureau of Equipment, said “With the recent concessions made by China in the way of granting territory to other first-class nations,... it would appear that the United States might, with becoming modesty, ask for

interests could be protected without it, he certainly considered making such a move later, saying, "May we not want a slice, if it is to be divided?"⁸⁰

Although the taking of territory might appear the most aggressively expansionist option, many opposed it not merely because it ran counter to American ideals of self-determination and democracy, but also because it would reduce the territory accessible to US businessmen and missionaries. If America claimed a sphere of influence, it would be tantamount to recognizing the right of the other powers to exclude her from theirs. By contrast, if the US could persuade the other powers to keep their spheres of influence open to all, many were convinced that superior economic skills would enable American businessmen to dominate the market throughout China.⁸¹

As a result, although there was general agreement on the desirability of protecting US interests in China, there was no consensus on how it should be done. Each of the possible responses above received support from different quarters within the administration and from influential outsiders. Secretary of State John Hay summarized the government's ambivalent position in a letter to the editor of the *New York Sun* in March 1899:

It is not very easy to formulate with any exactness the view of the Government in regard to the present condition of things in China. In brief we are, of course, opposed to the dismemberment of that Empire, and we do not think that the public opinion of the United States would justify the Government in taking part in the great game of spoliation now going on... At the same time we are keenly alive to the importance of safeguarding our great commercial interest in that empire and... we do

one of these islands."

⁸⁰ Hunt, *Special Relationship*, 182.

⁸¹ McCormick, *China Market*, 129-31.

not consider our hands tied for future eventualities.⁸²

While McKinley stalled, American businessmen mobilized to call for some kind of action to prevent the curtailment of their opportunities in China. The Committee on American Interests in China (later to become the American Asiatic Association (AAA)) was formed in 1898 and, along with Chambers of Commerce in New York, Boston, San Francisco and other cities, called for government action to protect US interests in China.⁸³ At meetings and in articles in the *Journal of Commerce* and the *Commercial Bulletin* business interests criticized government inaction. In 1899, members of the American Asiatic Association visited Washington frequently to lobby the administration on China and raised a fund of \$1550 to educate the public on the need for a more active policy.⁸⁴

But though the business community was united in wanting the government to do something, it did not offer a specific policy recommendation. The New York Chamber of Commerce's petition to the administration called merely for "proper steps" for the "preservation and protection of... important commercial interest in [the Chinese] Empire."⁸⁵ Not all businesses saw Russia as a threat, and many of the same men who were hunting concessions in China were also involved in Russia.⁸⁶ Some, including the American China Development Corporation, favored seeking Russian guarantees for US investments in China and disliked the idea of an alliance with Britain because it would

⁸² Young, *Rhetoric of Empire*, 105-6.

⁸³ McCormick *China Market*, 93.

⁸⁴ Young, *Rhetoric of Empire*, 119-21.

⁸⁵ McCormick, *China Market*, 93.

⁸⁶ Young, *Rhetoric of Empire*, 69-71. In 1898 American firms signed contracts in Russia for shipbuilding, locomotives and airbrakes worth nearly \$25 million.

entail shifting the focus of American trade and investment out of its current base in Manchuria to the British-controlled Yangtze valley.⁸⁷ James Harrison Wilson and John James McCook even hatched an elaborate scheme to get McCook appointed as Secretary of War and W.W. Rockhill as Minister of China where they could back a syndicate of financiers to supply capital and skills for the construction of railroads in China and Russia.⁸⁸ Others would have been happy to see an Anglo-American alliance to ensure the continuation of free trade.

When the McKinley government finally acted, it chose the second option of trying to preserve the status quo in China without taking territory and without entering an alliance with Britain. The Open Door Notes were drafted for Hay by William W. Rockhill, a former diplomat serving as a consultant to the State Department on China, partly on the urging of Alfred E. Hippisley, an Englishman employed by the Chinese Imperial Maritime Customs Service who was a good friend of Rockhill's. Hippisley wrote to Rockhill arguing that the US should act fast to prevent the consolidation of spheres of influence and the trend toward exclusive rights within them to curtail trade, as well as warning of the growing influence of Russia in North China. Claims that Hippisley was responsible for the Notes seem exaggerated given that many of the ideas they expressed were in general circulation and that Rockhill made numerous adjustments to

⁸⁷ Young, *Rhetoric of Empire*, 57.

⁸⁸ McCormick, *China Market*, 78-83. Wilson was a soldier and railroader who had been in China. McCook was, amongst other things, a corporate lawyer for the Pennsylvania Railroad system and part of the Republican establishment.

the initial memorandum he received from him.⁸⁹

The Open Door Notes were circulated to the European powers and Japan in the summer of 1899. After noting the emergence of spheres of influence, they continued,

While the Government of the United States will in no way commit itself to a recognition of exclusive rights of any power within or control over any portion of the Chinese Empire under such agreements as have within the last year been made, it can not conceal its apprehension that under existing conditions there is a possibility, even a probability of complications arising between the treaty powers which may imperil the rights insured to the United States under our treaties with China.

This Government is animated by a sincere desire that the interests of our citizens may not be prejudiced through exclusive treatment by any of the controlling powers within their so-called "spheres of interest" in China, and hopes also to retain there an open market for the commerce of the world, remove dangerous sources of international irritation, and hasten thereby united or concerted action of the powers at Peking in favor of the administrative reforms so urgently needed for strengthening the Imperial Government and maintaining the integrity of China in which the whole western world is alike concerned. It believes that such a result may be greatly assisted by a declaration by the various powers claiming "spheres of interest" in China of their intentions as regards treatment of foreign trade therein. The present moment seems a particularly opportune one for informing Her Britannic Majesty's Government of the desire of the United States to see it make a formal declaration and to lend its support in obtaining similar declarations from the various powers claiming "spheres of influence" in China, to the effect that each in its respective spheres of interest or influence---

First. Will in no wise interfere with any treaty port or any vested interest

⁸⁹ The Chinese had long employed foreigners to head the Customs Service, established in 1854, which was responsible for collecting taxes on imported goods and delivering the revenue to the Chinese authorities. For a discussion of Hoppisley's role, see Young, *Rhetoric of Empire*, 123-130; and McCormick, *China Market*, 144. George F. Kennan, *American Diplomacy* (Chicago: University of Chicago Press, 1984), 23-7, and A. Whitney Griswold, *The Far Eastern Policy of the United States* (New Haven: Yale University Press, 1938), 63-77, make much of Hoppisley's involvement, but although Hoppisley did push hard for this outcome it seems that it would have happened without him.

within any so-called “sphere of interest” or leased territory it may have in China.

Second. That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said “sphere of interest” (unless they be “free ports”), no matter to what nationality it may belong, and that duties so leviable shall be collected by the Chinese Government.

Third. That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such “sphere” than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its “sphere” on merchandise belonging to citizens or subjects of other nationalities transported through such “sphere” than shall be levied on similar merchandise belonging to its own nationals transported over equal distances.⁹⁰

The first note focused on maintaining free trade, although the note to the British mentioned the desire to “hasten... united or concerted action of the powers at Peking in favor of the administrative reforms so urgently needed for strengthening the Imperial Government and maintaining the integrity of China in which the whole western world is alike concerned.” The body of the text sent to all the powers also questioned the legitimacy of recent territorial claims by referring to “so-called” spheres of influence.⁹¹

US policy took another step in this direction in 1900, when the powers were confronted with the Boxer rebellion, a massive uprising to which the Empress Dowager Cixi, partly out of her own resentment of foreigners and partly in the hope of diverting its anti-Manchu sentiments, gave encouragement. Unchecked in the provinces, the Boxers entered Beijing in June 1900, burned foreign buildings, killed more than two thousand Chinese Christian converts, and laid siege to the foreign legation quarter. Fearing a

⁹⁰ The note continues that given the formal assurances of the powers that have recently taken concessions, and the benefits of the open door policy for all, no opposition is anticipated. The full text of the notes can be found in FRUS 1899, 131-3.

massacre, the foreign powers amassed a force of 19,000 men, to which the US contributed 2,500 troops, and marched on the capital. For a second time, partition threatened. Particularly alarming to many Americans, was the large Russian force that occupied Manchuria in an effort to protect Russian railway lines and enterprises there.⁹²

In considering a response to the Boxer crisis, all the same alternatives as the year before were considered.⁹³ Once again, some Americans were sanguine about the prospect of Russian dominance in Manchuria. Senator John T. Morgan of Alabama thought that the US should support a Russian takeover there because it would ensure order and improve the market for American goods, as well as improving US-Russian relations. But many businessmen, including members of the AAA and the *Journal of Commerce*, saw a confrontation looming over Russian expansion in East Asia and argued that the US textile industry would be destroyed by Russian dominance in Manchuria.⁹⁴ The Navy still favored joining in the fray and taking a coaling station. Hay continued to believe that cooperation with Britain would be the best option if it were feasible, but he wrote in June 1900 that “there is such mad-dog hatred of England prevalent among newspapers and politicians that anything we should now do in China to take care of our imperiled interests, would be set down to “subservience to Great Britain.”⁹⁵ When the Russians refused to withdraw from Beijing, the temptation to give up attempts at mediation and

⁹¹ Young, *Rhetoric of Empire*, 131. McCormick, *China Market*, 145.

⁹² Varg, *Making of a Myth*, 60-1

⁹³ Young, *Rhetoric of Empire*, 154-8

⁹⁴ Varg, *Making of a Myth*, 62-5

⁹⁵ Young, *Rhetoric of Empire*, 204: 163.

take territory increased and McKinley and his cabinet had issued a note to the Russians making a thinly veiled threat that the US would do so. Only Hay's intervention from his sickbed restrained them.

In July 1900, Hay issued another note, calling for the preservation of China's administrative and territorial integrity. It said that "the policy of the US is to bring about permanent peace and safety to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed by treaty and international law, and safeguard for the world the principle of equal and impartial trade with all parts of the Chinese Empire."

This second note should be seen in the context of the overall resolution of the Boxer crisis, in which the US played a substantial role. In negotiations for the Boxer Protocol, signed in September 1901, the US took steps to try to shore up the Qing regime and prevent the demands of the powers from undermining it completely. It argued for allowing the Chinese to handle the punishment of the rebels, for monetary rather than territorial indemnities, and for sums that were low enough for China to pay without additional taxes that might cause further rebellion. America itself took the smallest share of the indemnity payment, less than 10% of the total.⁹⁶ This restraint, which was at least partly motivated by the concern to keep the Chinese government afloat, contributed considerably to the impression of US altruism associated with the Open Door policy.

But the negotiating position masked differences of opinion among the various constituencies with an interest in China. With Hay's encouragement, William Rockhill, who assisted Conger in negotiating the terms of the Boxer settlement with the Chinese

and the other powers, also took the opportunity to press for reform, including a stronger most-favored-nation clause, the elimination of interprovincial taxes, and the conversion of the Chinese tariff from an undifferentiated one to specific rates for specific goods which he hoped this would favor US exports.⁹⁷ Missionaries on the other hand, criticized the official policy as excessively weak, calling for stiff indemnities and harsh penalties for Boxer leaders and sympathizers. Some took justice into their own hands, looting Boxer property and confiscating homes.⁹⁸

The Open Door Notes: A New Recognition

The Open Door Notes received an enthusiastic reception in the American press, which praised Hay for saving China from partition and keeping its markets open for American business. On the formal level of international law, the Open Door Notes did not constitute a formal recognition, neither did they change China's status. The Notes were not a treaty, and did not bind China, the US or the other powers to a particular course of action, except in a moral sense. Nonetheless, they were a statement of US aspirations with regard to China and the behavior of the other powers toward her. In some ways they resembled the Monroe Doctrine in making a statement about the position the US hoped China would occupy in the international environment, the US interest in Asia, and how other countries would treat her. Some contemporaries viewed the Notes in this light:

⁹⁶ McCormick, *China Market*, 182.

⁹⁷ *Ibid.*, 185. Rockhill had been sent to China as special commissioner in July 1900 when the legation in Beijing was under siege and Washington did not know if Conger was even still alive.

during deliberations over the Open Door policy, John Barrett, former Minister to Siam, called for an “enlarged Monroe Doctrine” that would guarantee the integrity of China and an open door to protect markets.⁹⁹

Although the US expressed its desire to maintain China’s sovereignty and to prevent its partition by declaring it, sovereignty did not imply equal status with the other powers. It was a limited sovereignty that did not give China the right to end the unequal treaties or limit commercial and missionary activity. At no point in the debate over the Open Door did the US consult China this or suggest renouncing its treaty privileges.¹⁰⁰ In the economic sphere, China also remained dependent. The additional reforms pushed through by Rockhill facilitated the further opening of China’s market, but the arrangement did nothing to promote the development of industry. In fact, although many Americans thought that their commercial activities would help bring China into the modern age, the McKinley administration actively opposed the industrialization of China even after the treaty of Shimonoseki permitted foreign industrialists to invest in plant there.¹⁰¹

On the cognitive level, the Open Door entailed a certain characterization of the Chinese government and of US interests in China. First, the Open Door Notes reflected the US perception that the Manchu government had a fighting chance of resisting foreign domination and controlling anti-foreign sentiment. They also assumed that in return for a

⁹⁸ Hunt, *Special Relationship*, 285-7; Miller, “Ends and Means.”

⁹⁹ McCormick, *China Market*, 139.

¹⁰⁰ *Ibid.*, 145.

¹⁰¹ Hunt, *Special Relationship*, 180.

nominal recognition of her sovereignty, China would continue to tolerate the limitations of that sovereignty imposed by the unequal treaties and, grateful for US efforts to prevent partition, acquiesce in some measure of guided reform. In terms of the US interests, the notes reflected the belief that US economic interests in China were significant and, with open access, likely to grow. China, for its part, was expected to absorb prodigious quantities of US goods and capital. It is notable that most of these expectations were unfounded: the Qing dynasty already had a very tenuous grip on the localities; anti-foreign feeling was rampant and rising; and the China market had nothing like the potential that was attributed to it. In fact, US exports to China were a fraction of those to Europe and low purchasing power, poor infrastructure, and cultural differences were guaranteed to keep them down for many years to come. Yet there was widespread agreement that the US must do something to protect this “great commercial interest.” In that sense, the representations of China and of American interests there that were embodied in the Open Door Notes represented wishful thinking rather than an assessment of the existing situation.

The Open Door also had a strong reflexive aspect. The discussion of China policy at the turn of the century was part of an ongoing argument about America’s role in the world and the Notes reflected the prevalent expansionist belief in the importance of overseas trade as the engine of growth. They also embodied the widespread assumption that US values and institutions were superior and should be adopted throughout the globe. Shaped by, and contributing to, the debate over the acquisition of territories, the Open Door Notes represented the marginal victory of anti-colonial discomfort with the idea of

territorial acquisition as a means of pursuing economic expansion.

Conclusion

The international environment—the jostling of the powers for influence in China in the late 1890s, and the expansionism of Russia and Japan—created a situation to which Washington had to respond, if only through inaction. The McKinley administration's awareness of America's economic dominance, coupled with the recent victory over Spain, inclined America to flex its new muscles as a global power. Certainly, without the threat to its commercial activity in China, the US would not have been motivated to issue the Open Door Notes and, without the confidence in its wealth and the recent expansion of its navy, it might rightly have expected its appeals to be ignored.

Although the international environment and the position of the US within it were important in presenting the problem and shaping the range of possible US responses to it, they did not dictate a specific course of action or explain the enduring and complex legacy of the Open Door. Although there was general agreement that the US should do something to ensure continued access to the China market, there was a good deal of disagreement about what. Some, at least initially, felt that assurances from the Russians would be sufficient; even that Russian control of Manchuria might be advantageous to US commercial interests. There was considerable support in many quarters for taking territory in China and in others for an alliance with Britain.

But if international constraints leave a great deal of “residual variance” in explaining the decision that was taken, neither is the Open Door policy easily in terms of

domestic interests. While US business interests did push hard for action to prevent the closing of markets, they did not specify a preference as to how this should be done. They did not take a clear position for or against the taking of territory; some favored an alliance with the British and others were unconcerned about Russian expansionism. This left the McKinley administration with a range of options.

Ideas shaped the formation of a new China policy at this time in several ways. The spread of religious and political beliefs were important goals for many Americans in China, and cannot be dismissed as a function of economic interests, with which they sometimes came into conflict. Yet these goals also drove policy, as in the use of state power to win concessions for, and later protect, American missionaries in China.

Ideas also acted as filters on actors' perception of the complex situation in China. Businessmen's emotional enthusiasm for the China market, missionaries' evangelist zeal, and the political idealism of diplomats shaped their conceptions of the opportunities in China and of American interests there, causing them to overestimate the commercial potential and to underestimate nationalism and the obstacles to reform. At the same time, particular ideas about China intersected with the larger debate over expansionism, with understandings of the situation in China both informing, and being informed by, arguments over the appropriate means of expanding US power and influence. The expansionist assumption that trade would be the basis of future prosperity reinforced the myth of the China market, and the confidence that American values and political practice would one day spread throughout the world bolstered the enthusiasm of missionaries and reformers. At the same time, the debate over China policy became a debate over national

identity, as participants referred to competing strands of the heritage narrative.

In addition to its practical effect, the Open Door notes had an enormous symbolic importance. Institutionalized as policy, the ideas encapsulated in the Open Door Notes would shape policy and debates over China for decades to come. In a very practical sense, the American view that the Qing could survive enabled it to weather a crisis that might have brought it down. The conviction that the China trade was essential to national prosperity and deserved government support drove dollar diplomacy in the Roosevelt and Taft administrations. Missionaries also received a boost in morale and official sanction for their work. Despite their limited effectiveness and the tenuous commitment to defending China further, the Open Door Notes institutionalized the new role of the US as the main defender of China's sovereignty. In overlooking the inequality of the relationship and burgeoning Chinese nationalism, they also institutionalized the mistaken impression that the US was an altruistic sponsor of reform and strengthened the myth of the "special relationship." Finally, in choosing one solution to the problem of expansionism, the Open Door contributed to the growing consensus on informal over formal empire.¹⁰² Many elements of the debate are of course echoed in contemporary debates about globalization.

¹⁰² McCormick, *China Market*.

Chapter Three

The 1911 Revolution and the Recognition of the Republic of China

The revolution of 1911 marked China's transition from empire to republic. The establishment of a new government called for formal recognition by other states and provoked an evaluation of the US relationship with China. The debate over when to recognize the Republic of China, which spanned the 1912 election, illustrates once again the widely differing perceptions of governmental and societal actors concerning the prospects for China's new democracy and the nature of US interests in China. Once again, these differences stemmed at least in part from the broadly different worldviews and priorities of the various actors, as well as from their different conceptions of America's role in the world. When recognition came, it was not a neutral acknowledgment of the new regime in China but an enthusiastic endorsement of the republic that reflected the victory of the missionary-inspired view of the new regime. The institutionalization of this vision, however shaky in practice, would have enormous symbolic power, and important implications for future policy.

US-China relations, 1900-1911

The Open Door Notes had reflected the conviction among many governmental actors, business people, and missionaries that US interests in China justified a more active policy. They cast the United States in the role of champion of China's territorial integrity and of equal access to her markets. But the notes did not resolve the tensions inherent in American involvement in China and, despite the rhetoric of a shared national interest, between 1900 and 1914 missionaries, businessmen and diplomats continued to

pursue goals in China that were sometimes contradictory, and governmental and nongovernmental actors took very different views of the best policy for promoting the national interest in China.

In many ways the problem faced by Presidents Taft and Roosevelt remained the same. The Open Door Notes had staved off partition, but they did not end competition between the great powers for economic dominance in China. The powers paid lip service to the Open Door principles of open trade and the preservation of China's territorial and administrative integrity, but they continued to try to expand their spheres of influence. They sought guarantees from the Chinese that these areas would not be alienated to other nations, and that they would have exclusive rights, or at least first refusal, when China granted concessions for railroad construction, mining, and other development activities within them, or sought loans to finance such projects. Railroad concessions were particularly important because they brought the right to exploit the land that lay along the line, as well as orders for track, trains, and engineering services. Loans and concessions therefore became the primary focus of competition among the foreign powers in the first decade of the 20th century.¹

Until its war with Japan in 1904-1905, Russia was the major aggressor, continuing to occupy Manchuria and demanding special rights there. After the war, Russia had to recognize Japan's special interest in Korea and transferred to Japan the lease of the Liaodong Peninsula and the South Manchuria Railway concession between Changchun and Port Arthur.² Although Russia remained an important player in Northern

¹ Walter B. Sholes and Marie V. Scholes, *The Foreign Policies of the Taft Administration* (Washington: University of Missouri Press, 1970), 115.

² *Ibid.*, 111-2. A secret protocol between the Chinese and Japanese specified that China

China, Japan was now the dominant power there and the major threat to China's independence.

In many ways, Theodore Roosevelt's China policy represented a step back from the conception of China and US interests encapsulated in the Open Door Notes and a revival of some views that had been suppressed. Roosevelt was a strong believer in American expansion and its benefits for the rest of the world, declaring, "No man is worth his salt who does not believe that the growth of his own country's influence is for the good of all these benighted people who have had the misfortune not to have been born within its fold."³ Roosevelt had been an enthusiastic supporter of the expansion of the Navy as assistant secretary under McKinley, and a sponsor of the Spanish-American war. But when he became president in 1901 he did not push for a naval base or other territory in China as might have been expected. Neither did he ever consider making a military response to the expansion of Russia or Japan.⁴ Roosevelt considered that the two powers each had an "exceptional" interest in Manchuria, seeing their roles in China as similar to that of the US with regard to Latin America. Echoing an earlier strain of thinking, he believed that Russian or Japanese influence might actually benefit China, by accelerating the process of modernization.⁵ His view was bolstered by his poor opinion of the Chinese

promised not to construct another railroad or branch parallel or near to the South Manchurian Railroad that might affect its interests. The Japanese interpreted this to mean any railroad in Manchuria.

³ Michael H. Hunt, *Ideology and US Foreign Policy* (New Haven: Yale University Press, 1987), 126.

⁴ Frederick W. Marks III, *Velvet On Iron: the Diplomacy of Theodore Roosevelt* (Lincoln: University of Nebraska Press), 1981.

⁵ Michael H. Hunt, *The Making of a Special Relationship: the United States and China to 1914* (New York: Columbia University Press, 1983), 205-7.

as weak, passive, and undisciplined and of the Japanese as their racial superiors.⁶ In January 1902 Roosevelt gave his approval to an agreement between Britain and Japan designed to discourage further Russian expansion in Manchuria, and he was relieved when Japan emerged the victor in the Russo-Japanese war.⁷

On the commercial front, Roosevelt made some effort to improve conditions for US firms competing in China. He reformed the consular service, approved a trans-Pacific cable, and created a foreign trade bureau. However, he was wary of throwing political weight behind American commerce, and the US legation in Beijing remained under instructions not to support specific companies seeking opportunities in China.⁸

But not all governmental actors agreed with Roosevelt's hands-off approach. As in the 19th century, some diplomats advocated more activist policies than their superiors in Washington and attempted to act on their own interpretation of the Open Door policy. Willard Straight, as consul in Mukden from 1906, and Francis M. Huntington Wilson, stationed in Tokyo, both thought the US should take active steps to thwart Japanese expansion. Wilson unsuccessfully urged Secretary of State Elihu Root to use America's economic leverage with Japan to keep the door open in China. Straight, who thought US investors should lend China money for railroads in order to increase demand for US manufactured goods, took a more direct route, and used his connection with Edward H. Harriman to try to bring this about. During Roosevelt's presidency, Straight made several efforts to act as a go-between in loan and railroad deals between the Chinese government and American businessmen. None of them came to fruition, either because the deals were

⁶ Hunt, *Ideology*, 127.

⁷ Sholes and Sholes, *Foreign Policies*, 115.

⁸ Hunt, *Special Relationship*, 275.

not attractive enough to the prospective investors or because of lack of support from the administration.⁹

An interesting example of the complex relationship among these various governmental actors and the business community occurred in 1908. Willard Straight had negotiated preliminary terms for a loan for railroad and other development activities in Manchuria which would have had the effect of countering Japanese dominance in the region. Several American financiers were interested and the Head of the Far Eastern Division of the State Department, William Philips, recalled Straight to Washington to brief them further. However, when the Chinese representative, the Governor of Fengdian Province, Tang Shaoyi, went to Washington in November 1908 to finalize the terms, he found that the plans had gone awry. Far from endorsing the project, Root and Roosevelt were about to conclude the Root-Takahira Agreement with Japan, which tacitly acknowledged the Japanese sphere of influence in Southern Manchuria in return for voluntary Japanese limitations on migration to the US.¹⁰ Writing about this decision later to William Howard Taft, Roosevelt explained his reasoning, and his limited commitment to the Open Door:

Our vital interest is to keep the Japanese out of our country, and at the same time to preserve the good will of Japan. The vital interest of the Japanese, on the other hand, is in Manchuria and Korea. It is therefore peculiarly our interest not to take any steps as regards Manchuria which will give the Japanese cause to feel... that we are hostile to them, or a menace... to their interests.... The "open-door" policy in China was an excellent thing, and will I hope be a good thing in the future, so far as it can be maintained by general diplomatic agreement: but as has been proved by the whole history

⁹ Sholes and Sholes, *Foreign Policies*, 116-7. Harriman already owned a transcontinental railroad in the US and transpacific steamers and he was interested in getting a foothold in Manchuria.

¹⁰ A. Whitney Griswold, *The Far Eastern Policy of the United States* (New Haven: Yale University Press, 1938), 139.

of Manchuria, alike under Russia and under Japan, the “open-door” policy, as a matter of fact, completely disappears as soon as a powerful nation determines to disregard it, and is willing to run the risk of war rather than forego its intentions....

Now on the other hand, whereas our interests in Manchuria are really unimportant, and not such that the American people would be content to run the slightest risk of collision about them, our interest in keeping the Japanese out of our own country is vital....¹¹

William Howard Taft, who took office in 1909, had very different ideas about the nature of US economic interests in China and the relationship between America’s economic and political objectives there. The panic of 1907 had revived the idea that the home market was saturated and exports were the only way to avoid depression, and the fact that manufactures now comprised a growing proportion of US goods sold overseas encouraged the view that the developing nations in Asia and Latin America would become America’s primary markets. These ideas more closely approximated the Open Door view that had been somewhat eclipsed under Roosevelt. However, Taft’s policy placed a new emphasis on the role of investment as a crucial part of his trade expansion strategy. By lending money to developing nations and investing in infrastructure projects, he believed that Americans would create purchasing power and demand for their own goods and services.¹²

The situation in China, where the expansion of Russian and then Japanese spheres of influence threatened to bring political dominance that could later be used to squeeze out economic competition, seemed to fit this reasoning perfectly. Taft, who had been chosen by McKinley to head the commission that ran the Philippines after the Spanish-

¹¹ Roosevelt to Taft, December 22, 1910. Quoted in Sholes and Sholes, *Foreign Policies*, 122. Roosevelt is referring here to the limitation of Japanese migration to the US.

American war, was more interested in Asia than Roosevelt had been and enthusiastic about US opportunities in China. And he appointed men who shared his views and would pursue his vision, including Secretary of State Philander Knox, Assistant Secretary of State Francis M. Huntington Wilson, and Willard Straight, back from Manchuria and now head of the Division of Far Eastern Affairs at the State Department.

In the view of these men, Japan was a threat to American interests in China and only an activist policy could ward off its further expansion. Seeing commercial and state interests as mutually reinforcing, they believed that the state should support business and that increased economic involvement would bring greater political leverage. This in turn would enable the US to prevent the other powers from excluding American businessmen from their spheres of influence. Although his prescriptions for policy were quite different, Taft, like Roosevelt, assumed that what was good for America was good for China, saying in 1909 that government backing for trade and investment in China would give the US “authority in political controversies in that country which will go far toward guaranteeing the preservation of the administrative entity of China.”¹³ In 1910 he further claimed that “when we support the ‘open door’ in China, that is not the so-called ‘dollar diplomacy,’ but the recognition of a high moral duty.”¹⁴

A prime example of Taft’s aggressive China policy was his mobilization in 1909 of Wall Street bankers to take part in an international consortium that would provide China with a loan to construct a railroad in the Yangzi valley. It was known as the Huguang loan because the railroad would span the provinces of Hunan, Hubei, Sichuan,

¹² Sholes and Sholes, *Foreign Policies*, 28-30.

¹³ State Department memorandum cited in Foster Rhea Dulles, *China and America: the Story of their Relations since 1784* (Princeton: Princeton University Press, 1946), 129.

and Guangdong. Discussion of the project had been under way since 1904, and in 1905 the British ambassador had asked the American Department of State if any American banks were interested in a stake in the loan, which would be dominated by an Anglo-French company. The State Department had informed J. P. Morgan of the opportunity, but nothing further was done and the matter had lapsed. In 1908, the Germans had been allowed to join the consortium in an attempt to prevent the Chinese playing the Europeans off against each other.¹⁵

Taft saw participation in the Huguang loan as a way to restrain the other powers and secure American interests by joining the Europeans in providing financial assistance to China. In June 1909 Knox initiated the formation of the American Group, a consortium of influential Wall Street firms that included J.P. Morgan, Kuhn, Loeb, the National City Bank, and the First National Bank. Although four of the five members had some prior involvement in China, none had actively sought participation in the loan and at first they thought it would bring no better return than a domestic investment. However, Knox persuaded them that it was in the nation's long term interests that they participate, and Willard Straight left the State Department to head the negotiating team in China.¹⁶

Promoting the bankers bid for the Huguang railway loan, Taft again linked American ambitions with Chinese interests, declaring to the Prince Regent of China in July 1909 that he had "an intense personal interest" in "the use of American capital in the development of China as an instrument for the promotion of the welfare of China and an increase in her material prosperity without entanglements or creating embarrassments

¹⁴ Sholes and Sholes, *Foreign Policies*, 9-10.

¹⁵ Paul A. Varg. *The Making of a Myth: the United States and China 1897-1912* (East Lansing: Michigan State University Press, 1968), 52-3.

affecting the growth of her independent political power and the preservation of her territorial integrity.”¹⁷

Although his insistence on American participation in the loans was resented by the Europeans and met with limited enthusiasm from business interests, Taft was convinced of its importance. He and Knox were concerned not only about the immediate opportunities presented by the loan but also that by becoming China’s creditors, foreign banks and the governments that backed them acquired a right to intervene in the administration of the country’s finances in the future.¹⁸ They therefore continued to push for the inclusion of American firms in subsequent projects, including a proposal for building a railroad from Jinzhou to Aigun in Manchuria, and a joint loan for currency reform and economic development in Manchuria. The last project Taft endorsed was the loan for financial reorganization that came to be known as the Six-Power Loan.

Taft’s view of economic prospects in China was not universally shared. Interestingly, governmental actors were now more enthusiastic about commercial opportunities in China than businessmen themselves, and were now the main proponents of pursuing economic opportunities there. Although trade doubled between 1901 and 1913, and investments rose from \$20 million to \$49 million, Americans merely retained their position relative to Europeans and were steadily losing ground to Japanese.¹⁹

¹⁶ Sholes and Sholes, *Foreign Policies*, 133.

¹⁷ Dulles, *China and America*, 131-2.

¹⁸ The intricacies of the negotiations between the Americans, the Chinese, and the Europeans are discussed in Sholes and Sholes, *Foreign Policies*, 141-6. All the foreign powers were interested in having a say in Chinese financial and tax reforms and participation in loan schemes increased the chances of their advice being taken. Tax reform was of particular concern because internal taxes, or *likin*, were often given as security against loans.

¹⁹ Hunt, *Special Relationship*, 43.

Exports continued to be limited to a few products, primarily flour, cotton goods, kerosene, and lumber. Although manufactured goods were increasing as a percentage of exports, most were too expensive or of limited interest to the Chinese. Furthermore, the tempting 400 million consumers remained largely inaccessible because of the almost complete absence of transportation beyond the coastal ports.²⁰

As a result, the optimism felt by many businessmen at the end of the 19th century had waned. Most saw more commercial opportunities in rapidly industrializing Japan and were skeptical about the China market.²¹ Diplomats tended to put the sluggish growth in trade down to political factors, primarily trade discrimination by the powers and Chinese barriers to investment and trade, but other factors were also important. American cotton cloth exports, for example, were undercut by the Japanese, who had cheaper labor and better marketing and distribution mechanisms. As William C. Redfield, a New York businessman who later became Secretary of Commerce, put it. "It is not to be expected that [the Japanese] will fail to supply the great China market with cotton goods and with everything else they are able to take to a market which they understand better than anybody else and which is just across the road from their own mills."²²

Taft's aggressive dollar diplomacy did little to increase American exports to China, which continued to be less than half those to Japan.²³ Although US banks were investing in Japan without government encouragement, by the end of the administration, most of the loan schemes for China had been abandoned. At Christmas 1912, Willard

²⁰ Varg, *Making of a Myth*, 36-40.

²¹ James Reed, *The Missionary Mind and American East Asia Policy, 1911-1915* (Cambridge: Harvard University Press, 1983), 42.

²² Reed, *Missionary Mind*, 45.

²³ Griswold, *Far Eastern Policy*, 174.

Straight wrote to the President, “Up to the present times the results have been largely confined to literature and oratory” and expressed the hope that ‘some day we shall have something to show besides ‘hot air’ and hope.’”²⁴ Reflecting on the situation that same year, Taft’s Minister to Beijing William J. Calhoun remarked, “What difference does it make whether the ‘door’ is open or shut if we are not disposed to go in or out of it, even when it is open?”²⁵ Once again the promise of the China market had proved disappointing.

Taft presented American economic and political interests in China as interwoven, and both as furthering the interests of China herself. However, his assessment of economic opportunity for Americans in China was also colored by his broader expansionist ideology of dollar diplomacy and was not shared by many in the business community. At the same time, while he made full use of the altruistic rhetoric of the Open Door, Taft’s support for China’s integrity stemmed at least partly from the fact that only a whole China could fend off the encroachments of the European countries and Japan. Political reform was clearly subordinate to economic goals on his agenda, and in 1909 Taft transferred Roosevelt’s appointee as minister, William Rockhill, out of China to Russia on the grounds that he had been too concerned with preserving China’s integrity and not sufficiently active in promoting America’s economic interests.²⁶

At the same time, America was joining with the other powers in economic activities – the building of railways, the operation of mines, and the financing of these

²⁴ Reed, *Missionary Mind*, 48-9. The proposed loan for the Jinzhou-Aigun railroad had been abandoned, and another for currency reform had been folded into the reorganization loan that was still pending at this time. The US had put up only \$7 million of the Huguang loan.

²⁵ Hunt, *Special Relationship*, 276.

and other development projects – that were undermining the financial autonomy of the Qing government and fueling the nationalist reaction that would eventually overthrow it. As Griswold puts it, “The dissolution of the Manchu Government was the real ‘open door’ by which outside nations made their way to positions of power and special privilege in China.... The weakness of China invited foreign exploitation and foreign exploitation, in spite of its professions of altruism, helped to keep China weak.”²⁷ In a memo to Knox in June 1911, Calhoun acknowledged this, writing of the “renewed and somewhat widespread discontent among the Chinese toward their Manchu rulers. This feeling seems to have arisen first from the evidence of the weakness of the central government in dealing with Russia and Japan over territorial jurisdiction in Mongolia and Manchuria, and with Great Britain in the Yunnan-Burma delimitation dispute, and in the opium trade arrangements.” He continued, “The strong stand taken by the central government in regard to the construction and control of all the main lines of railway in the provinces, the conclusion of foreign loans contrary to the wishes of the people, and the refusal to convene an extra session of the National Assembly for the discussion of the budget and loans, have exasperated the radical element of the people to an extreme degree.” The Huguang railroad project would be a catalyst for the revolution later in the year.²⁸

The Open Door notes had enjoyed the widespread support of missionaries and the Boxer Protocols consolidated their position in China. In the first decade of the 20th century, the role of missionaries in China underwent a shift, and they became a strong

²⁶ Ibid., 269-71.

²⁷ Griswold, *Far Eastern Policy*, 169.

²⁸ FRUS 1911, 46-7.

constituency for political reform. As they did so, their perspective began to diverge even more than before from that of the business community and the Taft administration.

The attitude of most missionaries immediately after the Boxer rebellion was harsh and punitive, revealing a widespread conviction that only force would bring the Chinese to Christianity. "It is worth any cost in money, it is worth any cost in bloodshed" said one Bishop, "if we can make millions of Chinese true and intelligent Christians."²⁹ Another missionary, attacked in the American press for condoning the looting of Boxer property, said "The American policy of treating Asiatic nations as though they were civilized human beings does not meet with the approval of those who know the situation. In the Philippines as here, kind treatment is taken for weakness, and to punish less than the circumstances call for only enhances the evil which you seek to cure."³⁰

Missionaries found little sympathy at home for such views. The public was shocked by reports of missionaries looting Boxer homes and seizing property, and Mark Twain ridiculed the missionaries in the press.³¹ Mission boards, afraid of losing funds and support, urged their China staff to tone down their rhetoric. More generally, the aggressive approach of the China missionaries was out of step with progressive trends in their home churches, which emphasized social service and good works. These factors, combined with new opportunities in China, led most mission groups to shift the focus of their work from evangelism to education, public health and social work.³²

²⁹ Stuart Creighton Miller, "Ends and Means: Missionary Justification of Force in Nineteenth Century China," in John King Fairbank, ed., *The Missionary Enterprise in China and America* (Cambridge: Harvard University Press, 1974) 275.

³⁰ Hunt, *Special Relationship*, 287.

³¹ Miller, "Ends and Means," 277.

³² Reed, *Missionary Mind*, 22-3

Conditions in China favored this new approach. One of the terms of the Boxer protocols suspended civil service examinations in cities affected by the rebellion for five years. In 1905, the government abolished the examinations entirely and established a Ministry of Education that would oversee new schools that taught both Chinese and Western subjects. These changes opened up new possibilities for missionaries to become involved in education. Partly as a result of these opportunities, many mission boards shifted the focus of their foreign mission efforts to China from Japan, which had formerly been the most popular destination.³³ By 1915 there would be more than 2000 American missionaries in China working under the auspices of 40 different societies and with property of around \$25 million.³⁴ Enthusiasm for foreign missions ran high: the 1914 convention of the Student Volunteer Movement for Foreign Missions drew 5,000 representatives from 700 colleges and its watchword was “the evangelization of the world in this generation.”³⁵

As well as founding schools and recruiting teachers for government institutions, missionaries also provided medical treatment, and by 1915 had established 330 hospitals in China and more than 200 dispensaries.³⁶ They also became involved in social reforms, playing an active role in campaigns against opium, gambling, and alcohol, and seeking to improve the situation of women, by opposing footbinding and the trade in slave girls. Missionaries also took part in famine and flood relief.³⁷ By 1911, more than half of all

³³ *Ibid.*, 24.

³⁴ *Ibid.*, 13. The value of mission property abroad surpassed that of American financial investment in China.

³⁵ *Ibid.*, 9.

³⁶ Kenneth Scott Latourette, *A History of the Christian Missions in China* (London: Society for Promoting Christian Knowledge, 1929), 652.

³⁷ Latourette, *History of Christian Missions*, 657-62.

missionary staff in China, and an even greater percentage of American Protestants, were engaged in educational, medical or social service work.³⁸

Partly as a result of this new emphasis on service, in the years before the First World War, missionary relations with the local populace improved. Isolated incidents of violence still occurred, but the Boxer protocols had made membership in anti-foreign societies illegal and provincial officials were now responsible for any harm done to foreigners under their jurisdiction, giving them the incentive to suppress trouble. When conflict did arise, frequently over property, missionaries were less likely to seek tough reparations, and often took pains to avoid calling on the American legation for support. Interestingly, as the missionaries shifted to a more conciliatory posture, the government sometimes took a harsher line and was more punctilious in insisting on adherence to the treaties. After one violent episode in Lianzhou, Guangdong in 1905, in which five Presbyterians were killed, the head of the mission board waived the indemnity required under the treaty, hoping not to provoke further resentment. But the US Minister Rockhill and the State Department insisted on enforcing it.³⁹

There were still many sources of tension between Chinese and missionaries. Even when they did not insist on scrupulous enforcement, missionaries were protected by the treaties and lived a life of privilege that seemed contrary to their religion's exaltation of the humble life. And, although there was a gradual move to give more power to local churches and leaders, most missions were still under the strict control of the home boards and their foreign representatives in China, creating a hierarchy in churches and mission-run schools and institutions that was resented by Chinese Christians. Finally, although

³⁸ *Ibid.*, 619.

missionaries opposed the US immigration policy of exclusion, and lobbied against it in Washington, they also suffered from the anger it aroused.⁴⁰

Even when they were most successful in reaching the Chinese, as in their educational efforts, the results were not always what missionaries expected or hoped for. Seeing the spread of Western values and institutions as inevitable, missionaries assumed that exposure to Western learning would lead Chinese to embrace Christianity and appreciate American political institutions. Yet, for many students, Western learning continued to be a tool with which to build a strong China that could rid itself of foreign domination, and while a growing interest in science undermined the appeal of Confucianism, it also led many to see Christianity as an equally irrational and outdated tradition. In effect, missionaries were training the young nationalists who would later seek to drive them out of China. Yet few of them acknowledged the depth of anti-foreign feeling among their students.⁴¹

Back in America, missionaries continued to play an important role in shaping popular images of China, serving as the primary source of information about events there for many ordinary Americans through their letters and talks. Reed estimates that at the time of the Chinese revolution, around 300 missionaries were home on furlough at any given time and that they may have given as many as 30,000 speeches a year. Their views

³⁹ Hunt, *Special Relationship*, 296.

⁴⁰ Missionaries would come to feel by the 1920s that the privileges and protections actually prevented them from winning more converts and a substantial number spoke out in favor of treaty revision. However their enthusiasm weakened after the Northern Expedition and attacks on Christians. Paul A. Varg, "The Missionary Response to the Nationalist Revolution" in Fairbank, *Missionary Enterprise*, 311-35.

⁴¹ John King Fairbank, "The Many Faces of Protestant Missions" in Fairbank, *Missionary Enterprise*.

also received a wide circulation in missionary journals, and in magazines such as the *Literary Digest* and *Atlantic Monthly*.⁴²

The vision they presented was one of optimism and hope, for Christianity and for political reform and they drew on a rosy reconstruction of the history of US relations with China. In a paper published in 1910 the Yale historian Frederick Wells Williams wrote,

In the hundred years since that intercourse began we have refused to yield to the temptation presented by military weakness unexpectedly exposed. We have steadily refrained from coercing a helpless people.... We have never menaced the territorial integrity of China and have been among the foremost in upholding her sovereign rights to her own soil. We have endeavored to treat the Chinese Empire as honorably as other countries and have consistently desired to include men of every race and color in the great family of nations so soon as they could prove their birthright by the plain tests of morality and culture. In policy if not always in performance, America in her relations with China has tried fairly to maintain the high ideals of a Christian nation.⁴³

Many American missionaries had earlier been proponents of a forceful policy in China, even to the extent of supporting the taking of territory. Now, with their new emphasis on service, they wanted the government to reinforce their efforts by pursuing the idealized version of past policy presented above. Addressing a mission conference in 1910, whose audience included future Secretary of State William Jennings Bryan, an influential Episcopal layman said,

It is of much less consequence to the missionary to enjoy the political support of his Government at home than it is that he should have the moral support of that government. And by that moral support I mean that whenever the Government... illustrates in its dealings with non-Christian races... high ideals of justice, of fair dealing, and of respect for the rights of others, even when they are weak, the cause of the missionary is powerfully reinforced. On the other hand, when the Government... fails to illustrate such ideals, the work of a missionary is made infinitely more

⁴² Reed, *Missionary Mind*, 126; 85. Joseph R. Levenson, *Confucian China and its Modern Fate* (Berkeley: University of California Press, 1958), vol. 1, 117-25.

⁴³ *Ibid.*, 104.

difficult. ... not the best missionary of them all can avert the disaster to his cause which comes when such a nation fails to live up to its own ideals.⁴⁴

Many members of the legation shared the missionary interest in political reform in China, with both seeing education as a way to influence China's new elite. But diplomats seem to have been more aware, and wary, of Chinese nationalism. Rockhill, who was an avid sponsor of educational programs, hoped that the American influence could counter the radical ideas that Chinese students were picking up in Japan and ensure that they became "intelligent advocates of the prudent and timely, rather than the revolutionary introduction of reform."⁴⁵ As before, there was a tension between the desire to see China move toward democracy, and the desire for the stability necessary for smooth commercial relations and the maintenance of the treaties on which they depended. Both missionaries and diplomats continued to suffer from a selective perception of the nature of the Chinese reform movement which cast Americans in a favorable light and largely ignored the natural desire of the Chinese to end foreign domination and the privileges that foreigners, including missionaries and their converts, enjoyed in China.⁴⁶

Although it is beyond the scope of this dissertation to consider the reciprocal aspect of recognition, it is important to note that Chinese reformers and revolutionaries did not share this idealistic view of America's role. Sun Yat-sen and Yuan Shikai realized that their attempts to change the status quo relied, at a minimum, on foreign acquiescence in the overthrow of the dynasty, and that China's development would require infusions of foreign capital and expertise. But the appeal of their movement

⁴⁴ Ibid., 103.

⁴⁵ Hunt, *Special Relationship*, 279. 8,000 Chinese were studying in Japan in 1905 compared with only 130 in America.

stemmed largely from popular frustration with foreign privilege and a fear of foreign partition. America may have seemed the least threatening of the powers and had in the past been useful as a tool for fending off the others. But given America's continued acceptance of the treaties, and its recent efforts at dollar diplomacy, many reformers regarded America as an expansionist power that was becoming more and more like the Europeans.⁴⁷

Although Roosevelt stepped back from it, the recognition of the situation in China encapsulated in the Open Door notes continued to exercise a grip on American perceptions of China in the first decade of the twentieth century. Americans continued to pursue their various agendas in China. Less optimistic than before, businessmen continued to engage in trade and to explore opportunities for investment, largely indifferent to politics unless it caused economic disruption. Now, governmental actors had assumed the burden of pursuing economic opportunities in China, and had to prod businessmen to take them up. Missionaries preached the gospel and took part in educational and service activities. Along with many diplomats, they also hoped to influence the direction of political reform in China. Although missionaries wished for change and businessmen were wary of it, the activities of both were combining with other factors to undermine the stability of the imperial government.

The 1911 Revolution

The Boxer rebellion had exposed the weakness of China's imperial government and convinced even the Empress Dowager Cixi of the need for political reform. In 1905

⁴⁶ Ibid., 271.

she called for a survey of the paths followed by other countries around the world. Japan emerged as the most promising model because reform had enabled the imperial family to stay in power. In November 1906 Cixi proclaimed that a constitution would be drawn up, the administrative structure reformed, and a national assembly convened. In 1908, shortly before her death, she announced that, following the Japanese model, constitutional government would be introduced over a period of nine years, with electoral institutions at the national, provincial and local levels. Provincial assemblies met for the first time the following year and quickly pressured the Qing court to convene the national assembly in October 1910. Designed to bolster the empire, the formation of these regional political institutions in fact weakened its grip on the localities.⁴⁸

Other reforms, intended to bring new life to the empire, also undermined its control. The abolition in 1905 of the examination system that had served for centuries as the selection process for officialdom opened up new paths of mobility and ended the Confucian monopoly on education. Young Chinese began to attend mission-run and other private schools in large numbers and many went abroad to study. The most common destination was Japan, where students were exposed to a wide range of new ideas and could debate them free from the supervision of the imperial authorities. It was in Japan that Sun Yat-sen formed his Revolutionary Alliance (*Tongmeng hui*) in 1905, and many of the organization's members later returned to China to work toward the overthrow of the Manchus.

⁴⁷ Ibid., 259-66.

⁴⁸ This account of the period leading up to the revolution draws on Jonathan D. Spence, *In Search of Modern China*, (New York: W.W. Norton, 1990), 245-67; John King Fairbank and Merle Goldman, *China, A New History* (Cambridge: Harvard University Press 1998); Mary Claybaugh Wright, ed., *China in Revolution: the First Phase, 1900-*

Economic change was also undermining the dynasty. Increasingly, local gentry and merchants were raising capital and engaging in industry, setting up cotton mills, paper mills, and iron and cement works. Efforts by the government to coordinate economic policy as the Japanese Emperor had during the Meiji Restoration were unsuccessful. Instead, regional development increased the power of the provinces relative to the central government. Taxes on interprovincial trade also benefited localities, which generally underreported them to the central government, denying it much needed funds. To pay for reforms and the reorganization of the army the government introduced a series of unpopular new taxes in 1910. Though long overdue, the opium suppression campaign was resented by the millions of addicts and individuals involved in the cultivation and distribution of the drug. Finally, serious flooding in the Yangzi and Huai valleys in 1910 and 1911 destroyed crops, drove up grain prices, and created millions of refugees.

The expansion of the railway system, and the raising of foreign loans to finance it, was another source of tension. Many Chinese resented the control of this vital transportation network by foreigners, and a "rights-recovery" movement grew up that aimed to raise domestic and overseas Chinese capital to buy back the concessions that had been granted. Nineteen such groups were chartered all over China between 1904 and 1907, and large rallies were held to protests railway projects, including the planned Wuhan-Chengdu section of the Huguang railroad. But railways were a good source of income at a time when the Manchu government faced a shortfall of revenue, and in May 1911 it announced the nationalization of regional railroad companies. Shortly afterwards, the court signed a new loan agreement with the British-American banking consortium to

1913 (New Haven: Yale University Press, 1968), 1-66; and Varg, *Making of a Myth*.

finance the track from Wuhan to Canton and Chengdu. The decision met with rallies and protests attacking the government for giving foreigners control of China's assets.

Among the protestors were many soldiers of the "New Army," created in 1901 by the Qing in an attempt to modernize China's armed forces. Initially, the army was reorganized on a provincial basis, and subject to the control of the provincial governors. But this encouraged the development of local affiliations among soldiers and generals and in 1906 the court placed the army under a central authority and put Manchus in charge of the Ministry of War. Nonetheless, important sections of the army were already slipping from Qing control and individual generals were developing their own followings. In 1910 the court removed the powerful Yuan Shikai from his command of the Beiyang Army and forced him into retirement. Many rank and file soldiers were no longer loyal to the empire and a considerable number were members of anti-Manchu revolutionary groups. At the time of the 1911 revolution, about a third of the Hubei New Army troops in the city of Wuhan supported the rebellion.

Outside China, opposition to the Qing was growing among overseas Chinese and exiled reformers including Kang Youwei, Liang Qichao, and Sun Yat-sen. Kang continued to urge the Qing to reform along Japanese lines, establishing the Society to Protect the Emperor and the Society for Constitutional Government. Liang Qichao also supported a constitutional monarchy, but was less personally attached to the Manchu dynasty and favored more radical social reform. Smaller numbers of Chinese were drawn to socialist and anarchist ideas. Sun Yat-sen, who was emerging as the most powerful individual in the overseas political scene, was strongly nationalist and republican, calling for the overthrow of the dynasty and the end of foreign control of China. Sun's

organizational and fund-raising capacity was considerably strengthened by his connection to the Triads, an underground organization which he joined in Hawaii in 1904.

Between 1906 and 1908, the Revolutionary Alliance instigated seven separate uprisings against the Qing. All were crushed, but they won greater publicity and support for the nationalist cause, and by 1911 the Alliance had 10,000 members. Interestingly, the nationalists received a certain protection from foreigners in China because the treaty ports provided a space where young Chinese interested in reform could meet and publish outside the reach of government restrictions.⁴⁹

By July 1911, unrest in Sichuan over the Huguang project was spreading into Hunan. In the end, the decisive rebellion was triggered by an accidental bomb explosion in the foreign concession area of Wuhan on October 9th. With the police appearing likely to arrest and execute many of their number, the revolutionaries attempted a coup. A significant portion of the army mutinied and by October 12 the revolutionaries controlled the three cities that make up Wuhan. Further mutinies followed in Shaanxi, Hunan, Shanxi, Jiangxi and Yunnan. By the end of October, the Manchus were fighting for survival, and in November the court acceded to demands to establish a parliament within the year, promulgate a constitution and elect a premier. Yuan Shikai was elected to the post by the provisional National Assembly in March 1912.

The establishment of a constitutional monarchy did not stem the tide of revolution. Over the next month the three provinces of Jiangsu, Sichuan, and Shandong declared their independence from the Qing. In early December revolutionary forces won an important symbolic victory when they defeated imperial troops in the former capital of

⁴⁹ Fairbank, *China, A New History*, 235.

Nanjing. When Sun Yat-sen arrived from France on Christmas day, delegates from sixteen provincial assemblies elected him provisional president of the republic. The end came for the Manchu dynasty in late January 1912, when 44 senior army commanders called on the court to form a republic. After negotiating with Yuan Shikai, in February 1912 the court announced the abdication of the child Emperor Pu Yi in return for a guarantee of his safety and a sizeable pension.

The revolution then entered its second phase. On accepting the presidency, Sun Yat-sen had written to Yuan Shikai saying that he would step down if Yuan were willing to take the position. Between August and November elections were held for the new National Assembly and on October 10, 1912, Yuan Shikai was sworn in as the new President of the republic. His inaugural speech seemed designed to assuage foreign concerns, and warn against radical nationalist intentions. "The attitude of the foreign powers towards us has always been that of peace and fairness," he said, "and whenever occasion therefore has risen they have rendered us cordial assistance.... It is most important that all citizens of the Republic should clearly understand this, in order that with sincerity of purpose they may endeavour to strengthen the friendship of our international bonds." Yuan announced that all treaties would be respected and all former privileges accorded to foreigners would be guaranteed. He also stressed the need for foreign capital to finance China's development.⁵⁰

However, although his position as President and his control of the army gave Yuan unprecedented power, a split had developed between him and Sun Yat-sen. Sun and the KMT (Guomindang) won the elections in 1912, making the party leader Song

⁵⁰ FRUS 1912, 82-6.

Jiaoren head of the parliament. The KMT, which had its base of support in the south, was increasingly critical of Yuan's reliance on advisers from the old imperial regime, and thought his agenda not radical enough. Relations between the two factions became increasingly strained and when Song was assassinated In March 1913, Sun held Yuan Shikai responsible.

Throughout the crisis, the European powers and Japan stuck to a policy first of neutrality, and then of withholding recognition from the Republic. Their reasons emphasized the lack of a formal constitution and permanent government, but also their concern in ensuring that the republic would uphold the treaty obligations undertaken by the imperial regime. They hoped, and expressed the expectation, that the US would follow them in this course.

Faced with the revolution, the US had to make a series of decisions. In the early days of the rebellion, the powers had the option of intervening to protect the Manchu government by placing their troops at its disposal. Later, once the nationalists were entrenched in Nanjing and the Emperor had abdicated, they had to decide at what point to recognize the new regime and on what criteria to base the decision.

On the formal level, the decision would determine who was to represent China in the international area. Initially, it was a choice between the old imperial regime, some kind of constitutional monarchy, or a republic. Later it became a question of whether to support Yuan Shikai or Sun Yat-sen. On the one hand, the decision concerned the legitimacy of the regime. Traditional criteria for recognition required that the government have de facto control of the territory it claimed, and that its rule not be challenged by the

populace. However, the importance of consent had been viewed differently under different administrations and did not provide a clear precedent.

Because of the peculiar nature of the Chinese empire's relationship with the powers, another key consideration was whether the new government would uphold the prior treaty obligations that ensured foreigners' privileged status in China and whether it would proceed with the loan agreements and railway projects into which the various powers had entered with the Qing. Thus, the question of whether and when to extend recognition to the republic had financial as well as diplomatic significance.⁵¹ Once again the debate over recognition entailed a disagreement over what should take priority in the construction of the national interest: commercial interests, or the idea of supporting self-determination and republicanism.

As with the Open Door, the decision had implications for America's relations with the other powers. To act alone and recognize the republic before the other powers would be to mark out an independent policy in China that might win the friendship of the new government, and perhaps some preferential treatment, but it would likely alienate the other powers, which were already suspicious of American intentions. On the other hand, to follow the lead of Britain and Japan in delaying recognition in order to extract greater concessions from the new government would be to take part in the power politics from which America had traditionally tried to distance herself.

Although recognition could have been seen as a neutral act acknowledging the *de facto* existence of the new regime and its control over China, the decision offered the opportunity to make a normative statement, endorsing the new republican government as

⁵¹ Ibid., 80.

a democracy. The establishment of a republic government in China had particular resonance for Americans, given the nation's self-image as a sponsor of democracy. Later, the question of whether to endorse Yuan Shikai at a time when his legitimacy was being challenged by the weaker, but more democratically-inclined Sun also entailed a normative choice between the competing values of order and democracy.

On a cognitive level, in considering these questions decision makers drew on their perceptions of the situation in China and the nature of US interests there, perceptions that were inevitably colored by their own activities and priorities. At first they had to assess the ability of the Manchu regime to ward off the revolutionary challenge. Later, they had to judge the ability of the republican government to establish order and democratic government. As we have seen, even under the Taft administration, circumstances were open to more than one interpretation, and governmental actors, missionaries, and businessmen had differing views of the situation in China and US interests there.

Assessments of the situation in China and the appropriate course to follow were not only the product of differing perceptions of events there, They also demonstrate the reflexive nature of recognition as a decision that reveals different views of America's national identity and role in the world. These different worldviews affected both the way in which various actors perceived US interests in China, and their ideas about how the US should respond. President Taft espoused an expansionist ideology in which Asia, and China in particular, was crucial to the future prosperity of the United States as a market for US goods and capital. Taft was therefore inclined to see the meager successes of US banks and companies in China as the tip of an iceberg. In seeking to ensure US access to commercial and financial opportunity there, he pursued a policy of cooperating with the

foreign powers and aggressively seeking US participation in loans and concessions. Although he did not fail to make use of the rhetoric of the Open Door, the promotion of political reform was low on his list.

When Woodrow Wilson came into office in 1913, he brought a very different vision of the appropriate role for the US in the world as the sponsor of democracy and Christianity throughout the world. Wilson supported expansionism and the Spanish American war, but unlike Taft, he saw the primary goal of US power as the export of its values. "Our greatness is built upon our freedom –is moral, not material," he said at the time of the war. "Principles lie in back of our action. America would be inconceivable without them and these principles are not incompatible with great material prosperity. On the contrary, unless we are deeply mistaken, they are indispensable to it."⁵² As a result he promised in 1913 that the US would "never again seek one additional foot of territory by conquest" and opposed anything he regarded as exploitative economic activity.⁵³

The active side of Wilson's idealism was the promotion of self-determination and democratic government in developing countries, and he declared that the US would encourage "just government based upon law, not upon arbitrary or irregular force." This would later lead him to oppose the dictatorship of Huerta in Mexico, and to occupy Haiti and the Dominican Republic in an attempt to impose constitutional government. He also made a commitment to move the Philippines toward representative government. In pursuing these goals he sometimes flew in the face of economic interests. In 1917 he angered US oil companies operating in Mexico who demanded their interests be

⁵² Kendrick A. Clements, *The Presidency of Woodrow Wilson*, (Lawrence, Kansas: University Press of Kansas, 1992), 94.

⁵³ *Ibid.*, 95

protected by force against a law that enabled the Mexican government to expropriate their property, albeit with compensation. Wilson refused. "If we could not get the oil in a peaceful manner from Mexico," he said, "we would simply have to do without."⁵⁴ These views would also inform Wilson's policy toward China, influencing his perception of US interests there and shaping his response.

Responding to the Revolution

On October 12, 1911, after the Wuchang mutiny, the US Chargé d'Affaires in Beijing E.T. Williams informed the State Department that the uprising was "the most serious since the Taipings." The next day, the Consul General in Shanghai, Amos Wilder, reported that the Manchus might be overthrown. The Taft administration's immediate response to the crisis was to follow the policy initiated by the other powers, calling for strict neutrality between the Chinese factions and waiting to see what would happen.⁵⁵ However, the powers did encourage the rebels to the extent that they made no effort to intervene on behalf of the imperial regime; when local officials in Wuchang appealed to the foreign consuls to patrol the river with their gunboats and prevent the mutinying troops from crossing, the consuls ignored the request and defended only the foreign concession area.⁵⁶

As the fighting dragged on, concern grew among the foreign powers that the revolution was disrupting commerce and might spill over into anti-foreign violence. The Japanese were particularly anxious to bring an end to the conflict and had already

⁵⁴ Ibid., 95-107; 102.

⁵⁵ Reed, *Missionary Mind*, 115.

⁵⁶ FRUS 1911, 48.

transferred troops to China with the intent of possibly intervening and establishing a constitutional monarchy. On December 18, 1911, the State Department received a communication from the Japanese suggesting that the powers jointly call on the two sides to begin negotiations to end the conflict. The British, later joined by the Japanese, became go-betweens in the talks that followed between Yuan Shikai and the revolutionists.⁵⁷

The revolution provoked new tensions among the powers, which each suspected the others of using the crisis to their own advantage. The Americans were not exempt. Minister Calhoun wrote to Secretary of State Knox in February 1912 that “all of the powers are more or less suspicious of the Americans. They seem to think we have some exclusive or personal policy in mind; that our professions of altruism are a mere blind; and that we hope or intend, somehow or somewhere, to secure an advantage, either in prestige or substance, in which the rest will have no share.... It was all right so long as we released indemnities, educated Chinese youth at home, and sent missionaries to China. But when we rather forcibly injected ourselves into the Hukuang loan, tried to neutralize the Manchurian railways, proposed to build the Chinchow-Aigun railway, and finally negotiated a preliminary contract for the currency loan, we were then and are now believed to entertain an active and aggressive policy, which is in competition if not hostile to all other foreign interests in China.”⁵⁸

By the end of October the rebels were in control of South China, and Williams saw little hope for the Manchus to reclaim the South unless Yuan Shikai, whom they had recalled from retirement, could form a government. Calhoun also saw a republican

⁵⁷ Ibid., 56-7.

victory as likely, but was concerned that it would bring further instability. Commenting on the situation at the end of November, he wrote, "the thing most to be feared in the attempt to establish republican government in China is that after the Manchus are removed, the common hatred of whom forms the bond of union among the seceding provinces, there will be no sentiment to bind them together."⁵⁹ In December he suggested that the powers should lend Yuan Shikai enough money to put down the rebellion and save the dynasty. But the State Department stuck to its position of neutrality and on December 12 urged the powers not to provide loans to either side.⁶⁰

Once Sun was elected provisional president of the republic, the nationalists called on the powers to extend recognition to the Nanjing-based government, but although the revolutionaries now clearly controlled the country, even after the Emperor abdicated, the Europeans and Japanese declined to recognize the new government. On February 23 the Japanese circulated a memorandum requesting that the powers make recognition dependent on China recognizing the "rights, privileges and immunities of foreigners at present enjoyed" regardless of whether they stemmed from treaties, legislation or custom.⁶¹ The State Department agreed, but left a loophole in the caveat that this should not entail an "undue delay" which might cause trouble with Congress.⁶²

In January 1912 the State Department commissioned Admiral Murdock and Charles D. Tenney, Chinese Secretary of the Beijing Legation and former missionary, to go to Nanjing and evaluate whether the new republican government represented "the will

⁵⁸ FRUS 1912, 64-5.

⁵⁹ FRUS 1911, 52-3.

⁶⁰ Reed, *Missionary Mind*, 116.

⁶¹ FRUS 1912, 68.

⁶² Reed, *Missionary Mind*, 139.

of the Chinese people.” Murdock reported that he was impressed “with the sincerity and ability of the officials in charge of the revolutionary government and with their confidence of eventually establishing an elective government for China, capable of controlling the country and developing peace and prosperity.” Tenney said that the “revolutionary movement represents firm purpose of Chinese people” but was a little more cautious in his prediction. “I think success [of republic] doubtful, but nothing can prevent trial. As soon as North and South have settled I think Provisional Republic should have immediate recognition.”⁶³ The administration did not take this advice, but continued to wait for indications of the new regime’s intentions with regard to the economic issues that were priorities for the other powers.

Americans involved in China had a range of views on the matter. Most missionaries waxed lyrical about the revolution and called for early recognition of the new government. The Chinese Recorder of Shanghai, the main missionary publication, declared that “the sunrise of a new era seems to have dawned” and Arthur Judson Brown, head of the Foreign Missions Conference of North America told the State Department in October 1911 that “the more than twenty millions of Protestant Christians in the US who are the constituents of our foreign missions are flooding us with inquiries.”⁶⁴

Businessmen in China were less sanguine. They were aware that Chinese nationalism might threaten the benefits they enjoyed under the Unequal Treaties, but many opposed it primarily on the grounds that it would disrupt trade and investment. Businessmen thought the revolution threatened stability and that those who thought it

⁶³ Ibid., 117.

would bring fundamental change were naive. Gilbert Reid, President of the American Association in China, wrote in the *Journal of Commerce* that although popular sovereignty was appealing, “we regard it as far safer for all the Governments to give support to the existing Chinese Government than to give countenance to any part or movement distinct from or antagonist to, the Government that is.”⁶⁵ In October 1911 the *Wall Street Journal* complained that the revolution “upsets the railway concessions, endangers the currency reform, interrupts trade, and imperils the lives and property of American citizens in China.” As it seemed less likely that the revolution could be reversed, businessmen generally supported the strongman Yuan Shikai over Sun Yat-sen. Toward the end of 1911 the journal of the American Asiatic Association (AAA) hailed Yuan as “the man of the hour” and expressed the hope that the struggle would result in the establishment of a constitutional monarchy.⁶⁶

American diplomats in China had a range of views on the revolution. Calhoun appears to have been sympathetic in principle but doubtful that the republic could survive the pull of provincial loyalties. Old China hands were also skeptical. Willard Straight remarked caustically that “I am told on all sides that the situation is extremely interesting, that we are seeing the awakening of a great people, and that autocracy, corruption, squeeze, cowardice, avarice, intrigue, and all the evils inherent in any oriental administration... are about to disappear, and the equality, fraternity, and honesty, hitherto hidden beneath the blushes of a modest Chinese proletariat, are to become the watch

⁶⁴ *Ibid.*, 125-6. Pearl Buck’s father recognized the strength of nationalist feeling and realized that the US would not escape criticism. So did Robert Hart of the Customs Service.

⁶⁵ Varg, *Making of a Myth*, 108.

⁶⁶ Reed, *Missionary Mind*, 121-3.

words of national development.... The old crowd were bad enough. The Rebels are infinitely worse.” Rockhill described the leaders of the new republic as “spectacled, frock-coated young dreamers... full of Utopian dreams of universal and immediate reform.” As time passed, and factional infighting became more pronounced, appraisals of the situation became more pessimistic. By summer 1912, Tenney had noticed, and reported to Calhoun, that “the animus of the Republican leaders is strongly anti-foreign,” adding, “The young foreign educated Chinese Republicans have not been actuated by a longing to improve the conditions of the Chinese people but rather by the childish desire to “save face” for China in her relations with the outside world by the magical results which they suppose will follow the adoption of Western governmental forms and machinery.⁶⁷

However, delay in recognizing the republic was becoming a domestic political problem for the President. Largely as the result of missionary influence, public opinion increasingly opposed Taft’s policy of neutrality. The State Department received floods of letters, first from missionaries and Chinese Americans, later from civic groups and school children. James Reed’s analysis of State Department mail on the issue between 1911 and 1913 shows that 30% of all letters came from missionaries and only 17% from businessmen and 8% from academics. Furthermore, 47% of writers said that they relied upon missionary sources for their information. Because the imperial regime had seemed indifferent to the plight of Chinese immigrants in the US, overseas Chinese were keen supporters of the revolution and in October 1911 sent the Taft administration a petition

⁶⁷ Ibid., 123; 119.

signed by four fifths of Chinese in the US, British Columbia and Mexico, asking him not to assist the failing Qing regime. Chinese in Hawaii sent a similar appeal.⁶⁸

Critical evaluations of the revolution got less exposure. The mainstream media reported the fall of the Manchus but did not follow events through later troubles, with most presenting democracy as a fait accompli. Although businessmen had good contacts with officials such as Willard Straight and Huntington Wilson, their views were much less widely circulated in the general press, and specialist publications such as the *Journal of Commerce* were less widely read than missionary writings.⁶⁹

In an election year, China policy soon became an issue in Congress. On January 3, 1912, Representative William Sulzer, Chair of the House Committee on Foreign Affairs, introduced a concurrent resolution congratulating the people of China on their assumption of a republican form of government and calling on the president to extend formal recognition. The AAA protested that the resolution was tantamount to interference in the Chinese civil war because the Manchus had not yet abdicated, but it passed both Houses unanimously by early March.⁷⁰

The administration tried to deflect attention from the resolution. In early February, Huntington Wilson sent a well-publicized circular to the powers reaffirming the Open Door policy, and on February 19 Ransford Miller drafted an alternative congressional resolution that retained the congratulations but said nothing about recognition. Miller wrote to Huntington Wilson, "that some such resolution as this would go far towards satisfying the public sentiment in this country... and at the same time

⁶⁸ Ibid., 148

⁶⁹ Ibid., 58. Reed estimates that the total business community with an interest in Asia totaled about 2,000 people at the time of the revolution.

permitting the executive branch of the Government to follow a conservative course in regard to the formal recognition of the new government at the proper time.”⁷¹ Huntington Wilson, as acting Secretary of State, instructed Calhoun that the resolution should ‘discreetly be given such publicity as will be conducive to the interests of the United States’ but warned him also that “due care should be taken, however, particularly with the leaders now assembled at Peking, that this action be not confused with recognition.”⁷² The Taft administration was trying to reap the benefits of altruism while actually following the same course as the other powers.

Under pressure from Congress and public opinion, in July 1912, the State Department sent a circular note to the powers asking those governments “to consider whether the present Chinese Government may not be regarded as so far substantially conforming to the accepted standards of international law as to merit formal recognition.” Ministers were told they could tell their counterparts that public opinion might push Congress to act if the President delayed too long. As the administration expected, the proposal was rejected, with the powers continuing to agree that more time was needed for a permanent government to be established and China to make clear that it would uphold its treaty responsibilities. Displaying a concern that the new government might be less malleable than its predecessor, the Japanese Minister to China added on July 26, 1912, that recognition at this time might “serve to influence the ambition, increase the

⁷⁰ *Ibid.*, 137.

⁷¹ *Ibid.*, 138-9.

⁷² FRUS 1912, 71.

arrogance and add to the excitement of the young fledglings now in the Government and in the National Assembly.”⁷³

These stalling tactics enabled the State Department to stick to its original policy through the end of the Taft administration. When Woodrow Wilson came into office in March 1913 he brought a very different perspective to every aspect of the recognition question. He saw the granting of recognition in terms of national self-determination and consent, factors that would have inclined him to recognize the Republic of China as the legitimate choice of the Chinese people, and to applaud it as a democratic government.

Wilson’s appraisal of the situation in China was colored by his religious beliefs and his information was filtered through his contacts with missionaries. His cousin S. J. Woodridge was a missionary in China, as was one of his former students, and he corresponded with both about their work there. Wilson also contributed to the Peking YMCA, which was staffed and funded by Princeton through the International Committee of the YMCA.⁷⁴ Little concerned with the economic considerations that had preoccupied Taft, Wilson had a vision of civilizing China and promoting political reform, seeing the Chinese as a childlike but malleable people.⁷⁵ He spoke of his vision of “that great sleeping nation suddenly awakened by the voice of Christ” and asked, “Could there be any greater contribution to the future momentum of the moral forces of the world than could be made by quickening this force.”⁷⁶ He shared with many Americans the view that the spread of Western values to China was inevitable.

⁷³ Ibid., 81-84.

⁷⁴ Tien-yi Li, *Woodrow Wilson’s China Policy* (Kansas City: University of Kansas City Press, 1952), 14-5.

⁷⁵ Hunt, *Special Relationship*, 217.

⁷⁶ Paul A. Varg, *Missionaries, Chinese and Diplomats. The American Missionary*

The East is to be opened and transformed, whether we will or no; the standards of the West are to be imposed upon it; nations and peoples which have stood still the centuries through are to be quickened, and made part of the universal world of commerce and ideas which has so steadily been a-making by the advance of European power from age to age.⁷⁷

Wilson's appointments, of William Jennings Bryan as Secretary of State and Paul Reinsch as Minister to Beijing, reflected his hope of speeding the emergence of a Christian China. On choosing Bryan he said "The thing most prominent in my mind is that the men now most active in establishing a new government and a new regime for China are many of them members of the YMCA, and many of them also men trained in American universities. The Christian influence, direct or indirect is very prominently at the front and I need not say, ought to be kept there."⁷⁸

However, the situation in China was far from clear cut. In March 1913 E. T. Williams wrote a memo to Bryan. Most Chinese took "little or no interest in the republic," he said, and were too ignorant to understand the meaning of the word: Their patriotism was local and there was a risk of secession. Nonetheless, he concluded that "even the most discouraging features of the situation in China are not of a sort to recommend delay in recognizing the new government" and that recognition might help stabilize the situation.⁷⁹ Williams thought that the US would do well to support Yuan, because "the only hope for the preservation of order, it seems to me, is in the continuance of Yuan Shih-k'ai in power." He explained, "It is not that I believe Yuan to be an ideal president or a brilliant statesman, but simply that, in my opinion, the only choice lies

Movement in China 1890-1952 (Princeton: Princeton University Press, 1958), 80. He also stressed the importance of sending a Christian as minister to China and attempted to persuade the missionary John Mott to take the job.

⁷⁷ Li, *Woodrow Wilson's China Policy*, 12.

⁷⁸ *Ibid.*, 16.

between Yuan and chaos, and that the sooner we recognize his government, the better it will be for China and for American interests in China.”⁸⁰

Public opinion continued to favor recognition and missionaries kept up the pressure, although their language shows none of the cynicism that Williams expresses above. Bishop J. W. Bashford wrote to Huntington Wilson on January 20, 1913, that “I have not met a single American in China, save officials whose lips are sealed, without hearing complaints of the delay of our government in the recognition of the Republic.... Our attitude toward China is far more critical than the attitude of the French government in recognizing the United States in 1778 when we were in the midst of our revolutionary war and the continental congress was even driven from the capital, and when recognition possibly turned the tide of war in favor of our republic.”⁸¹

Yuan played on missionary sentiments with conspicuous displays of religiosity. On April 17, 1913, he asked Chinese Protestants to pray for him and his government on Sunday, April 27. Newspapers in the US, including the *New York Times*, put the appeal on the front page and the Federal Council of Churches sent the message out to 150,000 Protestant churches asking them to join in prayer on that day. The nondenominational *Christian Herald* wrote that Yuan’s day of prayer “reminds one of the act of Constantine that made Christianity the religion of the great Roman Empire” and Woodrow Wilson said that he “did not know when he had been so stirred and cheered.” A more skeptical

⁷⁹ FRUS 1913, 96-8.

⁸⁰ *Ibid.*, 106-8.

⁸¹ Li, *Woodrow Wilson's China Policy*, 68.

observer remarked, "How that wily Chinaman must be laughing up his sleeve, at the easy gullibility of pious America."⁸²

Woodrow Wilson finally recognized the Chinese government on April 18, 1913, at the first meeting of the Constituent Assembly. The press hailed the policy shift, but his decision was criticized by businessmen, the other powers and several former US diplomats. Willard Straight said that he wondered if it would ever be possible to pursue a coherent and consistent East Asia policy in a democracy "where even the amenities of, let alone the conduct of international relationships must always be subordinated to the exigencies of domestic politics."⁸³ J.O.P Bland, old China hand and correspondent for the *London Times*, wrote in the *New York Times* that "the opinion so generally held here reflects well the instinctive American love for the underdog and the reassuring optimism of a class of your people to whom optimism is a vocational necessity. I refer to the missionary body, which is largely responsible for the exuberant hopes for young China."⁸⁴

The recognition brought an enthusiastic public reaction in China, although some in the KMT thought that US recognition had unfairly strengthened Yuan's hand in the factional dispute with Sun Yat-sen.⁸⁵ Writing to Bryan on May 16, 1913, Williams said that "to some critics, the United States appeared to be recognizing a government which was about to be overthrown." However, in his opinion, "the very fact that the American

⁸² Reed, *Missionary Mind*, 36-7.

⁸³ Reed, *Missionary Mind*, 144. British Minister to Peking, Sir John Jordan, commented said the decision was "as outrageous as anything they have done." Jordan was not generally impressed by US diplomacy in China. A veteran there himself, after traveling for four days with William Jennings Bryan, he remarked sarcastically that the US Secretary of State "told me a good deal about China which I did not know before."

⁸⁴ *Ibid.*, 148

Government carried out its program of recognition without regard to the plottings of the malcontents served to discredit the latter and had an excellent steadying effect throughout the country.”⁸⁶

Nonetheless, Sun and his colleagues continued their opposition to Yuan and in July 1913, Shanghai, Fujian, and Guangdong declared independence from the republic, followed soon afterwards by Anhui, Jiangxi, and Hunan. The US pursued its previous policy of neutrality but this time it refused to harbor rebels in its concessions, considering that this had been a mistake in the past.⁸⁷ The rebels were soon defeated, and by August Sun and his colleagues had fled to Japan. The last stronghold was defeated in September, and in October 1913 the European powers finally recognized the republic.⁸⁸

Once he was firmly in power, events soon showed that Woodrow Wilson had been over-optimistic in his assessment of Yuan’s commitment to democracy. On November 4, he dissolved the KMT, leaving his own Gonghedang as the leading political party.⁸⁹ He proceeded to form a Political Council with two members from each province, one from each ministry and two chosen by the president, to advise the president on legislation. Fears that this body was to replace the National Assembly were encouraged by statements Yuan made when he addressed it on November 26. “The term “republic” is a beautiful term,” he said, “but it only implies that the people have the right to know about the affairs of the State, not that everybody can have a hand in it. If everybody tries to put in a hand there will surely be confusion.” He continued, “At the present time there

⁸⁵ Li, *Woodrow Wilson’s China Policy*, 80.

⁸⁶ FRUS, 1913, 117-8.

⁸⁷ *Ibid.*, 125-7.

⁸⁸ *Ibid.*, 123-32.

⁸⁹ Roy Watson Curry, *Woodrow Wilson and Far Eastern Policy* (New York: Bookman

are too many theorists in the country and most of their talk and suggestions can not be put into practice.” Commenting on Yuan’s remarks, Willys R. Peck, Secretary of the Beijing Legation, wrote, “That the President ...is seeking at least temporary absolute power, is a hypothesis accepted by most foreigners in China, and by Chinese as well.” On December 18 Yuan confirmed this suspicion when he dismissed the National Assembly and declared that the Political Council would be responsible for drawing up a new constitution. Peck described this move, which was supported by a telegram signed by every military and civil governor in China, as a “carefully framed coup d’état.”⁹⁰

Woodrow Wilson took a very different view of the relationship between America’s economic and political interests in China from Taft, and he quickly reversed his predecessor’s policy of dollar diplomacy.⁹¹ Taft had seen American participation in loans to China as key both to increasing commercial opportunity and to maintaining a say in China’s political future. Wilson, on the other hand, took the same approach as in his dealings with Mexico, stressing self-determination and sovereignty. Even before he recognized the republic, and without consulting anyone in the State Department except Secretary of State Bryan, he withdrew support for the American Group and the

Associates, 1957), 34.

⁹⁰ FRUS 1913, 141-3.

⁹¹ Curry, *Far Eastern Policy*, 66. Wilson was not entirely immune to dollar diplomacy. In a manuscript of 1907 that was never published he wrote, “Since trade ignores national boundaries and the manufacturer insists on having the world as a market, the flag of his nation must follow him, and the doors of the nations which are closed against him must be battered down. Concessions obtained by financiers must be safeguarded by ministers of state, even if the sovereignty of unwilling nations be outraged in the process. colonies must be obtained or planted, in order that no useful corner of the world may be... left unused.

involvement of American firms in the six-power reorganization loan. Wilson's statement on the loan stressed altruism toward China,

The conditions of the loan seem to us to touch very nearly the administrative independence of China itself, and this administration does not feel that it ought, even by implication, to be a party to those conditions. The responsibility on its part which would be implied in requesting the bankers to undertake the loan might conceivably go the length in some unhappy contingency of forcible interference in the financial, and even the political affairs of that great oriental State, just now awakening to a consciousness of its poor and of its obligations to its people.... Our interests are those of the open door -- a door of friendship and mutual advantage. This is the only door we care to enter.⁹²

On another occasion he said,

I feel so keenly the desire to help China that I prefer to err in the line of helping that country than otherwise. If we had entered into the loan with other powers we would have got nothing but mere influence in China and lost the proud position which America secured when Secretary Hay stood for the open door in China after the Boxer Uprising.⁹³

Wilson's loan policy did not go unopposed. Huntington Wilson, who was acting Secretary of State while Bryan was away, resigned in protest at the reversal of policy. Willard Straight prophesied that the policy the Taft administration had pursued had been "so essentially sound that not only will it be justified by future events but it will assert itself to such a degree that even this administration will be forced to adopt more or less the methods of its predecessors."⁹⁴ Both the bankers and the other powers were angry that Wilson failed to inform them in advance of his decision, which they found out about in the newspapers.⁹⁵ However, given the upheaval in China, the bankers were not sorry to be relieved of the obligation to make the loan, which they had not initiated in the first

⁹² Li, *Woodrow Wilson's China Policy*, 38-9.

⁹³ Link, *Wilson: The New Freedom*, 286.

⁹⁴ Li, *Woodrow Wilson's China Policy*, 42. Wilson eventually did so.

place.⁹⁶ Although the *Journal of Commerce* and several other papers said that American withdrawal would undermine the policy of open door and invite partition, most thought Wilson was just trying to promote trade without force. Both the *Wall Street Journal* and the *New York Times* were glad to see the end of dollar diplomacy.⁹⁷

Levels of Recognition

On the formal level, the recognition of the Republic of China made the new regime the official representative of China in the international community. Yet, China still did not have equal status with the other nations. Although the US congratulated the Chinese on their adoption of a republican form of government, as a condition of recognition the new regime was obliged to take on the legacy of the Unequal Treaties the Qing had signed with the foreign powers. As a result it continued to have limited sovereignty: large areas of China were virtually under foreign rule, and foreigners enjoyed special privileges of extraterritoriality elsewhere. A great deal of the Chinese nationalist agenda that had underpinned the revolution remained unfinished. Taft had played a more active role in supporting the powers' demands regarding the treaties, but despite his rhetoric about self-determination, Wilson had never suggested the kind of treaty revision that would have been necessary for China to enjoy equality in the international community of nation states.

⁹⁵ Hunt, *Special Relationship*, 219.

⁹⁶ The bankers, frustrated that they had yet to make any money, had actually requested that the new administration specifically ask them to stay in business with China. Griswold, *Far Eastern Policy*, 172-3.

⁹⁷ Li, *Woodrow Wilson's China Policy*, 43.

The US recognition of the Republic of China was by no means a neutral acknowledgment of the regime's existence based on criteria such as the control of territory and the assumption of international responsibilities were not enough for Taft. The enthusiasm with which Wilson embraced the new government amounted to a strong endorsement of Yuan's government and embodied his aspirations for its development into a Christian, democratic regime. His withdrawal of government support for the six-power loan also reflected his normative preferences, which put China's financial autonomy before the potential benefits of the loan for US bankers.

On the cognitive level, Wilson's decisions were based on a certain perception of the republican leadership as Christian and democratic. His impressions were strongly colored by his idealistic view of America's international mission to promote self-determination and democracy around the world and by the wishful thinking of missionaries in China, who presented an overly optimistic view of the new government and the potential for US political influence. In fact, the new government was unstable. Yuan Shikai's commitment to democracy was tenuous, and Christianity was low on the list of values guiding the leaders of the new government. Focusing on what they wanted to see, many Americans continued to underestimate the significance of the nationalist feelings driving the revolution or to consider their implications for America's role in China.

As with the Open Door, the debate over the recognition of the Republic also had a reflexive quality. The priorities of Taft and Wilson in their policies toward China reflected their more general conceptions of the role of the US in the world and its relations with developing countries. For Taft, economic growth was the primary concern

and China's integrity was the means to the end of preserving US access to trade and investment opportunities. To Wilson, a democratic China was an end in itself, to be promoted even at the cost of financial benefits for the US.

On the transformative level, the 1911 recognition did not change China's position in the international community in any practical way. It maintained the ambivalent status of China as a sovereign nation that was yet bound by humiliating treaties, and did nothing to reduce the Chinese nationalism fueled by this situation, and by America's exclusionary immigration policy. However, once again the symbolic aspect of the recognition was arguably as important as the concrete effect. By recognizing the Republic before the other powers, America again appeared to be acting more generously than the Europeans, even though the content of the policy was in fact markedly similar. This perpetuated the myth, set in place by the Open Door notes, of American's special concern for China's welfare.

At the same time, Wilson's rhetoric of democratic idealism, and the public attention the revolution drew, institutionalized a highly romantic view of the Chinese government that encouraged over-optimistic expectations for its future and for US-China relations. In future years, the mantle of Christian democrat open to guidance from America would be transferred to Chiang Kai-shek, as would the toleration of strong-man tactics as the price for order. Both the exaggerated estimation of Chiang's willingness to undertake necessary reforms and the tendency to turn a blind eye to his authoritarian methods would lead Americans to overlook the growing appeal of the Communist revolutionary movement and be unprepared for the tremendous upheaval it would bring.

Conclusion

The fall of the Manchus and the declaration of the Republic of China took place within the context of continuing struggle among the European powers and Japan to carve out spheres of interest in China. Regardless of their different specific interests in China, all the powers agreed that they should make recognition of the new government contingent on its assuming the obligations of its predecessors, including a promise to continue the system of extraterritoriality and privileges granted to foreigners under the unequal treaties. But, as the intense public debate over recognition indicates, there was no consensus in America over whether to follow the lead of the powers or to act alone and recognize the Republic. Individuals inside and outside of both administrations had different ideas about how to proceed, and Presidents Taft and Wilson pursued very different policies in the name of the national interest.

Wilson's foreign policy is often dismissed as sentimental idealism that distracted the nation from a perception of its real interests or led to the pursuit of sensible policy for the wrong reasons. But Taft was also captive to his preconceptions and his appraisal of the economic potential of the China trade was just as conditioned by his expansionist ideology of dollar diplomacy as Wilson's impression of the revolution was by his enthusiasm for the promotion of democracy and self-determination. Both men saw what they wanted in the situation in China. They also shared an exaggerated sense of the contribution American policy could make to the development of events in China: Taft in terms of providing economic advice and Wilson in terms of promoting democracy.

Domestic interests were of considerable importance in determining the US response to the 1911 revolution, but the relationship between governmental and

nongovernmental actors was not a straightforward one of pressure and response. Business interests in China were wary of the revolution and eager to see order restored, even if it meant, initially, the preservation of the Manchus or, later, the authoritarian approach of Yuan Shikai. Yet, the Taft administration's policy cannot be understood as driven by pressure from business interests. Taft was far more optimistic about economic opportunities in China than most American businessmen, and it was he who initiated the formation of the American Group to pursue loan opportunities with China. Once Taft was out of office, business interests were unable to counter the strong wave of public pressure in favor of recognition or to sway the opinion of a President who took a very different view of the revolution. At the same time, missionaries were able to exert such a strong influence after Wilson's election because the President and key advisors like Reinsch and Bryan supported them.

Ideas played an important role in shaping US policy under both the Taft and Wilson administrations. American involvement in China continued to include the pursuit of two ideological goals: the spread of Christianity, and the promotion of democratic reform. As missionaries moved toward a more service-oriented perspective, these two goals moved closer together and more missionaries became advocates of reform. As their numbers grew and communications improved, missionaries became more important than ever as transmitters of information about China to the American public, creating a sizeable constituency for their views. This enabled them to overwhelm the calls of business for a more cautious policy.

At first glance, the decision over whether and when to recognize the Republic of China seems to reveal a direct conflict between material and ideological interests,

reflected in the business emphasis on preserving the treaty terms and restoring order, and missionary enthusiasm for the republic. In fact the situation was not so straightforward, and the state was far from being a neutral mediator between competing interests. Instead, the policies of Taft and Wilson toward the Huguang loan show that ideas play a large role in the way that leaders comprehend the nature and significance of material interests. To Taft, with his expansionist worldview, China would be a vital future market for US goods and capital. This led him to view existing trade and investment as the germ of greater things, and to take an active role in encouraging US banks to participate in international loans. It also led him to believe that the US must cooperate with the other powers as a way of restraining them and securing a role for America in determining China's financial affairs in the future. This was a major reason why he followed their lead on recognition. Wilson's vision was very different. His emphasis on self-determination and the promotion of Christianity and democracy caused him to place a very different value on economic interests in China. to withdraw from the Huguang loan, and to disregard the policy of the other powers on recognition, even though this would likely impede future efforts at cooperation. At the same time, his exaggerated hopes for the revolution were strongly colored both by his ideological priorities and his reliance on missionary sources for analysis of events in China.

Chapter Four

Nonrecognition of the People's Republic of China

In the late 1940s, the US faced a new turning point in its relations with China when it became apparent that the Nationalists (KMT) were losing the civil war against the Communist Party (CCP). The US had to decide how far to go in supporting Chiang Kai-shek's regime and whether, when the Nationalists were finally driven into exile on Taiwan, to recognize the newly established People's Republic of China.

The recognition theme is extremely useful in disentangling the many elements that contributed to the radical reshaping of US policy toward China at this time. The prevailing structure of recognition was in large part the legacy of 1911, which although very weakly institutionalized in policy between the wars, nonetheless exerted a powerful grip on the public mind and had a pervasive influence on the rhetoric of politicians. With America's entry into the war, the image of a democratic China resisting foreign aggression with American help was revived in full force.

This representation became increasingly untenable once the war with Japan was over, the KMT was losing support to the Communist Party and Chiang's corruption and unwillingness to reform made further assistance to him distasteful to many in the Truman administration. But although Truman and Acheson came to the conclusion that recognition of the PRC was the most sensible course, this change of direction proved hard to implement. Their understanding of events in China and the appropriate response to them was challenged by a coalition of pro-Chiang partisans, and fiscally conservative, isolationist and anti-Communist Republicans, who organized a fierce opposition to their policy.

If events in China had been taking place in isolation, the Truman administration's policy would probably have prevailed. But the revolution in China was occurring in the highly charged atmosphere after the Second World War, and was understood within the context of worsening US-Soviet relations. In this environment of mobilization for containment of the Soviet Union, the administration's policy of recognizing the PRC seemed anomalous and Truman and Acheson were forced to compromise. Partisan pressure also played a role, as the Republicans used the issue of Communism, foreign and domestic, to attack the Democratic Truman administration. In the end, with the onset of the Korean war, the anti-Communist thrust of containment would end up determining the course of US-China policy.

Background: US-China policy between the wars

As discussed in chapter three, the rhetoric surrounding the recognition of the Chinese republic obscured its shaky status. Yuan Shikai soon dismissed the National Assembly, and in December 1915 abandoned all pretense of democracy by attempting to appoint himself Emperor. After Yuan's death in 1916 his successor, Li Yuanhong, was unable to hold things together. In June 1917, Li dismissed parliament and China slid into warlordism. KMT members of parliament fled south, where they established a rival government, tenuously sustained by the support of southern militarists.¹

In 1922 a turning point came when Sun Yat-sen met with a representative from the Soviet Union, Adolf Joffe. Although both parties expressed the belief that China was not ready for socialism, Sun accepted the support of the Soviet Union and the assistance

of its advisers in reorganizing the KMT. A delegation, including Mikhail Borodin, arrived in September 1923. Borodin was strategic not only in helping to train a modern army at the Whampoa Military Academy, of which Chiang Kai-shek became the commander, but also in creating a political platform that would enable the KMT to win support from a broad base that included both Communists and conservatives. This was achieved largely by appealing to the nationalist feelings shared by groups with very different domestic agendas. Both the Manifesto of the First Congress of the reorganized KMT and Sun Yat-sen's widely disseminated Three Principles of the People emphasized China's mistreatment at the hands of the foreign powers and the need to win independence.²

The nationalist rhetoric of the KMT fed upon growing popular resentment of China's treatment by the foreign powers. In 1919 at the Versailles Peace Conference, and again at the Washington Conference of 1920-21, Chinese delegations had been rebuffed when they requested a revision of the Unequal Treaties. Instead, Shandong had been passed from the Germans to Japan, and the Nine Power Treaty included clauses that mirrored the Open Door Notes in their call for respect for China's integrity but made no mention of abrogating the treaties or ending extraterritoriality or foreign control of the tariff. Only the Soviet Union voluntarily renounced its special rights and privileges. On June 30, 1925, the smoldering resentment was ignited when the British commander of the Shanghai police ordered his men to fire on striking workers. This led to a sudden and quickly spreading anti-foreign movement, with demonstrations, riots, strikes, and the

¹ Dorothy Borg, *American Policy and the Chinese Revolution, 1925-1928* (New York: Octagon Books, 1968), 14-5. Sun Yat-sen was forced to flee Canton on several occasions when rival factions took power.

² *Ibid.*, 15-9.

boycott, organized in the south by the KMT, of British goods. On June 24, 1925, under pressure from this movement, the Beijing government issued two notes to the foreign powers, complaining that insufficient progress had been made on treaty revision since the Washington Conference and calling for readjustment that would bring China's treaty relations in line with the "legitimate national aspirations" of the Chinese people."³

The American response to the nationalist movement was mixed. At the end of the First World War, Woodrow Wilson lobbied for treaty revision, urging that "the several nations that had gained a foothold in China... might forego the special position they had acquired and that China might be put on the same footing as other nations, as sooner or later, she must be." He warned that there was "a lot of combustible material in China and if flames were put to it the fire could not be quenched." But these good intentions fell victim to other concerns when, in order to win Japanese support for the League of Nations, Wilson acquiesced in Japan's taking over the former German territory in Shandong.⁴

In the debate over how to respond to China's request for treaty revisions, the US once again emerged as more sympathetic than the British or the Japanese, but still wary of giving up its privileges unilaterally. Missionary organizations, often the target of nationalist resentment, generally spoke in favor of treaty revision. Businessmen were more skeptical, doubting China's ability to manage the tariff or administer justice. In June 1926, George Bronson Rea, editor of the *Far Eastern Review*, wrote a lengthy article decrying the missionary influence on US China policy which, he said, explained "the present tendency to placate the Chinese by surrendering extraterritoriality and those

³ Ibid., 1-13; 20-46;56

⁴ Ibid., 6.

other safeguards deemed essential for the protection of foreign lives and properties in the treaty ports and in the interior.”⁵

In 1926, Chiang Kai-shek, leader of the KMT after Sun’s death, marched North and managed to win control of most of China. On reaching Shanghai in March 1927, he turned against the left wing of the party, killing thousands of Communists and shutting down CCP organizations across the country. Chiang set up a government in Nanjing, which the US tacitly recognized by concluding a tariff agreement in 1927. But Chiang continued to face opposition from regional militarists, and from the Communists. In 1931, the Japanese invaded Manchuria, and in 1937, they invaded China proper, beginning the Sino-Japanese war. Although some members of the Roosevelt administration, including Secretary of War Stimson, favored assistance to China, most were more concerned about avoiding war with Japan. Roosevelt, aware that war was coming, did not want it to break out before the US was ready. As a result, the US continued selling supplies and oil to the Japanese.

Yet public imagery of China remained largely unaffected by these state to state relations. Dominated by missionaries and foreign war correspondents, the portrayal of China continued to be highly sentimental. In 1937, the Chiangs were on the cover of *Time* magazine. The Foreign Missions Conference of North America, the Federal Council of Churches of Christ in America, the YMCA, and China Famine Relief all rallied to the cause, and the *Missionary Review of the World* declared that “China has now the most enlightened, patriotic and able rulers in her history.” Missionary publications generally downplayed the conflict between the CCP and the KMT, and often presented Communists in favorable light as social reformers. China was presented as a democracy

⁵ Ibid., 68-94; 90-1.

in contrast to fascist Japan, and saving China became a missionary cause. The United Council for Civilian relief in China even revived the anniversary of the American recognition of the Republic in 1913 and celebrated its 25th anniversary as Democracy Day with speeches and radio broadcasts. Polls showed that 74% of Americans were pro-Chinese and only 2% pro-Japanese. Yet America remained neutral.⁶

US-China policy during the Second World War

The Second World War radically altered the context of US-China relations and brought a change in policy. In April 1941 the US provided China with a \$50 million loan and in May signed a lend-lease agreement. In July, Roosevelt allotted \$600,000 million in lend-lease funds to China. One hundred American fighter pilots were placed on inactive status so that they could join an American Volunteer Group, later known as the Flying Tigers, serving in China under the command of Claire Lee Chennault, a retired US pilot who had been working for Chiang since 1937. On July 25, 1941, Roosevelt froze all Japanese assets in the United States. After the Japanese bombed Pearl Harbor in December 1941, China and the United States became allies and in March 1942 Roosevelt sent General Joseph Stilwell to China to serve as Chiang Kai-shek's chief of staff.⁷

US wartime policy toward China was determined in broad terms by the international environment and the need to secure China as an ally against Japan. The recognition of China at this time was shaped by the larger debate over how to conduct the war. But within this framework, there was considerable room for policy choice. The

⁶ Barbara Tuchman, *Stilwell and the American Experience in China, 1911-1945* (New York: MacMillan, 1971), 188-9.

⁷ Paul A. Varg, *The Closing of the Door: Sino-American Relations, 1936-1946* (Michigan State University Press, 1973), 24-5.

choices that were made were affected by different perceptions of the situation in China, different ideas about the best way to achieve desired goals, and different visions of how US-China relations might fit into the context of the post-war world.

A major area of disagreement in American policy was how to handle relations with Chiang Kai-shek. Although Roosevelt's rhetoric emphasized their common interests, Chinese and American leaders had different priorities. The Americans were primarily concerned with the war in Europe, and in the China theater their goal was to defeat the Japanese. But Chiang was at least equally concerned to retain and consolidate his political power with a view to his post-war future and the need to defeat the CCP. As a result, he stockpiled matériel and was reluctant to risk his troops in combat or permit their reorganization in ways that might undermine his authority.⁸

As early as July 1941, General Marshall called for American control over US troops and supplies in China, and in 1942, Brigadier General John Magruder recommended using lend-lease funds as a lever to induce Chiang to reorganize his forces.⁹ Stilwell, who described Chiang as "a vacillating, tricky, undependable old scoundrel," thought that only a strict policy of *quid pro quo* would work and that the US should make military aid dependent on the Generalissimo implementing both military and political reform."¹⁰ But Claire Chennault supported Chiang's insistence that no conditions should be attached to aid. In addition to Chennault's leverage with Roosevelt, Chiang hinted that he could always make a separate peace with Japan.¹¹

⁸ Jonathan D. Spence, *To Change China: Western Advisers in China, 1620-1960* (Boston: Little, Brown 1969), 234.

⁹ Tang Tsou, *America's Failure in China 1941-1950* (Chicago: University of Chicago Press, 1963), vol. 1, 92; Varg, *Closing of the Door*, 32.

¹⁰ Tsou, *America's Failure*, 93..

¹¹ Spence, *To Change China*, 249-50.

The problem was not purely an instrumental one. US attempts to manage the relationship with Chiang were complicated by his enormous publicity in the United States. Although most American military officers and politicians who met him personally were unimpressed, in the press and in the eyes of many Americans, Chiang had inherited the mantle of Sun Yat-sen and embodied their unfulfilled hopes for the 1911 revolution. This was the result in large part of his marriage in 1927 to Soong Meiling, the daughter of a wealthy and well-connected Christian family. Educated at American universities, the Soongs were excellent intermediaries for Chiang with American politicians and the media. T.V. Soong, who served variously as Finance Minister, Foreign Minister and Premier for the Nationalist government, moved to the US in 1940. He quickly established a relationship with Roosevelt's election campaign team, becoming friends with Roosevelt's close advisor, Harry Hopkins. Soong set up the Universal Trading Company and China Defense Supplies to handle purchasing and finance for the Flying Tigers, and he later used them to process lend-lease funds. Soong continued to act as Chiang's personal representative throughout war.¹²

The Soong influence was not felt only within the government. From the start of the Japanese war, Soong Meiling wrote a stream of letters and articles to American newspapers and magazines describing the trials of the Nationalist government and appealing for US assistance. In 1943 she made a trip to the US during which she addressed Congress, held numerous press conferences, and met with state governors, important businessmen, Hollywood stars and countless reporters. Speaking of Soong Meiling's speech before Congress, one Congressman said she had him "on the verge of

¹² Tuchman, *Stilwell and the American Experience*, 115-6; 220-1. Several former members of the Roosevelt administration went to work for these companies.

bursting into tears.”¹³ Henry Luce, publisher of *Time*, *Life* and *Fortune* magazines, which together had 3.8 million subscribers, was crucial in the positive media presentation of the Chiangs.¹⁴

This appealing image of an Americanized and Christian China under siege was incomplete to the point of being dangerously misleading. Chiang may have been a practicing Methodist, but he was also a strident nationalist and an authoritarian. Certainly he was no proponent of American-style democracy. The regime he established was a one-party state, with strict censorship and political control. His book, *China's Destiny*, blamed foreign exploitation for China's troubles and took an instrumentalist approach to Western ideas and institutions.¹⁵ American Consul General O. Edmund Clubb said that *China's Destiny* revealed a mind of “a dogmatic and almost medieval character.” Stilwell went further, writing in his diary that the US had been “forced into partnership with a gang of fascists under a one-party government similar in many respects to our German enemy....” Chiang was, he said, “as intensely pro-Chinese. i.e. contemptuous of everyone else, as the Ch'ings were.”¹⁶

But during the war, press reports fueled Chiang's popularity with stories about the brave resistance to the Japanese. In 1942, General Magruder, leader of the Military

¹³ Harold Robert Isaacs, *Scratches on our Minds: American Images of China and India* (New York: J. Day Co., 1958), 173-6; 175. The trip was organized by Henry Luce.

¹⁴ T. Christopher Jespersen, *American Images of China, 1931-1949*, (Stanford: Stanford University Press 1996), 12.

¹⁵ “As for the struggle between Liberalism and communism,” he wrote, “it was merely a reflection of the opposition of Anglo-American theories to those of Soviet Russia. Not only were such theories unsuited to the needs of China's national life, but they were also opposed to the spirit of China's own civilization. The people who promoted them completely forgot that they were Chinese and missed completely the object of learning which was to study and to apply the acquired knowledge for the benefit of China.” Tsou, *America's Failure*, 190.

¹⁶ Tuchman, *Stilwell and the American Experience*, 20.

Mission to China, wrote to the War Department complaining that "...the true state of affairs in China is being seriously distorted, and China's military successes are being highly exaggerated, by what is given out in American newspapers and over American broadcasting stations.... Perhaps all this is designed to raise popular morale in the United States and to flatter the Chinese. If so, it is going a bit too far."¹⁷ The American Ambassador in Chongqing had similar feelings. Only a few days after Roosevelt had publicly praised Chiang, saying that "All the world knows how well you have carried on that fight which is the fight of all mankind," Clarence Gauss protested that,

It is unfortunate that Chiang and the Chinese have been 'built up' in the United States to a point where Americans have been made to believe that China has been "fighting" the Japanese for five years, and that the Generalissimo, a great leader, has been directing the energetic resistance of China to Japan and is a world hero. Looking the cold facts in the face, one could only dismiss this as "rot."¹⁸

The widespread representation of Chiang as the heroic leader of a republican China had a significant effect on policy, making it hard for politicians to refuse him aid. Chiang was well aware of this. Stilwell complained. "Our fool publicity 'heroic resistance -five years' struggle' etc., etc. have set it up for Chiang Kai-shek -he can say to us 'sorry, we've reached the limit: without help we can't go on.'" "Continued concessions," Stilwell said on another occasion, "have made the Generalissimo believe he has only to insist and we will yield."¹⁹

Gradually, the negative opinion of Chiang spread in government circles. In December 1943, when Chiang asked for a one-billion dollar loan from the US in addition to more supplies and America's paying for new airfields, Secretary of the Treasury Henry

¹⁷ FRUS 1942, 14-6.

¹⁸ Isaacs, *Scratches on our Minds*, 187.

¹⁹ Spence, *To Change China*, 246; 259.

Morgenthau, who had supported Chiang's previous demands, exclaimed, "They are just a bunch of crooks, holding a pistol to our heads."²⁰ But criticism remained largely within military and administration circles, while the favorable view of Chiang continued to be widespread in Congress and the press until the end of the war. The prevalence of this idealized image of Chiang, which drew heavily on the old themes of Chinese wards striving to emulate the US and eager for help and guidance, would make it difficult to explain a change of policy later.

In any event, the administration's skepticism was not reflected in policy. US aid to China from 1937 to March 1949 would total over \$3.5 billion in grants and credits, of which about 40% or \$1.5 billion was authorized prior to V-J day and 60% or \$2 billion thereafter.²¹ No conditions were attached. Roosevelt was unwilling to refuse Chiang partly because he was seen as the only man capable of leading the Chinese, and partly because of Chiang's threats to make a separate peace with Japan. Most of his advisors regarded these remarks as a bluff, but Roosevelt was not prepared to call it. As a result he did not consider supporting other, more liberal, factions within the KMT, nor did he push Chiang to make the reforms that might have increased the legitimacy of his government, even though advisors suggested both.²²

Another point of disagreement was how to evaluate the Chinese Communist Party in terms both of its strength and its intentions. From 1941 Foreign Service reports from China argued that the Nationalist government's corruption, repression, and

²⁰ Ibid., 238.

²¹ State Department, "Summary of United States Government Economic, Financial, and Military Aid Authorized for China Since 1937," cited in *China and U.S. Far East Policy: A Review of the Events, Personalities and Issues Affecting U.S. involvement with China, Formosa, Korea, Viet Nam* (Washington, D.C: Congressional Research Service, 1967).

²² Tsou, *America's Failure*, 120-2.

unresponsiveness to the need for reform were eroding the government's legitimacy and contributing to the appeal of the CCP.²³ Officers in China noted the popular appeal of the Communists and the danger America ran in continuing to support Chiang. In November 1944, John Paton Davies wrote, "We must be realistic. We must not indefinitely underwrite a politically bankrupt regime. And if the Russians are going to enter the Pacific War, we must make a determined effort to capture politically the Chinese Communists rather than allow them to go by default wholly to the Russians. Furthermore, we must fully understand that by reason of our recognition of the Chiang Kai-shek government as now constituted we are committed to a steadily decaying regime and severely restricted in working out military and political cooperation with the Chinese Communists." In February 1945 a telegram drafted by all the political officers at the US embassy in Chungking, and endorsed by the acting chief of staff, said that only by extending US aid to the Communists and including them in a war cabinet, could the US keep the Communists on "our side instead of throwing them into the arms of the Soviet Union."²⁴

But while many career diplomats in China saw the KMT as corrupt and losing its legitimacy, some of Roosevelt's closest war time advisors did not. Lauchlin Currie, Stanley Hornbeck, and Maxwell Hamilton all subscribed to the image of Chiang as the

²³ FRUS 1941, 547. Writing in November 1941, Ambassador Clarence Gauss said, "There is undoubtedly need for political and social reform in China. My estimate of the present dominant elements in the Kuomintang does not lead me to confidence in their ability or desire to effect substantial reforms. Politically, they have a "one party" concept of government; and socially they are not liberal. The Communists, equally (if differently) unsuited to the task, have however pointed the way toward reform in the field where it is most needed -land tenure and district or local administration."

²⁴ Tsou, *America's Failure*, 200-1

indispensable leader.²⁵ Wendell Wilkie, on a visit in October 1942, was also charmed by the Generalissimo after a Potemkin-style display of parading children and stage-set battlefronts. Roosevelt's last emissary, Patrick Hurley, disagreed with the foreign service officers about almost every aspect of the situation, including the viability of the KMT, the strength of the CCP and the best policy to follow. Hurley thought that Communist strength had been exaggerated and that without help from the USSR, which was unlikely to materialize, they would have to make peace with the KMT. He strongly supported Chiang and hoped to broker a coalition between the KMT and the CCP. His advice, rather than that of the China diplomats, swayed the president.²⁶

Roosevelt's support for Chiang did not stem only from his desire to meet short term military goals by keeping the Japanese busy in China or from the selective perception of his advisors. It also reflected his long-term vision of a post-war world in which Four Policemen – America, Russia, Britain and China – would keep the peace. Roosevelt's hope for a strong China that could serve as a force for peace in Asia was of course a political goal that sat easily with the old Open Door rhetoric about preserving China's integrity and the 1911 rhetoric of sponsoring a peaceful democratic China influenced by the United States. Despite China's weakness, Roosevelt spoke of it as a great power and of America's determination to back it. In February 1942 he told Stilwell to tell Chiang, "We are in this thing for keeps, and we intend to keep at it until China gets back all her lost territory." To Churchill's incomprehension, Roosevelt acted on his vision; the Moscow Declaration of October 1943 officially made China one of the four

²⁵ Tuchman, *Stilwell and the American Experience*, 322. Hamilton wrote in a policy statement in February 1942 that Chiang Kai-shek's "determination, persistence and on the whole broad gauge outlook constitute perhaps the most important element in China as a fighting ally."

great powers, and at the Cairo Conference a month later China was promised the return of all the territory it had lost to Japan. Chiang was invited to the Dumbarton Oaks Conference in 1944 and China was assigned one of only five permanent seats on the Security Council of what would become the United Nations.²⁷

A key component in Roosevelt's conception of the postwar international environment and America's role in it was his understanding of US-Soviet relations. As allied victory appeared certain, it became clear that the Soviet Union intended to retain control over the areas liberated by its troops. As the war in Europe drew to a close, differences emerged, even within the Roosevelt administration, over the implications of this and, more broadly, over the role America should play in postwar Europe. In effect, the US was undergoing a crisis in its recognition of Russia and, in the process, redefining its own role in the world. The new recognition, and the policy of containment that eventually grew out of it, did not emerge smoothly or without argument. As with China, different political actors within and outside government interpreted events in different ways and had different recommendations for policy on a number of issues.

First, there was disagreement over whether Soviet efforts to control the political situation in Eastern Europe, Iran, and the Balkans were motivated by the desire for security and the establishment of a buffer zone against a resurgent Germany, or whether they reflected an aggressive expansionist policy that aimed ultimately at Soviet dominance of Western Europe and Asia. Those, like Roosevelt, who took the first position, favored acquiescing in Russian demands in the hope of reassuring Soviet leaders. Roosevelt said in 1944 of the Russians "They are friendly people. They haven't

²⁶ Ibid., 331-8; 513-4.

²⁷ Tsou, *America's Failure*, 35-6; 59.

got any crazy ideas of conquest, and so forth; and now that they have got to know us, they are much more willing to accept us.”²⁸ After the war, he envisaged that the Four Policemen would act as peacekeepers in their respective regions. In pursuit of this, he was prepared to accept Russia expanding its borders considerably, effectively establishing a sphere of influence. In private conversations with Cardinal Spellman and Ambassador Harriman in 1943 and 1944, Roosevelt revealed his prediction that much of Eastern Europe might fall under Soviet control. He was not unduly concerned by this, feeling that if the Soviet Union satisfied its territorial ambitions it would no longer be a threat to peace.²⁹

This view was strongly opposed by traditional isolationists, typically Republicans from the Midwest, who were led by Senator Robert Taft and Representative Jesse Sumner. Many had opposed lend-lease and those who had voted for it, like Senators Taft and Vandenberg, thought that aid should end with the war. In their view, the US had no responsibility to keep peace in the world or assist in the post-war reconstruction of its allies, much less its former enemies.³⁰

Internationalists were opposed for different reasons. In the tradition of Woodrow Wilson, they objected to the idea of spheres of influence and the dominance of small nations by the great powers, which seemed to go against the principle of self-determination. Instead, they favored developing the United Nations (UN) into an

²⁸ John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of Postwar American Security Policy* (Oxford: Oxford University Press, 1982), 9.

²⁹ He is said to have remarked to Assistant Secretary of State Adolf Berle in 1943, “Yes, I really think those 1941 frontiers are just as good as any ...and all those Baltic republics are as good as Russian anyway.” *American Visions of Europe: Franklin D. Roosevelt, George F. Kennan, and Dean Acheson* (Cambridge: Cambridge University Press, 1994), 81; 88-9.

international collective security organization in which all nations would have equal representation. This group included Democrats William J. Fullbright and Tom Connally, as well as Secretary of State Cordell Hull.³¹

Even within the administration there was no unanimity on these issues. Hull differed strongly from the president and Harry Hopkins, and also found himself isolated within the State Department, where his staff on the Europe area desks supported a version of dollar diplomacy that would focus on the use of trade and investment to achieve political influence in Europe. Dean Acheson, then under-secretary of state, had been active in the creation of the UN but did not share Hull's optimism. He was doubtful that the UN would be more than an "aid to diplomacy" and considered that the popular belief that "one could –and should—apply to foreign affairs the institutions and practices of legislatures in liberal democracies" was a "grand fallacy."³² But he was not strongly anti-Soviet either, preferring a pragmatic, problem-solving approach. While he favored being tough with the Russians where necessary, he also wanted to reduce tension and not slide into a wholesale anti-Soviet position.³³

Roosevelt decided to try to allay Soviet suspicions by opposing British plans to denazify and rehabilitate Germany and instead proposed the Morgenthau plan that called not only for the destruction of the Third Reich, but also of the industrial regions of the Ruhr and Saar. But the Russians did not respond as expected. In July 1944 the Soviet army waited outside Warsaw while the Nazis wiped out resistance forces loyal to the Polish government-in-exile in London which might have challenged the pro-Soviet Polish

³⁰ Randol B. Woods and Howard Jones, *Dawning of the Cold War: the United States' Quest for Order* (Atlanta: University of Georgia Press, 1991), 16.

³¹ Harper, *Visions of Europe*, 50.

³² Chace, *Acheson*, 107.

Communists based in Lublin, designated by Stalin to be the new administration of liberated Poland. This incident angered Polish-American voters and shocked many within the administration.³⁴ By this time, US Ambassador to the Soviet Union Averell Harriman was warning that the Soviet Union would become a “world bully” unless the US adopted a stronger policy to stop it, and called for a *quid pro quo* policy that would extract Soviet concessions in return for continued aid. A letter to General Marshall from General John Deane, Head of the American Military Mission in Moscow, echoed his views.³⁵

With Cordell Hull’s resignation as Secretary of State in November 1944, his replacement Edward Stettinius brought a more strongly anti-Soviet team into the administration, including Joseph Grew as Undersecretary of State, and Charles E. Bohlen as liaison with the White House. Their position was supported by Harriman and by Soviet expert George Kennan, who joined the embassy staff in Moscow in spring 1944. However, although the tougher line was gaining strength, some members of the administration, including Henry Morgenthau at the Treasury, still hoped for cooperation with the Soviet Union. These differences of opinion within the administration were fought out over the question of a reconstruction and development loan for the Soviet Union in late 1944 and early 1945, with the Morgenthau group favoring a large unconditional loan and the State Department group urging the President to use the loan to gain political leverage over the Soviet Union, including Soviet membership of the Bretton Woods organizations, US participation in the Allied Control Councils for

³³ Woods and Jones, *Dawning of the Cold War*, 18; Chace, *Acheson*, 107.

³⁴ *Ibid.*, 24

³⁵ Gaddis, *Strategies of Containment*, 15.

Rumania, Bulgaria, and Hungary, and Soviet non-interference with US economic relations with Poland, Czechoslovakia, and the Baltic States.³⁶

Roosevelt's policy toward China was informed by his view of the international situation, his evaluation of Soviet motivation and intentions, and his hopes for America's role in the postwar world. He does not seem to have been overly concerned about Russian intentions with regard to China, or about the possibility of China siding with the USSR against America, assuming that "in any serious conflict of policy with Russia, [China] would line up on our side."³⁷ This was partly because Stalin had made disparaging remarks about the Chinese Communists, referring to them in a conversation with Averell Harriman as "margarine Communists."³⁸ Neither did he give them any support during the war, leading Roosevelt to think that the Soviet Union was unlikely to sponsor the CCP against a Nationalist government supported by the US. Roosevelt's position was further supported by his belief that the Chinese were somehow culturally incapable of espousing Communism. Roosevelt had said to the Japanese ambassador Admiral Nomura in March 1941 that "China was not really communistic in the same sense as Russia, and Japan had an undue fear of Communism in China." The idea that the Chinese were latent republicans, open to American values, and particularly to democracy and Christianity, was widely shared by people including former missionary and representative from Minnesota Walter Judd and China expert Owen Lattimore, who disagreed on many other matters. This mid-century incarnation of the wishful missionary characterization of the

³⁶ Woods and Jones, *Dawning of the Cold War*, 25-9.

³⁷ Tsou, *America's Failure*, 38.

³⁸ Feis, *China Tangle: the American Effort in China from Pearl Harbor to the Marshall Mission* (Princeton, Princeton University Press, 1953), 140-1.

1911 revolution and its leaders led to an erroneous expectation about how events would play out.³⁹

Roosevelt therefore acquiesced in Stalin's demands for China. At the Yalta Conference in February 1945, with the US eager for the Soviet Union to enter the war in the Pacific, Stalin asked Roosevelt to agree that Russia would lease Dairen, Port Arthur and the surrounding area, along with the Chinese Eastern Railway. He also requested that Outer Mongolia remain an independent state. In return, Stalin promised to enter the war two or three months after Germany surrendered.⁴⁰

However as the spring progressed, the western allies became more worried about Russian intentions. In February 1945, a Russian ultimatum to the king of Romania resulted in the installation of a pro-Soviet government in Rumania. Inside the Soviet Union, millions of Russians from areas occupied by the Germans were forcibly relocated and former prisoners of war were sent to prison camps.⁴¹ In April 1945, Harriman wrote that "the Soviet program is the establishment of totalitarianism" and that Stalin regarded US attempts at cooperation as weakness. In May 1945 there was discussion of reconsidering the Yalta decision with regard to Russia's claims in the Far East, but Truman, Marshall, and the War Department all felt that Russian participation in the war would shorten the war and save American lives. Furthermore, without military intervention it would be impossible for America to prevent Russia from taking the

³⁹ Tsou, *America's Failure*, 180-3; 225-7. During the war, the USSR gave the Nationalists three loans totaling \$250 million, but no money to the CCP.

⁴⁰ *Ibid.*, 248-50.

⁴¹ Woods and Jones, *Dawning of the Cold War*, 37.

territories mentioned in the Yalta concessions. The policy therefore continued to be to secure Stalin's support for a coalition government in China under Chiang.⁴²

At the end of the Second World War, American policy in China still echoed themes of 1911. Its stated goals were to help China retrieve its lost territory, to support the establishment of a democratic coalition government, and to make China a great power that would keep the peace in Asia. The next few years would bring a fundamental re-characterization of the situation.

The Breakdown of the Wartime Policy

By the end of the war, there was mounting evidence that Roosevelt's vision for China was not going to materialize and that the framework of the 1911 recognition was under serious strain. The Nationalist government was militarily weak and politically vulnerable, and its position continued to decline over the years that followed. Although the KMT outnumbered them by at least three to one, the Communists soon began to win the civil war and by the end of 1948 they controlled most of China north of the Yangzi. In January 1949 the Nationalists lost a decisive battle at Huai Hai, and after that they were in clear retreat. The Communists declared the establishment of the People's Republic of China on October 1, 1949. In December Chiang Kai-shek fled to Taiwan and set up his capital in Taipei. About one million KMT troops and supporters accompanied him.

As the balance of power in China was swinging progressively in favor of the CCP, US policymakers faced a number of choices. While Chiang's forces still had some hope of victory, the US could continue to give additional economic and/or military

⁴² Tsou, *America's Failure*, 253-7.

support to shore up his defense, or it could leave Chiang to fend for himself. It also had to decide how to manage relations with the Chinese Communist Party: whether to take a neutral stance, directly oppose it through support of Chiang or other means, or try to enter into communications with a view to establishing a cooperative relationship. After the declaration of the People's Republic, the US had to decide whether to recognize the new regime and continue trade and cultural relations, or whether to try and oppose the CCP by isolating it, and supporting either Chiang's nationalist regime or an independent government on Taiwan. All of these options were considered by the administration at one time or another.

These decisions had important implications at each level of recognition. At the formal level, recognition of the PRC would make the Chinese Communist Party the representative of China in the international community. Most importantly, the unexpected consequence of Roosevelt's policy of treating China as a great power would be that the PRC would assume a seat on the Security Council of the United Nations.⁴³

At a normative level, the impending Communist victory raised the question of whether the US was prepared to accept the outcome of the civil war in China, despite the blow this dealt to the 1911 image of a republican China friendly to the US, and accept that the new government was legitimate on the grounds that it had effective control of the territory it claimed and appeared to be meeting with no resistance. The other side of this question was whether, in order to try to prevent the Communists from taking power, the US was prepared to continue its recognition of Chiang's regime, which many regarded as corrupt and illegitimate. To an extent, the debate was about whether recognition had an inherently normative character, with some including Dean Acheson claiming that it was a

neutral acknowledgment of a regime's existence that entailed no element of approval, while others argued that it was an act of affirmation that should not be extended to offensive regimes.

On the cognitive level, the positions people took on recognition depended on their assessment of a number of issues. The first was the empirical legitimacy and military viability of Chiang's regime: whether the KMT government was so tarnished by corruption and ineptitude that, even if the US was prepared to overlook its deficiencies, Chiang was incapable of defeating the Communists without the intervention of American troops. Second, key decision makers differed over the nature of the relationship between the CCP and the Soviet Union: whether the Chinese Communists were puppets of Soviet expansionism, or whether their nationalism and less rigid ideology would incline them to retain some independence from Russia and make them amenable to US influence. The latter view extended to hopes that US engagement would encourage Mao to follow Tito's example.⁴⁴

At the reflexive level, views on the situation in China continued to be colored by broader differences of perspective about the emerging post-war environment. Relations between the US and the Soviet Union were deteriorating, Britain was fading from the scene, and the US was defining its role in the new bipolar world. This larger debate about the intentions of the USSR, the appropriate response for America, and the role of China in the developing pattern of relations between the two superpowers would play a significant role in determining how individuals perceived the situation in China, and how

⁴³ Tsou, *America's Failure*, 59.

⁴⁴ Nancy Bernkopf Tucker, *Patterns in the Dust: Chinese-American Relations and the Recognition Controversy, 1949-1950* (New York: Columbia University Press, 1983), 179.

they thought the US should react. In effect, US recognition of China was deeply conditioned by the understanding of US relations with the Soviet Union, which in turn was informed by events taking place in other countries, including China.

As with US-China relations, it is difficult to identify one interpretation of US-Soviet relations that grew inevitably out of the circumstances and demanded a specific policy response. Rather, the various aspects of the situation and their implications were perceived differently by actors of varying backgrounds, temperaments and ideological persuasions. There was indeed a shared awareness, which grew over time, that the Soviet Union had increased its power in the Baltic, Eastern and Central Europe as the result of the war and that this raised questions about the security of Western Europe and perhaps America itself. But there was disagreement among participants inside and outside the administration about the severity and the immediacy of this perceived threat, and about the best means for dealing with it.

As discussed above, Roosevelt took a fairly optimistic view of US Soviet relations, assuming that Soviet expansionist behavior stemmed largely from insecurity and that Stalin would be satisfied with limited concessions and assurances of good will. Although a number of his advisors disagreed, Roosevelt's view drove policy until his death. Thereafter, the views of his more strongly anti-Soviet advisors became more influential. Averell Harriman had long argued for a policy of *quid pro quo* toward the Soviet Union. George Kennan, who had criticized Roosevelt's "pro-Sovietism," took a stronger position than Harriman. In his famous long telegram of February 1946, Kennan argued that Soviet behavior was a reaction neither to perceived external threats nor to American policy, but the product of 'basic inner-Russian necessities which existed before

the war and exist today.” The Russians needed a hostile international environment, Kennan argued, in order to justify the repressive policies that kept the Soviet regime alive. “We are faced here with a tremendous vested interest dedicated to [the] proposition that Russia is a country walking a dangerous path among implacable enemies.” With Germany and Japan defeated, the Soviet Union had “no choice but to build up [the] US and the United Kingdom to fill this gap.”⁴⁵

There was no point in trying to reason with the Soviet Union or seek friendship with it, insisted Kennan, because its leaders were “committed fanatically to the belief that with the US there can be no *modus vivendi*.” However, Kennan argued that the Soviet leaders were “highly sensitive to the [logic] of force” and that they could easily withdraw “when strong resistance is encountered at any point.”⁴⁶ In the “Sources of Soviet Conduct,” written in December 1946 and published anonymously in *Foreign Affairs* in July 1947, he advised that the US should respond with “the adroit and vigilant application of counterforce at a series of constantly shifting geographical and political points corresponding to the shifts and maneuvers of Soviet policy....”⁴⁷

However, unlike some others, who thought that war was imminent, Kennan did not regard the Soviet Union as terribly dangerous. He thought that the war and the pressure of extending control over Eastern Europe had exhausted it, disillusioned the populace and might well create a crisis in the regime or at least open up the possibility for more moderate forces to emerge. American policy should therefore be designed to increase “the strains under which Soviet policy must operate, to force upon the Kremlin a

⁴⁵ FRUS 1946, 6:696-709.

⁴⁶ Ibid.

⁴⁷ Mr. “X,” “The Sources of Soviet Conduct,” *Foreign Affairs*, vol. 25 (July) 1947, 566-82.

far greater degree of moderation and circumspection... and in this way to promote tendencies which must eventually find their outlet in either the break-up or gradual mellowing of Soviet power.”⁴⁸

Coming at a time when concerns about the Soviet Union were running high, Kennan’s views received a lot of attention, but they were not universally accepted. Some continued to urge working through the United Nations, while others favored a stronger military response than Kennan. Dean Acheson commissioned his own study by Soviet experts within and outside the State Department at this time and seems to have favored the ideas of Charles E. Bohlen.⁴⁹ Although Bohlen agreed with much of Kennan’s analysis, he did not agree with his conclusions. Bohlen thought that Soviet intentions were not yet clear and rejected the idea of using economic and military pressure against the Soviet Union. He also thought the Soviet Union might see efforts to deal with it through the UN as hostile. Bohlen favored negotiation of key issues between the US, the USSR and Britain prior to UN meetings.⁵⁰

With different ideas about how to respond to Russia circulating in Washington, the Truman administration responded to each incident as it arose. But the vocabulary of what would become the Cold War was becoming more pervasive. Stalin’s pre-election speech in February 1946, in which he spoke of the incompatibility of communist and capitalist systems and predicted a conflict between Britain and America, provoked a

⁴⁸ Ibid.

⁴⁹ James Chace, *Acheson: the Secretary of State who Created the American World* (New York: Simon & Schuster, 1998), 151.

⁵⁰ Charles E. Bohlen, *Witness to History, 1929-1969* (New York: Norton, 1973), 175-6. The views of columnist Walter Lippmann, which were similar to Bohlen’s were also influential.

strong reaction in the US.⁵¹ Although both Truman and Acheson saw it as pre-election demagoguery and thought others were overreacting, Walter Lippmann, as well as Secretary of the Navy James Forrestal, and his former colleague Paul Nitze, saw it as almost a declaration of war. The discovery of Soviet spies in Canada two weeks later heightened tensions, and then came Churchill's "iron curtain" speech in Fulton, Missouri in March 1946. In August, Russia sent a note to the Turkish government demanding joint Turkish-Soviet defense of the Straits (the Dardanelles and the Bosphorus). In February 1947 a telegram arrived from the British saying that they could no longer afford to support Greece and Turkey.⁵²

Under Secretary of State Dean Acheson agreed with the decision to send a naval task force to the Dardanelles, and this appears to have been a turning point in his and Truman's appraisal of Russian intentions and of America's role in the postwar world. Having concluded that America should take on the burden of providing military and economic assistance to Europe in an effort to prevent the spread of Communism, Truman and Acheson faced the problem of persuading Congress, which had a Republican majority from January 1947, to approve the increased spending it would require. This was especially difficult at a time when the public was expecting post-war tax cuts. In February the House voted a \$6 billion tax cut and slashed 50% of the budget for the War Department for Germany and Japan.⁵³

When General Marshall explained the need for aid to Greece and Turkey to Congressional leaders on February 27, 1947, in terms of the strategic importance of the two countries, he met with silence. Only when Acheson took the floor and characterized

⁵¹ Kennan's summary of the speech is given in FRUS 1946, 6:694-6.

⁵² Chace, *Acheson*, 148-50.

the problem as a struggle with totalitarian communism and likened Greece and Turkey to rotten apples that could spoil the whole barrel of Europe, did they respond positively.⁵⁴ Senator Vandenberg is said to have told Truman to present the issue in ideological terms to Congress, and Joseph Jones, who wrote the Truman Doctrine speech, said that it was decided within the State Department that “the only way we can sell the public on our new policy is by emphasizing the necessity of holding the line: communism vs. democracy should be the major theme.”⁵⁵ In taking this approach, the administration knew it could draw on a well of anti-communist feeling among the public. A Gallup poll from as early as July 1946 found 36% of respondents saying that the best thing to do with Communists in America was to “kill or imprison them.”⁵⁶

As Thomas Christensen points out, anti-Communism was to serve as the ideological “glue” that would keep together a consensus for the “grand strategy” of support for Europe, including the Marshall Plan and the establishment of NATO. The image of America as the leader of the threatened free world would help to build normative legitimacy for the new policy.⁵⁷ But the rhetoric continued to disguise serious differences of opinion within the administration on specific issues and, although it helped to work up public support for expensive programs of assistance to Europe, it created other problems, especially in the area of China. This was because, in an attempt to win public and congressional support, the Truman Doctrine overstated the administration’s

⁵³ Ibid., 153-5; 165.

⁵⁴ Acheson, *Present at the Creation*, 219.

⁵⁵ Joseph E. Jones, *The Fifteen Weeks: February 21-June 5, 1947* (New York: Viking Press, 1955), 151; 162.

⁵⁶ Thomas J. Christensen, *Useful Adversaries: Grand Strategy, Domestic Mobilization, and Sino-American conflict, 1947-1958* (Princeton: Princeton University Press, 1996), 51-2.

⁵⁷ Ibid., 51.

case and implied a universal opposition to Communism that it did not intend. It was, as Acheson said of his own speech about the rotten apples, a case of making things “clearer than the truth.”⁵⁸ Some thought this overstatement dangerous. Kennan, who had become head of the Policy Planning Staff in May 1947, favored aid to Greece, but he was concerned that the president had created the “damaging impression [that] ... the Truman Doctrine is a blank check to give economic and military aid to any area of the world where the Communists show signs of being successful.”⁵⁹ General Marshall and Charles Bohlen also thought the rhetoric too strong.⁶⁰

Nonetheless, the administration continued to use the same rhetoric in promoting the Marshall plan, and it worked. Support for the European Recovery Program (ERP) increased in opinion polls when it was described as being “to prevent these countries from going communistic” with 47% approving, compared with only 26% when the assistance was presented as money that would be used by Europeans to buy American goods.⁶¹ Meanwhile, the coup in Czechoslovakia and the beginnings of restrictions to Western access to Berlin in the spring of 1948 made it easy to present it this way.

The Truman Administration Tries to Keep China a Separate Issue

It was against this backdrop that the Truman administration was trying to negotiate the situation in China. In late November 1945, the State Department’s Division of Chinese Affairs issued a statement, which Dean Acheson later ranked high among “famous last words,” to the effect that US troops were merely assisting the Chinese

⁵⁸ Chace, *Acheson*, 165.

⁵⁹ FRUS 1947, 3: 229. Cited in Harper, *American Visions*, 198.

⁶⁰ Bohlen, *Witness to History*, 261.

⁶¹ Christensen, *Useful Adversaries*, 57.

government in handling “the surrender, disarming and repatriation of Japanese troops...,” and that “it is neither our purpose nor our desire to become involved in the internal affairs of China.”⁶²

In fact, the US was involved. Truman delayed the Japanese departure from China in order to prevent the CCP from taking over the territory they surrendered, “using the enemy as a garrison until we could airlift Chinese National troops to South China and send marines to guard the seaports.”⁶³ He also continued Roosevelt’s policy of sending personal emissaries to China to try to broker a coalition between the CCP and the KMT. But although Patrick Hurley and later General Marshall purported to be neutral brokers, US neutrality was compromised by the fact that the US continued to give aid to the KMT. Marshall himself felt that aid was undermining his efforts to bring about peace, and in July 1946 called for a one-year cessation of arms shipments.

Marshall eventually returned to the US in January 1947 having failed to bring the two sides together. He blamed the “dominant group of reactionaries [in the KMT] who have been opposed, in my opinion to almost every effort I have made... [who] interested in the preservation of their own feudal control of China, evidently had no real intention of implementing” political reform or making peace.”⁶⁴ Yet Marshall resisted when Acheson, then Under Secretary of State, suggested that Marshall write a report explaining the rationale behind his decision. His reluctance, as Acheson puts it, “to present the full facts for fear of hurting further the Generalissimo’s declining fortunes” meant that there was

⁶² Acheson, *Present at the Creation*, 132.

⁶³ Harry S. Truman, *Memoirs*, vol. 2, *Years of Trial and Hope* (Garden City: Doubleday & Co., 1956), 62.

⁶⁴ Cited in Tucker, *Patterns in the Dust*, 9.

little attempt to explain the administration's policy to Congress or to the public.⁶⁵ In late 1948, the China Division of the State Department again suggested a public explanation of "the inadequacies of the Chiang Kai-shek government," but Marshall, with Truman's approval, rejected this saying it would "administer the final coup de grace to Chiang's government, and this... we could not do."⁶⁶

There were two major concerns behind the reluctance to abandon Chiang – the first was that the public, after a steady media diet of "heroic China" during the war years, was not prepared to accept the defeat of America's war time ally, or abandon Roosevelt's vision, which sat so easily with the 1911 representation of China as a power friendly to the US. Having allowed misleading representations of Chiang to circulate without refutation for so long, and not made public reports of his military incompetence and corruption, it was hard for the administration to dissociate itself from him rapidly now that his downfall seemed imminent. Several documents indicate that public opinion was an important factor behind continued support for Chiang. In November 1945 a Policy Planning Staff memo noted that

While it is highly doubtful that any foreign intervention in China can produce the results desired, there exist strong traditional ties of sentiment between the US and China and a highly vocal body of opinion in this country advocating US aid to the national Government in the current Chinese civil conflict. For practical reasons these voices cannot be ignored. Furthermore, a certain amount of aid to China at this time is justified as moral support to the Central Government, the rapid collapse of which would be contrary to our interest. It follows, therefore, that the United States should extend the minimum aid necessary to satisfy American public opinion, and, if possible, to prevent any sudden and total collapse of the Chinese Government.⁶⁷

⁶⁵ Acheson, *Present at the Creation*, 302.

⁶⁶ Bradford H. Westerfield, *Foreign Policy and Party Politics, Pearl Harbor to Korea* (New Haven: Yale University Press, 1955), 346.

A March 1948 draft report of the National Security Council on the Position of the United States Regarding Short-term Assistance to China also advised short-term limited aid on the grounds of public opinion. Arguing that China's strategic importance did not justify the enormous economic and military assistance that would be needed to help him win the civil war, and that lesser assistance might only drag the US into the conflict, the report said that the only reason not to withdraw entirely was that "refusal of further aid would be a reversal of past US policy and contrary to the sentiment in the United States in favor of 'helping China.'"⁶⁸

The second factor was that the administration's effort to prepare the public for a Communist victory in China, and convince it that recognition was the best course of action, did not sit easily with the developing policy of containing the Soviet Union and giving large-scale aid to Europe. In the context of this overarching strategy, which the administration framed in a narrative of aggressive Communism threatening the world, its goal of recognizing the PRC appeared increasingly anomalous. As a result, China policy got caught up in the broader debate over containment and America's role in the postwar world.

Even before the end of the war, China policy had become a sensitive issue. Representatives Walter Judd and Clare Booth Luce had attacked the State Department's handling of China policy as early as 1944, and in 1945 Ambassador Patrick Hurley had accused China hands in the Foreign Service of undermining his attempts to promote a CCP-KMT coalition and of having Communist sympathies.⁶⁹ But more widespread criticism of the government's program began in 1947 as congressmen began to focus on

⁶⁷ Christensen, *Useful Adversaries*, 66.

⁶⁸ FRUS 1948, 8:44-50.

the contradiction between the apparent universalism of the Truman Doctrine and the administration's reluctance to continue aid to Chiang. In a typical attack, Senator Owen Brewster asked that "the Administration define the subtle difference between Chinese Communists and Greek Communists." Senator McCarthy announced that "if President Truman applies the same policy all over the world, he [McCarthy] will back it. He wondered whether China was being forgotten." Encouraged, Chiang made three requests for assistance in the months following the Truman Doctrine speech.⁷⁰

When Truman presented an interim aid proposal for Europe in fall 1947, Congress demanded the addition of aid for China. Marshall resisted but eventually Senator Vandenberg brokered a compromise in which China got \$20 million. In April 1948, Marshall brought the China Aid bill to Congress, an initiative that might have seemed surprising, but Walton Butterworth later commented, "The aid program arose out of the fact [that] Senator Vandenberg let it be known that the chances of getting through the Marshall plan would be vastly improved if there was a China aid program."⁷¹

This time it was not the traditional China-related interest groups that influenced the debate, but an unusual coalition of foreign agents, pro-KMT Americans and Republican congressmen looking for weak points in Truman's foreign policy. Chiang Kai-shek's representatives in the US, including his brother-in-law, T.V. Soong, continued to plead his case. Another important channel of KMT influence was the Chinese Embassy in Washington. In 1948 it hired the public relations firm of William J. Goodwin, a former

⁶⁹ Tucker, *Patterns*, 13.

⁷⁰ Christensen, *Useful Adversaries*, 63.

⁷¹ *Ibid.*, 64. Butterworth was a foreign service officer who was appointed by Acheson as Minister-Counselor to run the embassy in China during General Marshall's mission in 1946. When Acheson became Secretary of State in 1949, Butterworth was appointed Assistant Secretary of State in charge of Far Eastern Affairs.

member of the anti-Communist, pro-fascist organization Christian Front. Goodwin lobbied businessmen, bankers, and the press, and arranged dinners that were attended by Senators William F. Knowland, Henry Styles Bridges, Kenneth Wherry and Patrick A. McCarran, as well as meeting with many other members of Senate and House. He boasted of having contacts with 100 congressmen and of converting 50 of them to the Nationalist cause. The KMT also maintained a party office in San Francisco and branches in New York, San Antonio, Chicago and Portland.⁷²

In addition to Henry Luce, American members of the China Lobby included *The China Monthly, Inc*, which from late 1939 published a periodical entitled, *The China Monthly: the Truth about China*, and prided itself on exposing journalists who were “misled-followers of Communist ideologies or traitors to their country.” One of its frequent contributors, Alfred Kohlberg, sponsored his own publication, *Plain Talk*, which also criticized American foreign policy. Other pro-Chiang publications were *Collier's* and (after 1947) the *Saturday Evening Post*, *American Mercury*, *Reader's Digest*, the *US News & World Report*, *The New Leader*, and *Life*. Another organization was the China Emergency Committee, founded in March 1949, whose members included Representatives Walter Judd and B. Carroll Reece, former Chairman of the Republican National Committee, and Frederick McKee. McKee, a Pittsburgh industrialist, went on to found the Committee to Defend America by Aiding Anti-Communist China, whose members included Clare Booth Luce, Jay Lovestone, and David Dubinsky, President of

⁷² Koen, *China Lobby*, 31-40. In 1951, the KMT reportedly had 3,825 members in the US. It also ran two Chinese-language newspapers, *Young China* and the *Chinese Nationalist Daily*, and the English language news agency, the China News Service. Expenditures for the China News Service were \$1.1 million between 1945 and 1951.

the International Garment Workers Union and second vice president of the American Federation of Labor.⁷³

Despite its members intensity of feeling, it is unlikely that the China Lobby could have prevented the recognition of the PRC and maintained aid to Chiang without the support of a group in Congress that supported continued aid for the KMT, and later opposed recognition of China and its admission to the UN. With the exception of Walter Judd and John Vorys in the House, both of whom had missionary backgrounds, most congressmen were not concerned with China *per se* and some went against apparent constituency interests in supporting the KMT.⁷⁴ The majority were Republicans motivated by fiscal conservatism, anti-communism and partisan opposition to Truman.⁷⁵ Many were what Christensen calls “asialationists;” either isolationists or “Asia firsters,” who opposed the foreign policy emphasis on Europe, resisted the Marshall Plan and wanted to make aid to Europe conditional on support for Chiang.⁷⁶

One estimate puts membership in the China bloc at a quarter of the Senate and an eighth of the House, but not that many voted consistently for its positions.⁷⁷ Water Judd and John Vorys were influential on the Foreign Affairs Committee, while Styles Bridges was Chairman of the Senate Appropriations Committee. But the group’s greatest leverage came from its ability to take advantage of the contradiction between the administration’s broad rhetoric of anti-communism and its willingness to abandon Chiang Kai-shek. By threatening to withhold support for Europe and demanding continued assistance for the

⁷³ Koen, *China Lobby*, 48-50.

⁷⁴ One was Senator Knowland, who ignored California’s strong interest in China trade and rebuked the San Francisco Chamber of Commerce for putting commerce before security.

⁷⁵ Tucker, *Patterns in the Dust*, 162.

⁷⁶ Christensen, *Useful Adversaries*, 69.

KMT as the price for cooperation, these congressmen continued to prevent the administration from dissociating itself from the Nationalist regime.⁷⁸

When Dean Acheson became Truman's Secretary of State in January 1949, the KMT had just lost the two-month long battle of Huai Hai and the certainty of its overall defeat was becoming apparent. In February 1949, Acheson told the NSC that the civil war was over. "It is sufficient here to recognize that a) preponderant power has now clearly passed to the Communists, b) although a remnant of the national Government may survive in South China or in Formosa (Taiwan)... it will at best be a local regime with its claims to international recognition based on insubstantial legalisms...."⁷⁹ This characterization of Taiwan's claim to recognition would of course undergo a major change in a couple of years.

Acheson, who had been Marshall's point man in Washington for his 1946 trip, accepted the General's analysis that aid to the KMT was wasted. He seems to have taken the position that the Chinese Communists were somewhat independent from the Russians and to have hoped that American engagement with China might foster a Sino-Soviet split. At a meeting with Truman and Jessup on November 1949, he said that the CCP was bound to take over China and that the best course was "to attempt to detach China from subservience to Moscow and over a period of time to encourage those vigorous

⁷⁷ Dulles, *American Policy Toward Communist China*, 75.

⁷⁸ Westerfield, *Foreign Policy and Party Politics*, 262-8; Christensen, *Useful Adversaries*, 80-3.

⁷⁹ FRUS 1949, 9:491-5.

influences which might modify it.”⁸⁰ Although some observers have seen Acheson as the precursor of Kissinger’s later policy of balance of power politics, it appears that his motives were somewhat different, in that he hoped not only to split the Communist bloc, but also to bring about political change within China and open it American influence.⁸¹

Truman himself was contemptuous of Chiang, and did not think the US could have saved him without sending troops. In a private letter he wrote bluntly, “Chiang Kai-shek’s downfall was his own doing. His field Generals surrendered the equipment we gave him to the Commies and used his own arms and ammunition to overthrow him. Only an American army of 2,000,000 men could have saved him and that would have been World War III.”⁸² Nonetheless Truman was less willing than Acheson to make a public break with Chiang. He accepted Marshall’s recommendation not to issue policy statements criticizing the KMT in 1947 and again in 1948, and he resisted overtures from the CCP to which Acheson seemed more inclined to respond.⁸³

Although Acheson later denied it in congressional hearings, during the spring and summer of 1949, he and Truman were moving towards acceptance of a Communist government in China and attempting to extricate themselves from the relationship with the KMT.⁸⁴ But although they had themselves abandoned the earlier policy of supporting Chiang, the costs of an active reversal in policy toward Chiang at this point were still

⁸⁰ Nancy Tucker, “China’s Place in the Cold War: the Acheson Plan” in Douglas Brinkley, ed., *Dean Acheson and the Making of U.S. Foreign Policy* (New York: St. Martin’s Press, 1993), 110.

⁸¹ Acheson’s view of US-China relations is evident in the speech cited on page 167 below.

⁸² Harry S. Truman, *Off the Record: the Private Papers of Harry S. Truman*, edited by Robert H. Ferrell (New York: Harper & Row, 1980).

⁸³ Waldo Heinrichs, “Roosevelt and Truman: the Presidential Perspective” in Dorothy Borg and Waldo Heinrichs, eds., *Uncertain Years: Chinese American Relations, 1947-1950* (New York: Columbia University Press, 1980), 12.

extremely high, both in terms of the effort that would be needed to disabuse public opinion of its affection for Chiang, and in terms of the administration's support in Congress. In spring 1949, the administration was trying to secure Senate approval of NATO and the Military Assistance Program (MAP) as well as renewal of ERP, none of which had strong public support now that the immediate threat in Europe seemed to have passed.⁸⁵ Given these constraints, the administration tried to combine a gradual diminution of financial and verbal support for Chiang with efforts to convince the public and Congress of the inevitability of his demise, but they stopped short of cutting off aid.

This policy met with very different reactions both within the administration and without. Kennan, who like Truman and Acheson was strongly against applying the containment principle to China, urged an explanation of the rationale behind different approaches in different regions. The military was divided. General Marshall supported Truman and Acheson, but General MacArthur, who was very influential with Republicans, was strongly opposed. General Wedemeyer, though, he considered Chiang corrupt and incompetent, thought the US should support him nonetheless. "If Chiang Kai-Shek is a benevolent dictator," he said, "or whether he is a democrat or a republican, that is unimportant. The relevant and important facts are that the man has opposed communism throughout his history."⁸⁶

Most foreign service experts with experience in China urged prompt recognition of the CCP, fearing that delay would deepen anti-American feeling in China. Some State Department people were quite optimistic that Communist China's relationship with the

⁸⁴ Christensen, *Useful Adversaries*, 97.

⁸⁵ *Ibid.*, 83.

⁸⁶ Foster Rhea Dulles, *American Policy Toward Communist China, 1949-1969* (New York, Thomas Y. Crowell Company, 1972), 30.

Soviet Union might follow that of Yugoslavia. John Cabot, who had spent time in Yugoslavia, was transferred to the consulate at Shanghai to assess this and came to the conclusion that conditions in China were even more favorable for US influence than those in Yugoslavia. Other members of the Shanghai Consulate and John Paton Davies of the Policy Planning Staff agreed, and they urged the Truman administration to foster such a split by making friendly overtures to the CCP and giving it early recognition.⁸⁷

Interestingly, the two groups that had traditionally had most influence over China policy and might, for different reasons, have been expected to oppose recognition, were actually in favor of it, and many businessmen and missionaries criticized the administration for delaying. Most American businessmen were willing to accept the new government, despite its anti-capitalist ideology. This was partly because the KMT had imposed many unfavorable conditions on foreign companies in China, including unfair taxes, foreign exchange restrictions and import barriers, and many firms felt that the Communists would be no worse. It was also becoming increasingly obvious that the KMT was incapable of providing the effective government for which businessmen in China had always yearned. For its part, the CCP made efforts to win the goodwill of foreign businessmen in occupied areas, assuring them that their property would not be confiscated and encouraging overseas Chinese entrepreneurs to return to China.⁸⁸

Some businessmen had close ties to the nationalists, including Alfred Kohlberg, a lace manufacturer who was later to be a key member of the China Lobby, and Claire Chennault, the former leader of the Flying Tigers. American Express and the Republic Steel Corporation broke off contact with China, and some businessmen joined the pro-

⁸⁷ Tucker, *Patterns in the Dust*, 30-1.

⁸⁸ *Ibid.*, 115-20.

KMT American China Policy Association or the Committee to Defend America by Aiding Anti-Communist China. The United States Chamber of Commerce and the National Association of Manufacturers took no official position on the issue, probably because most US firms were little affected by the situation in China. But recognizing that continued US aid to the Nationalists would damage their commercial opportunities, many firms called for early recognition of the CCP. In May 1949 the Board of the American Association of Shanghai appealed to the US authorities to stop arming Chiang, and in June the Shanghai Committee of the National Foreign Trade Council called for the recognition of the CCP. In January 1950, the Shanghai Consulate informed the State Department that the majority of businesses in China thought that “recognition should and must come.” West Coast businessmen, with stronger ties across the Pacific, were strongly in favor of recognition, and the San Francisco Chamber of Commerce lobbied actively for recognition.⁸⁹

Missionaries also feared they would lose their foothold in China if the US did not recognize the Communist government. In October 1949 there were around 4,000 missionaries there, more than half of them American. The United Board for Christian Higher Education had 13 Christian colleges and 50 theological schools, there were 40 YMCAs in China, and American Protestants held property worth over \$70 million. Although the Communists had treated missionaries harshly in the early part of the civil war, their later policy of forging a united front with non-Communist groups led them to make conciliatory overtures to the foreign missions. Emphasizing that they objected primarily to the imperialist nature of the foreign churches, CCP leaders announced in

⁸⁹ **Ibid., 121-8.**

spring 1950 that missionaries who did not engage in political activity could stay in China.⁹⁰

Missionaries had been influential in building the image of Chiang as a Christian leader of democratic China and many had lobbied the US government to provide earlier assistance to the KMT against the Japanese.⁹¹ But as the widespread corruption of the KMT undermined his support, many missionaries began to see the Communists as a positive force and the only hope for reform. Modernists who emphasized social service and education as well as evangelism were more likely to hold this view of the Communists, while fundamentalist evangelicals focused on their atheism and saw them as evil. Catholics, who were treated more harshly by the Communists, due to their large landholdings and allegiance to the Vatican, were also more hostile to them. The Catholic Association for International Peace opposed recognition, as did the Jesuits. Finally, several former missionaries became spokesmen for Chiang and had an influence disproportionate to their numbers. One was Walter Judd, who subsequently became a representative for Minnesota and a leading member of the China bloc in Congress.⁹² Another was Henry Luce, the publisher of *Time*, *Fortune*, and *Life* magazines.⁹³

Knowing that their future in China depended on recognition of the Communist regime, some missionaries sought to influence government policy, making trips to Washington and sending letters urging the administration to discontinue aid to the KMT. In 1949, the China Committee of the Foreign Missions Conference, which represented 26 denominations and had 29 million members, appealed to the chairmen of the House

⁹⁰ Ibid., 101-5.

⁹¹ Isaacs, *Scratches on our Minds*, 168-76.

⁹² Tucker, *Patterns in the Dust*, 106-10.

⁹³ Jespersen, *American Images of China*, 12.

Committee on Foreign Affairs and the Senate Committee on Foreign Relations and forwarded a letter from 330 leaders of 180 Christian organizations operating in China. Missionaries and church organizations also sought to mobilize their constituencies, and as often in the past, they were a major source of public information. This time, the message was that the KMT had failed to win popular support and that foreigners must get used to the new communist regime.⁹⁴

A number of academic scholars of China were drawn into the recognition debate. In October 1949, the State Department held a round table conference on US China policy at which more than half those in attendance were academics. With the exception of Kenneth Colgrove of Northwestern University, they all favored recognition "from the standpoint of commercial considerations, the ideological effect on the Chinese people, and to put the political orientation of the Chinese leadership toward the Soviet Union under a strain."⁹⁵ Most outspoken were Owen Lattimore of Johns Hopkins University, who had been an adviser to Chiang Kai-shek, and John King Fairbank, who had worked for the wartime Office of Strategic Services in China. While acknowledging that a Communist China would benefit Russia, both believed that the CCP also had a strong nationalist component that would prevent it from blindly following the Soviet lead. They also felt that, unlike the KMT, the Communists would at least attempt to meet the basic needs of the populace.⁹⁶

The US press inevitably aired a range of views on US China policy. Initially dominated by pro-Chiang perspectives, as time went by the overall trend reflected growing disaffection with the Chiang regime and support for recognition as a pragmatic

⁹⁴ *Ibid.*, 108-9.

⁹⁵ Christensen, *Useful Adversaries*, 101.

response to a fait accompli. Tucker's analysis of State Department digests of editorial opinion in 1949 and 1950 found that although opinions varied, the majority favored ending aid to the KMT. Reviewing press commentary in February 1949, when Senator McCarran had submitted a bill for a further \$1.5 billion in aid to Chiang, State Department analysts found that "most commentators, while alarmed at the prospect of a communist-dominated China, believe that Communist control cannot be prevented by US aid at this time."⁹⁷ *The New York Times*, the *US News and World Report*, the *New Republic*, and the *Christian Century*, all came out in favor of recognition as a common sense policy. Some urged a faster pace. Recognition was not supported purely as a neutral recognition of another state. Most commentary bore a strong element of traditional political idealism and expressed the wish that the US could influence events in China. The *Times* wrote in January 1950, "By treating Communist China as an enemy and refusing to recognize her, we are not isolating China, we are isolating ourselves and throwing away any chance of influencing the course of events in China." The *New Republic* said that the US should "keep a hand in the window and a foot in the door, making it clear to as many Chinese as possible that their welfare is important and we support their national ambitions."⁹⁸

The public was therefore confronted with two opposing and irreconcilable representations of what was happening in China: one in which Chiang was held up as a beleaguered democrat holding out against the odds; and another in which at least some Communists were seen as amenable to American influence if only America did not

⁹⁶ Tucker, *Patterns in the Dust*, 168-71.

⁹⁷ *Ibid.*, 145-7. There were important exceptions. The Scripps-Howard and Hearst newspaper chains were pro-Chiang, resisted the termination of aid to the Nationalists, and opposed recognition, as did Henry Luce.

thoroughly alienate them by withholding recognition. Although both narratives stressed the old themes of American ability to side with reformers and to influence the course of events in China, they had extremely different implications for policy.

Acheson's policy was supported by most of the Foreign Service, US business interests, missionaries, and the press. All things being equal, his representation of the situation in China and of recognition not as a neutral recognition of another state, but as a way of keeping a hand in China, might well have won out. But the conflict over the recognition of China continued to be bound up with the larger debate about America's role in the post-war world.

Amid this constellation of pressures, Acheson and Truman tried to implement their policy of gradual detachment from the KMT. In January 1949, after the defeat at Huai Hai, Truman withdrew the US military advisory group from China. On February 5, 1949, the President considered a National Security Council recommendation supported by Acheson to end shipments of arms to the KMT, partly to stop them falling into the hands of the CCP. Although no one at the meeting doubted that the Nationalist government would fall, Senator Vandenberg stressed the importance of appearances, saying that if the US ended shipments at this moment, "we would never be able to shake off the charge that we are the ones who gave poor China the final push into disaster."⁹⁹

Vandenberg's resistance reflected an awareness of strong opposition to this policy from the pro-Chiang China bloc in Congress. Sure enough, on February 7, 1949, fifty-one Republican congressmen sent a letter to Truman saying that a Communist victory would be a threat to national security. Meeting with some of them on February 24,

⁹⁸ Dulles, *American Policy Toward Communist China*, 53.

⁹⁹ Westerfield, *Foreign Policy and Party Politics*, 346-7.

Acheson made the unfortunate comment that he wanted to “let the dust settle” before making a decision over what to do next. The Republicans interpreted this as resignation to a Communist victory and criticism of the administration mounted. On February 25, Senator Patrick McCarran introduced a bill for \$1.5 billion in economic and military aid to China, and on March 10, fifty senators appealed to Tom Connally, Chairman of the Foreign Relations Committee, to hold hearings on the bill.¹⁰⁰

Acheson wrote to Connally saying that assistance to the KMT would “just prolong hostilities and the suffering of the Chinese people and arouse in them deep resentment against the United States.” Furthermore, “to furnish the military means for bringing about successful military resistance would require the use of an unpredictably large American armed force in actual combat... contrary to... the interests of this country.”¹⁰¹ But in spring 1949, the administration was trying to secure Senate approval of NATO and the Military Assistance Program as well as renewal of ERP, none of which had strong public support. In the end, the State Department agreed to let Chiang spend what was left of the China aid appropriation from the year before, a sum which amounted to \$54 million.¹⁰²

On June 24, 1949, a group of 22 senators (16 Republicans and 6 Democrats) wrote to Truman asking for assurance that the US was not considering recognizing a Communist government of China. Truman ignored them, but Acheson promised that the administration would consult the Senate Foreign Relations Committee before making a decision. This deference still reflected the need for cooperation on aid to Europe.¹⁰³

¹⁰⁰ Ibid., 347.

¹⁰¹ Ibid., 348.

¹⁰² Ibid., 348. Christensen, *Useful Adversaries*, 83.

¹⁰³ Westerfield, *Foreign Policy and Party Politics*, 353.

On August 4, Knowland and seven other senators tried to get \$175 million in military aid for non-Communist China included in a general military assistance bill that was before Congress with grants for Greece, Turkey, Iran, Korea, and the Philippines. A similar amendment was promoted in the House by Representatives Lodge and Vorys. In the end Connally proposed an amendment, with the support of the Department of State, for \$75 million to be spent at the President's discretion anywhere in China and the Far East. It was passed in a strictly partisan vote.¹⁰⁴

The same day, Acheson predicted that Taiwan would soon fall, because economic and diplomatic efforts could not protect it anymore. Concerned to defend itself against charges that it had not taken all feasible steps to avoid a Communist victory, on August 5, 1949, the State Department issued a White Paper on China that reviewed the history of China policy and concluded that only the direct intervention of US troops could have saved the KMT. The closing paragraphs to the Letter of Transmittal that accompanied it read.

The unfortunate but inescapable fact is that the ominous result of the civil war in China was beyond the control of the government of the United States. Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it. It was the product of internal Chinese forces, forces which this country tried to influence but could not. A decision was arrived at within China, if only a decision by default.

And now it is abundantly clear that we must face the situation as it exists in fact. We will not help the Chinese or ourselves by basing our policy on wishful thinking.¹⁰⁵

¹⁰⁴ Ibid., 359. The wording was changed to "the general area of China."

¹⁰⁵ Acheson, *Present at the Creation*, 303.

On the issue of the dependence of the CCP on Moscow, the letter was equivocal. Having said that the outcome of the civil war was “the product of internal forces,” Acheson went on in the next paragraph to say “We continue to believe that, however tragic may be the immediate future of China and however ruthlessly a major portion of this great people may be exploited by a party in the interest of a foreign imperialism, ultimately the profound civilization and the democratic individualism of China will reassert themselves and she will throw off the foreign yoke. ...the implementation of our historic policy of friendship for China... will necessarily be influenced by the degree to which the Chinese people come to recognize that the Communist regime serves not their interests but those of Soviet Russia.”

The letter drew on all kinds of traditional rhetoric. The greatness of China, her beleaguered state, the historic friendship of the US, and the enduring “democratic individualism” of the Chinese people. But it also drew on the new rhetoric of the Cold War. The statement, which one analyst has described as “schizophrenic,” pleased neither the CCP nor the administration’s opponents in Congress.¹⁰⁶ Republican Senators attacked the China White Paper, as a “1054-page whitewash of a wishful, do-nothing policy which has succeeded only in placing Asia in danger of Soviet conquest.”¹⁰⁷ Others, including columnist Walter Lippmann, attacked Acheson for overstating China’s subservience to the USSR, a move which Chace regards as another example of Acheson’s making things “clearer than the truth.”¹⁰⁸

As the KMT lost ground and withdrew to Taiwan, the administration had to decide whether to help Chiang defend the island or leave him to his fate. Reports from

¹⁰⁶ MacFarquhar, 61-4.

¹⁰⁷ Westerfield, *Foreign Policy and Party Politics*, 356.

Taiwan were not encouraging. Allen Griffin, administrator of the US Economic Cooperation Administration, said that Taiwan had become “the redoubt of the Gimo’s favored elements, the very people whose selfishness, corruption, and short-sightedness have destroyed their regime on the mainland.” Livingston Merchant, sent by Acheson to investigate, came to much the same conclusion, and recommended that the US give up its association with a regime that “has already in a larger theater demonstrated its incompetence and unpopularity.”¹⁰⁹

With the exception of Secretary of Defense Louis Johnson, few in the administration were in favor of saving Chiang, but many wanted an independent, non-Communist Taiwan and sought other ways of achieving it. John Paton Davies at the Policy Planning Staff, and Walton Butterworth, who had replaced John Carter Vincent as Head of the Far Eastern Division, had observed the friction between local Taiwanese and the KMT arrivals since 1947, and thought for a while that the US should support the Formosan independence movement and self-determination for the island. George Kennan thought that the US should use its own troops to overthrow Chiang and create another regime, perhaps under UN trusteeship. Ambassador-at-Large Philip Jessup and Assistant Secretary of State for Far Eastern Affairs Dean Rusk also favored the involvement of the UN in supporting a non-Communist government.¹¹⁰

A report on Taiwan commissioned by the National Security Council on January 6, 1949 had presented four alternative policies toward the island: a US occupation; negotiating for US base rights; supporting the Nationalists; and supporting “continued

¹⁰⁸ Chace, *Acheson*, 220.

¹⁰⁹ Warren, I. Cohen, “Dean Acheson, his Advisers, and China, 1949-1950” in Borg and Heinrichs, *Uncertain Years*, 27.

¹¹⁰ Cohen, “Dean Acheson, his Advisers, and China,” 28-9.

local non-Communist Chinese control and using influence to discourage the use of Formosa as a refuge for the KMT.” The Departments of State and Defense, supported by the Joint Chiefs of Staff (JCS), decided to explore the last course of supporting the independence movement on Taiwan, which was also favored by the CIA.¹¹¹ However, Acheson’s envoy Livingston Merchant reported that independence forces were too weak to resist the KMT and the plan was dropped.¹¹² On August 16, the Joint Chiefs of Staff met and “reaffirmed their previous views that overt United States military action to deny Communist domination of Formosa would not be justified.” However, the Joint Chiefs were concerned with the strategic importance of Taiwan. A JCS report of November 24, 1948 pointed out that Taiwan dominated Japan’s sea lanes and that the island supplied Japan with vital food supplies, including rice and sugar.¹¹³

At this point, Acheson still seems to have wanted to keep the field open for the possible recognition of the CCP. In a September 1949 speech to the Pan American Society in New York, he stressed that for him, recognition was a practical not a normative decision. “We maintain diplomatic relations with other countries because we are all on the same planet and must do business with each other. We do not establish an Embassy in a foreign country to show approval of its Government. We do so to have a channel through which to conduct essential government relations and to protect legitimate United States interests.”¹¹⁴ However, as his comments elsewhere show, he did hope that recognition would help the US to retain some influence over China.¹¹⁵

¹¹¹ Ronald L. McGlothlen, *Controlling the Waves: Dean Acheson and U.S. Foreign Policy in Asia* (New York: Norton: 1993), 88.

¹¹² Tucker, *China’s Place in the Cold War*, 114.

¹¹³ McGlothlen, *Controlling the Waves*, 88.

¹¹⁴ Tucker, *Patterns in the Dust*, 191.

¹¹⁵ See below, page 167.

There were continuing indications that the CCP was open to friendly relations with the United States. On June 1, 1949, the US Consul in Beijing, Edmund Clubb, received a letter from Zhou Enlai indicating that at least certain elements within the CCP were interested in US trade and investment.¹¹⁶ Clubb was also approached by Yao Yilin and the Mayor of Beijing, Ye Jianying. Huang Hua, who was in charge of the Alien Affairs office in Nanjing from May 1949, had talks with US Ambassador Leighton Stuart and invited him to go to Beijing to meet Zhou and Mao. The invitation was repeated even after Mao made his famous speech on July 1, 1949, saying that China would “lean to one side” and ally itself with the Soviet Union.¹¹⁷ Truman resisted these overtures, refusing to let Clubb respond to Zhou Enlai, and prohibiting Stuart from going to Beijing.¹¹⁸

When the People’s Republic of China was established on October 1, 1949, the issue of recognition came to a head. Acheson said that recognition of China would depend on three conditions: “that Peking have effective control of the territory it claimed to govern. 2) that it acknowledge its international obligations, and 3) that it rule with the consent of the Chinese people. Although Beijing did not meet those conditions at the time, his statement still left the door open for recognition in the future and did not rule it out merely on the grounds that the presence of a Communist regime in China was a threat to US interests. On November 17, 1949 at a meeting with Truman, Acheson said that the CCP was bound to win the civil war and that the best course was to recognize it.¹¹⁹

¹¹⁶ Cohen, “Dean Acheson, his Advisers, and China,” 36.

¹¹⁷ Tucker, *China’s Place in the Cold War*, 119.

¹¹⁸ Cohen, “Dean Acheson, his Advisers, and China,” Truman seems to have favored a tougher policy than his Secretary of State, because Acheson had to persuade him not to have Stuart visit Chiang in Canton instead.

¹¹⁹ Tucker, *China’s Place in the Cold War*, 110.

On December 8, Chiang set up a temporary capital in Taipei. The following day the National Security Council met and considered the new situation, but decided to make no change in policy. At another NSC meeting on December 29, Truman reaffirmed the policy of giving no further aid to the Nationalists. The same day, the State Department issued a circular to diplomats instructing them to play down the significance of Formosa in the event of its fall.¹²⁰ On January 5, 1950, in the face of calls for US occupation of Formosa led by Senators Knowland and Taft and former President Herbert Hoover, Truman issued a press release that stated:

The United States has no desire to obtain special rights or privileges in Formosa at this time. Nor does it have any intention of utilizing its armed forces to interfere in the present situation. The US will not pursue a course that will lead to involvement in the civil conflict in China. Similarly, the United States will not provide military aid or advice to Chinese forces on Formosa.

A week later, in a speech at the National Press Club, Acheson reviewed the situation in China and US strategic interests in Asia. He gave a revealing account of his interpretation of US interest in China. He recalled that after attributing the revolution to the root causes of nationalism and poverty, he continued,

Throughout our history the attitude of Americans toward the peoples of Asia has been an interest in them not as pawns in the strategy of power or as subjects for economic exploitation, but simply as people. For a hundred years some Americans had gone to Asia to offer what they thought was the most valuable thing they had –their faith. They wanted to tell the Asians what they thought about the nature and relationship of man to God. Others had gone to offer what they knew of learning; others to offer healing for Asian bodies. Others, perhaps fewer, had gone to learn the depths and beauty of Asian culture, and some to trade. This trade was a very small part of American interest in the Far East, and it was a very small part of American interest in trade.

¹²⁰ Westerfield, *Foreign Policy and Party Politics*, 362-4. There was an outcry after the document was leaked from General MacArthur's headquarters in Tokyo.

The outstanding factor in the interest of the American people in Asia, the people in towns, villages, churches, and societies—was that over the years it had been parallel and not contrary to the interest of the peoples of Asia. In China, the Philippines, India, Pakistan, Indonesia, and Korea it had strongly, even emotionally, supported people working out their own destinies free of foreign control. To say that our principal interest was to stop the spread of communism was to get the cart completely before the horse. Of course we opposed the spread of communism; it was the subtle, powerful instrument of Russian imperialism, designed and used to defeat the very interests we shared with the Asian peoples, the interest in their own autonomous development uncontrolled from abroad.

For generations, long before communism, I pointed out, Russia had aimed to dominate Asian peoples, and none more persistently than those in north China. The Soviet Union had gone on with this policy, attempting to spread its influence even to the extent of detaching Outer Mongolia, Inner Mongolia, Sinkiang, and Manchuria. This most significant, most important, fact should not be obscured. We should not deflect from the Russians to ourselves the righteous anger and hatred of the Chinese people. Now, as in the past, we shared their view that whoever violated the integrity of China was their enemy. Those who proclaimed their loyalty to Moscow proclaimed loyalty to an enemy of China.¹²¹

Describing the line that the US would hold against Communist aggression, Acheson put Taiwan outside the “defensive perimeter.” Although the same line had been drawn by General MacArthur a year before without comment, Acheson was now harshly attacked for abandoning Taiwan. Angry Republican congressmen accused the administration of “losing China” and called for Acheson’s resignation. In February 1950 Senator Joseph McCarthy made a speech in Wheeling West Virginia charging that 205 members of the State Department were communists. Not all in the China bloc supported him personally, but many of them echoed his accusations that the State Department had lost China and supported attacks on Acheson, Philip Jessup, and China hands in the

¹²¹ Acheson, *Present at the Creation*, 355-6.

Department. In May 1950 a Special Committee was set up under Senator Millard Tydings to investigate accusations against State Department men.¹²²

Republican attacks made it difficult for Acheson to make any further moves toward recognition. Another obstacle was the growing hostility of the CCP toward America. Although individual Americans in China met with few problems, the CCP refused to recognize the credentials of American diplomats because the US continued to recognize the KMT.¹²³ From October 1948 they held US consulate staff under arrest in the embassy in Shenyang for nearly a year, and in October 1949 tried and jailed Consul General Angus Ward and four other officials on espionage related charges.¹²⁴ These incidents, which probably stemmed partly from irritation at the US refusal to recognize the regime, had the effect of further delaying the event they desired. Reflecting on the options for China policy in November 1949, Acheson observed,

...neither of the principal alternatives open to us seemed inviting. A policy of harassment of the regime and seizure of every opportunity to weaken and if possible overthrow it offered little hope of success, short of massive military intervention – and not much even if that extreme measure were to be included. To encourage the influences that, over time, might detach China from subservience to Moscow, by a cautious application of our attitude toward Tito, would require first that the Chinese communists follow Tito in stopping active abuse of us.¹²⁵

The same month the CCP leadership announced that it would requisition US consular property if recognition did not come. It proceeded to do so on January 14. General Consul Edmund Clubb did not regard this as a final break, however, and

¹²² They were cleared but it left a cloud. Twelve China specialists in the Foreign Service and State Department eventually lost their jobs. Dulles, *American Policy Toward Communist China*, 78.

¹²³ Tucker, *Patterns in the Dust*, 179.

¹²⁴ Marshall Green, John H. Holdridge and William N. Stokes, *War and Peace with China: First-hand Experiences in the Foreign Service of the United States* (Bethesda: Dacor-Bacon House, 1994), 9-11 Green insists that the charges were false.

continued to consider recognition inevitable. Writing on January 20, he cabled, "Opinion this office has been and remains that Communists desire American recognition for both political and economic reasons." A couple of weeks earlier, the Consul General in Shanghai, Walter P. McConaughy had analyzed the situation at greater length.

...it appears to most observers here, including ourselves, that every seeming indication (however false) of American intention to underwrite Nationalist Government's hold of Taiwan or to return island to Japan plays directly into hands of Moscow dictated propaganda. Great majority of Chinese (including at least important minority of Chinese Communists) have strong sentiment against being tied exclusively to Russia in peace and even stronger opposition to being tied to her as ally in war against US. Potentialities of our exploiting these feelings very great. Most local observers feel that they could be best exploited by appropriately timed recognition, which would establish trade and other contacts whereby prestige of American technical excellence and some slight influence on Chinese thought might be maintained... with skillful handling, Peip'ing's alliance with USSR might be reduced to a dubious asset if not liability for Soviets: but such objective can hardly be achieved against talk of American aid to Gimo. Difficult for Americans here to understand how strategic value of Taiwan could be so great as to outweigh long term gains to be derived from exploitation of Chinese good will toward US and rising anti-Soviet sentiment... which at best might convert China to Titoism frankly open to American advances.¹²⁶

Acheson still seems to have believed that there was a chance of detaching the CCP from the Soviet Union. In January 1950 he encouraged the circulation, "in such a manner that appearance of material cld not be traced to this govt," of reports on the Stalin-Mao talks in progress in Moscow that implied China was getting the raw end of the deal. But McConaughy's telegrams from Shanghai show that even though there were indications of a division within the CCP, with important figures such as Zhou Enlai and the Generals Zhu De and Chen Yi opposing too great a dependence on Russia, no

¹²⁵ Acheson, *Present at the Creation*, 344.

¹²⁶ FRUS 1950 6:268.

outright split was likely until the problem of Taiwan was resolved and China no longer faced the possibility of a US-backed KMT attack.¹²⁷

In the meantime, Chinese anti-American propaganda made it harder for Acheson to raise levels of support among the public or Congress.¹²⁸ By this point he seems to have been trapped in a vicious circle whereby domestic opposition and the need to maintain public support for aid to Europe prevented him from early recognition of the People's Republic, the delay provoked a hostile reaction from the CCP, and this in turn seemed to justify the anti-Communism of his opponents. Although it is not within the scope of this research to examine the Chinese side of the equation, there was obviously a similar debate going on at high levels within the CCP over its recognition of both the Soviet Union and the United States. The Party was also speaking, as were the Americans, to its domestic audience and just as anti-American rhetoric made Acheson's position harder, so the delay in American recognition doubtless undermined the position of those within the CCP who wanted to weaken China's dependence on the Soviet Union. As Christensen points out, the domestic aspect of the relationship resulted in a stronger rhetoric of hostility than the leaders on either side might have preferred.¹²⁹

By the end of 1949, the CCP had effectively met Acheson's conditions for recognition: it controlled most of China's territory; Ward had been released; and the British were preparing to recognize it, reducing the leverage that came with American delay. But the broader context still did not favor recognition. In January 1950, Truman decided to develop the hydrogen bomb, and ordered the

¹²⁷ FRUS 1950, 6:295-300. The effort to disguise the origin of the reports extended to using Russian romanization for Chinese names..

¹²⁸ Cohen, "Dean Acheson, his Advisers, and China," 41.

¹²⁹ Christensen, *Useful Adversaries*.

Departments of State and Defense to undertake a reexamination of US “objectives in peace and war.” NSC 68, completed in April 1950, argued that the Europeans might lose confidence in America as a result of the Soviet atomic test in late 1949, and the Communist victory in China, and that they might feel the need to propitiate the Soviet Union by taking a neutral position. This, feared its authors, could result in ultimate withdrawal of the US from Europe. “Unless our combined strength is rapidly increased,” the document concluded, “our allies will tend to become... increasingly anxious to seek other solutions, even though they are aware that appeasement means defeat.”¹³⁰ Acheson later wrote that the document deliberately exaggerated the direct threat to the US in order to win over skeptics and garner support for rearmament and the budget it would require. Its goal, he said, was “to so bludgeon the mass mind of ‘top government’ that not only could the President make a decision, but that the decision could be carried out.”¹³¹

Not everyone agreed with NSC 68. George Kennan, for one, thought that it exaggerated the risk of Soviet attack.¹³² Charles Bohlen also thought that Nitze had misjudged Soviet motivation, which stemmed more from nationalism and the desire to protect its existing satellites than from an intent to spread Communism worldwide.¹³³ But although the document was never published, the language contained in it was used in speeches to build support for a bigger defense budget, and the heightened Cold War rhetoric of NSC 68 meant that recognition of China

¹³⁰ FRUS 1950, 1:284.

¹³¹ Chace, *Acheson*,

¹³² Harper, *American Visions*, 291-5. Kennan and Acheson also disagreed about the hydrogen bomb.

was more difficult than ever. Even Acheson's claim that recognition was a neutral act that did not convey approval did not fit well with the idea of the need to resist Communism on every front.

Nonetheless, Truman and Acheson stuck to their policy of refusing further aid to Chiang and keeping the door open to recognition. In March 1950, Acheson said that improved relations depended on China's treating American citizens in China according to international customs, and he reiterated that, although the US had voted against the PRC's admission to the UN in January 1950, the US would not veto a majority vote of the Security Council members on the issue.¹³⁴ Before American diplomatic personnel left China in March 1950, Acheson suggested that Edmund Clubb try to arrange a meeting with a high CCP official to discuss points of friction and ascertain the party's views on a number of issues, including relations with the US. Clubb was told by a low level official that as long as the US supported Chiang there was nothing to discuss. By the time he left China, Clubb was of the opinion that the CCP would eventually break away from the USSR, but that it could take anything between six months and two years for it to happen.¹³⁵

It appears that Acheson expected the problem of Taiwan to be resolved with the anticipated fall of the island in 1950. The CIA predicted that the CCP would invade before the end of the year and in May 1950, the Chargé in Taipei, Robert C. Strong, advised the departure of as many Americans as possible. At this point, only Secretary of Defense Louis Johnson and Dean Rusk, a strong anti-Communist who had been

¹³³ Bohlen, *Witness to History*, 290.

¹³⁴ Congressional Quarterly Service, *China and the U.S. Far Eastern Policy 1945-1966* (Washington, DC: Congressional Quarterly Inc., 1967), 49.

¹³⁵ FRUS, 1950, 6:328-9.

appointed as Assistant Secretary of State for East Asian Affairs in April 1950 in an attempt to build bipartisanship, were calling for US defense of the island. Linking China to the Communist threat worldwide, Rusk argued that allowing the island to fall would be taken as a sign of US weakness and that the Chinese communists were the “junior partners” of the Soviets. “Admittedly,” he said “a strong stand at Formosa would involve a slightly increased risk of early war. But sometimes such a risk has to be taken in order to preserve peace in the world and to keep the national prestige required if we are to play our indispensable part in sustaining a free world. Echoing these views on June 24, General MacArthur, who was close to Johnson, now said that “the domination of Formosa by an unfriendly power would be a disaster of utmost importance.”¹³⁶ This position received strong support from the China bloc in Congress.

Turning Point: the Korean War

On June 25, 1950, the North Koreans attacked across the 38th parallel and China policy was thrown into a radically new context which completely altered perceptions of the situation with regard to the recognition of the PRC and the status of Taiwan. Some months before, the NSC, anticipating Soviet aggression somewhere in the world, had asked Kennan’s Policy Planning Staff to determine where the Soviets might attack. They had thought Korea an unlikely candidate. Nor had Republicans in Congress given the same attention to Korea that they had to Taiwan, defeating an aid bill for Korea in January 1950.¹³⁷

¹³⁶ Ibid., 349-50; 366.

¹³⁷ Acheson, *Present at the Creation*, 358.

But because the North Korean government was so strongly under Russian influence, Truman now assumed that the North Koreans were acting with the support if not on the instructions of the Soviet Union, and took it as an attack on American national security. On June 27, on the advice of Acheson and the Joint Chiefs of Staff, he ordered General MacArthur to use US air and sea forces to support South Korea. He also sent the Seventh Fleet to the Taiwan Strait to prevent the CCP from taking the opportunity to attack Taiwan.¹³⁸ Truman announced that the resolution of the status of Taiwan would have to wait for the “restoration of security in the Pacific, a peace settlement with Japan, or a consideration by the UN.” This contradicted previous statements by Truman and Acheson on the legal status of Taiwan, in which they had said it belonged to China.¹³⁹

In fact, the initial idea for a North Korean attack had come from Kim Il Sung as early as 1948, and he had pushed for it in the face of caution by Stalin and Mao, writing Stalin 48 telegrams before obtaining his consent.¹⁴⁰ The Russians later got involved in the planning process, and sent equipment and advisors, but Stalin also warned Kim that he was on his own if the Americans got involved. Peng Dehuai, who eventually commanded Chinese troops in Korea, later said that Mao felt he could not prevent Kim from attacking the South but was angry that he was not consulted about the timing, which ended up preventing the planned PRC attack on Taiwan.¹⁴¹ At the time, the Office of Intelligence Research of the State Department, reviewing the situation on June 25, was not sure if the Chinese had even been told in advance. The British Chargé in Beijing thought that the

¹³⁸ Ibid., 405-6

¹³⁹ William M. Bueler, *U.S. China policy and the Problem of Taiwan* (Boulder: Colorado Associated University Press), 1971.

¹⁴⁰ Kathryn Weathersby, “New Findings on the Korean War,” *Cold War International History Digest, Bulletin*, issue 3 (Fall) 1993, 1, 14-8.

¹⁴¹ Chace, *Acheson*, 290-1.

attack had come as “a shocking surprise to the CCP” and led them to postpone their plans for Taiwan indefinitely.¹⁴²

Although the KMT was also told to stop bombing the mainland, the presence of the US fleet was certainly perceived by both the KMT and the CCP as being primarily to defend Taiwan. The Communists considered the move a betrayal of the US promise not to intervene in Taiwan and an act of aggression against China. Zhou Enlai termed it a “violent, predatory action.”¹⁴³ Meanwhile, Chiang was delighted. Seeing his opportunity to improve relations with the US, he offered Truman 30,000 troops. Truman was inclined to accept but Acheson thought it might draw the CCP into the conflict and persuaded him to refuse.¹⁴⁴

Although they wanted to neutralize the Taiwan Strait, it appears that Acheson and Truman also wanted to avoid further involvement with the KMT. At the June 26 meeting, Ambassador-at-Large Philip Jessup noted that Truman insisted, “We are not going to give the Chinese ‘a nickel’ for any purpose whatever. He said that all the money we had given them is now invested in United States real estate.”¹⁴⁵ Truman was angered when MacArthur made an unauthorized trip to Taiwan and made a speech proclaiming the close relationship between the two countries, and he sent Averell Harriman to Tokyo to impress upon the general that it was not US policy to do more than neutralize the Taiwan Strait. On July 1, 1950, Acheson sent a secret communication to all diplomatic and some consular offices saying that the “action to prevent attack on Formosa and to prevent natl

¹⁴² FRUS 1950, 7:160; 369. Recent work based on telegrams between Mao and Stalin argues that Mao knew about the planned attack from his visit to the USSR in January 1950, when Kim Il Sung also made the trip to Moscow. Green et al., *War and Peace with China*, 25-6.

¹⁴³ Cited in MacFarquhar, 83.

¹⁴⁴ Acheson, *Present at the Creation*, 412.

Govt air and sea operations against mainland taken as immediate security measures to preserve peace in pacific and without prejudice to pol questions affecting Chi Govt. No change anticipated in relations between US and Chi Govt (sic)."¹⁴⁶

Nonetheless, changed circumstances made it hard to prevent further entanglement. The British and the Indians were eager to get the CCP admitted to the UN and warned that the US would have no support in world opinion if it got into a war with China over Taiwan. But many within the US government were beginning to be convinced that the loss of Formosa would be taken as a sign of American weakness. In a memorandum signifying the shift toward regarding Taiwan as part of overall anti-communist strategy in Asia, a memorandum from George Kennan to Acheson on July 17 said that the conquest of Taiwan would be "gravely damaging to our political position not only in Asia but possibly throughout the world" and urged steps to stop the CCP from carrying out an attack. On July 27 the Joint Chiefs of Staff advised modifying the policy of withholding military assistance from Formosa. In Congress the voices of the China lobby were loud and clear. On August 3 Truman decided to give military aid to prevent the taking of Formosa and approved a \$14 million military assistance package.¹⁴⁷

General MacArthur took advantage of this opportunity. In August 1950 he visited Chiang Kai-shek on Taiwan, appeared with him in public and assured him of "the effective military coordination between the Chinese and American forces." Without informing the Pentagon, he also sent three squadrons of jet fighters to Taiwan. Truman sent Harriman to Tokyo to remind MacArthur of US policy, but at the end of the month, the general again provoked the president by sending a public letter to the annual

¹⁴⁵ FRUS 1950, 7:180.

¹⁴⁶ Ibid., 6:367-8.

convention of the Veterans of Foreign Wars, warning against allowing Taiwan to fall into hostile hands. Truman forced him to withdraw the letter, but its contents had already been published in the newspapers, making public the General's dissatisfaction with Truman's policy.¹⁴⁸

The final nail was driven when China entered the Korean War. Yet this too seems to have been avoidable. By September 1950 the North Koreans had been forced back behind the 38th parallel. The Pentagon favored pushing north, and the State Department's Far East Division under Dean Rusk did not preclude it. Others, including Charles Bohlen, George Kennan and the Policy Planning Staff now under Paul Nitze, were opposed. Kennan and Bohlen did not think that Korea was a first step to be repeated in Europe, or a new policy of expansion on the part of the Soviets. He and Kennan both opposed a counter-invasion and predicted the Chinese response.¹⁴⁹ On September 1, the National Security Council drew up instructions that authorized military action north of the parallel unless China or Russia seemed likely to intervene and on September 27, Truman ordered MacArthur to move north. His order included instructions not to use non-Korean troops in the northeastern provinces, not to make air or naval attacks on Manchuria or the Soviet Union, and to assume a defensive position in the event of encountering Russian or Chinese troops.¹⁵⁰

On September 30, 1950, Zhou Enlai said in a speech to the Central People's Government Council that the Chinese people would not "supinely tolerate seeing their neighbors being savagely invaded by the imperialists." On October 2, the day after the

¹⁴⁷ *Ibid.*, 6:380-421.

¹⁴⁸ Acheson, *Present at the Creation*, 422-3.

¹⁴⁹ Bohlen, *Witness to History*, 292-3.

¹⁵⁰ Acheson, *Present at the Creation*, 452-3.

UN troops moved north, Zhou Enlai told the Indian ambassador that China would intervene if UN forces crossed the parallel.¹⁵¹ These threats were not taken seriously. MacArthur, who was convinced that the Chinese would not enter the war, and that they would be “slaughtered” if they did, disobeyed his orders. On October 24 he ordered his troops past the line at which US soldiers were to be replaced by Koreans and headed for the Yalu River. When questioned by the JCS, he justified the move on the grounds of military necessity. A few days later, the American forces found themselves surrounded by huge numbers of Chinese troops and MacArthur, who had promised they would be home for Christmas, admitted that they now faced “an entirely new war.”¹⁵²

The clash in Korea put an end to the administration’s former China policy. When they crossed the Yalu, the Chinese were immediately cast in the role of aggressors by Truman and branded as enemies of the US. Other considerations – the practical value of formal recognition, trade with China, the desire to influence its development, the unpleasantness of the Chiang regime – all paled in the context of this overriding ideological and now military conflict.

On May 18, 1951, two State Department representatives made speeches to the China Institute in New York. John Foster Dulles, then a consultant to the Secretary of State, and Assistant Secretary of State for Far Eastern Affairs Dean Rusk were both emphatic about support for Chiang Kai-shek. Ruling out the possibility that the Chinese Communist Party might have acted independently in Korea or that many Chinese might support Communism even at the expense of good relations with the US, Dulles declared, “by the test of conception, birth, nurture and obedience, the Mao Tse-tung regime is a

¹⁵¹ Allen S. Whiting, *China Crosses the Yalu: The Decision to Enter the Korean War* (Stanford: Stanford University Press, 1960), 106-8.

creature of the Moscow Politburo and it is on behalf of Moscow, not of China, that it is betraying the friendship of the Chinese people toward the US.” Rusk declared that the regime “is not Chinese,” calling it a “colonial Russian Government - a Slavic Manchukuo.”¹⁵³ That these two strident anti-Communists were now presenting the administration’s China policy was an indication of the shift in thinking about the issue of recognition.

For Chiang Kai-shek, facing imminent invasion by the Communists or a coup from within his own party, the Korean War was a godsend. Taiwan, formerly considered outside the US defensive perimeter, was now firmly within it, and its new strategic importance was Chiang’s salvation. Declaring that the US would never allow Formosa to come under Communist rule, in March 1951 Truman sent a 100-man Military Assistance Advisory Group to Taipei and resumed military aid with an initial installment of \$100 million. Chiang hoped for even more, and was encouraged by General MacArthur’s calls to expand the war against China, bomb its industrial bases and use Nationalist troops in Korea. This was not to be, however, and MacArthur was eventually recalled to Washington in April 1951 after disobeying Truman’s order to desist from making public statements contrary to government policy.¹⁵⁴

The Korean war, and the recharacterization of the CCP as the puppets of the Soviet Union also had important repercussions inside America, fueling a retrospective criticism of Truman’s China policy. On his return, MacArthur made further attacks against administration policy in an appearance before Congress, and as a result, the

¹⁵² Acheson, *Present at the Creation*, 462-70.

¹⁵³ Dulles, *American Policy Toward Communist China*, 121. Dulles, a Republican, had been appointed to negotiate the Japanese peace treaty several years earlier.

¹⁵⁴ Acheson, *Present at the Creation*, 513-24.

Senate Armed Services and Foreign Relations Committees set up a special subcommittee to investigate his recall. This turned into a general inquest on China policy since beginning of civil war in which Acheson, General Bradley, and Philip Jessup were called upon to justify administration policy.¹⁵⁵

The Senate Foreign Relations Subcommittee known as the Tydings Committee set up in February 1950 to investigate McCarthy's charges of Communist infiltration of the State Department had made an exhaustive examination of John Carter Vincent, John Service, Philip Jessup, Owen Lattimore and other China experts, but had found the accusations unsubstantiated. However, in July 1951 another inquest began, this time under the supervision of Senator Patrick McCarran, Chairman of the Internal Security Subcommittee of the Senate Judiciary Committee, to determine whether the *International Pacific Review*, of which Lattimore was the editor, had exerted a pro-Communist influence on US Far Eastern policy.¹⁵⁶ At the same time, the State Department instituted additional procedures for monitoring the ideological purity of its staff. By February 1952, the Department had investigated 604 loyalty-security cases. Half were given clearance without preferring charges. Fifty-four hearings were held and eleven men were fired as security risks but not one was judged disloyal. These events would affect the morale and competence of the department for years to come.¹⁵⁷

¹⁵⁵ Dulles, *American Policy Toward Communist China*, 115-7.

¹⁵⁶ Koen, *China Lobby*, 125-9.

¹⁵⁷ Edmund O. Clubb, *The Witness and I* (New York, Columbia University Press, 1975), 282.

Levels of Recognition

On a formal level, nonrecognition led to the exclusion of China from the United Nations and prevented all but the most minimal diplomatic communication between the US and China for nearly twenty years. At the same time, it enabled Chiang Kai-shek to retain US recognition and China's seat in the UN, and this despite Acheson's previous assertions that Taiwan was part of China and that Chiang's claim to recognition was based on flimsy legalisms.

The decision not to recognize the PRC clearly reveals the normative and political nature of the recognition process. The US refused to recognize the Chinese Communist regime even though it met the usual conditions for recognition in controlling the territory it claimed and facing no popular resistance. On the other hand, the US gave its endorsement to the Nationalist regime not because it met conditions based on international law, as Acheson admitted it did not, but because in the new anti-Communist worldview in which the containment of the People's Republic was a primary goal, Taiwan appeared essential. The fact that Chiang's regime had no more basis in popular consent than that of Mao was set aside. In fact, given the animosity of many Taiwanese toward the arrivals from the mainland, and the repressive techniques that Chiang used to suppress dissent, it could be argued that the US was giving its support to a regime that was little different from the Japanese colonial government that preceded it.

Acheson's policy of recognition had its own normative component, which rested on the belief that what we would now call engagement was the best way to change China, and he was prepared to recognize the PRC only as long as it showed some indication of being open to American influence. This policy was justified, as was the Open Door, as

being in the best interests not only of America, but also of the Chinese people, who through exposure to American goods and ideas would be drawn away from the Soviet Union. Now, in the light of the Korean war, and the casting of the CCP as aggressor, the “real” Chinese people who were to be the object of beneficent American engagement were to be found in Taiwan, with Chiang hastily restored to his pedestal as leader of “free China.”

On the cognitive level, this appraisal that the national interest lay in recognizing the Republic of China and not the PRC entailed a particular perception of the situation in China. Most important was the view, initially held only by members of the China bloc and the China lobby, that the PRC was a tool of the Soviet Union, fundamentally hostile to the US, and a dangerous enemy that must be contained. As we have seen, this opinion was not shared by many experts on China at the time, and was only adopted by Acheson very late in the day, when US policy had itself played at least some part in driving the Chinese closer to the Russians, and provoking them to cross the Yalu. As subsequent research on the Korean War has shown, these perceptions were distorted and exaggerated the role of the Russians and the Chinese in the Korean attack.

US nonrecognition of the PRC had a strongly reflexive character, forming part of the broader process of self-definition that was taking place in the years after the war. As we have seen, the process of deciding whether to recognize the PRC was closely linked with and shaped by the reappraisal of relations with the Soviet Union, and by the definition of US goals in the world in opposition to it. Perceptions of the motivation and behavior of the Chinese Communist Party at this point were at least partly a reflection of the ideology of anti-Communism and containment that was taking shape at this time. By

1950, Truman and Acheson had become convinced that the Soviet Union would seek to expand its power on all fronts unless checked by the United States and, as a result, the North Koreans and Chinese Communists came to be seen as Russian-controlled forces that threatened US interests globally. This led the US to overlook the strong nationalist component in these revolutionary regimes that would later lead them to show considerable independence from the Soviet Union.

The nonrecognition of the People's Republic transformed US-China relations and would shape the debate over policy for almost twenty years. In concrete terms, the isolation of China meant the end of all trade and cultural exchange and of all but the most cursory and infrequent diplomatic contact. Once the object of widespread sympathy in America, Chinese in China were now cast as fearsome, almost inhuman, enemies, a characterization that continues to echo in certain circles. Equally important as the nonrecognition of the PRC was the recognition of the Nationalist regime on Taiwan as the government of all China. American defense of Taiwan enabled the KMT regime to survive when it would otherwise have been taken by the Communists. It also led the US to provide economic assistance and expert advice to Chiang over the next twenty years and, ironically, to push him to implement the reforms he had rejected on the mainland. In an effort to reduce the appeal of Communism and increase local support for the KMT, US advisors were strategic in promoting land reform in Taiwan that would be the basis for the development of one of the most equitable growth patterns in Asia. By the time US-China relations began to warm again, Taiwan was already a thriving economy with a government that was showing signs of liberalization. This success would have

unexpected and difficult consequences when the US decided to normalize relations with the PRC.

Conclusion

The Communist Party came to power in China against the backdrop of the Second World War and the beginnings of the Cold War between the US and the Soviet Union. US- China policy, both during the war, and afterwards, was strongly conditioned by the international environment. Yet within those constraints, there was considerable room for policy choice. During the war, Roosevelt's policy of unconditional support for Chiang was by no means the only possible course of action, and was strongly opposed by many of his advisors. Neither was it inevitable that the US would become isolated from China. Despite their obvious ideological affinity, it was by no means universally agreed that the Chinese Communist party was subordinate to the Soviet, nor that nonrecognition and isolation were the only way to deal with it. The door was not closed by the Chinese side: the CCP made several approaches to the US that seemed to indicate their desire for cordial, if not friendly, relations. As Nixon and Kissinger's policy would demonstrate twenty years later, the international environment did not dictate a course of action.

US policy toward China failed to take a realist course in 1949, either in the sense of working to develop a balance of power by encouraging China to remain independent of the Soviet Union, or on the level of confronting the reality of the Communist victory. Yet, neither did domestic interests of the usual kind play an important part in Truman and Acheson's delay to recognize the PRC. With a few exceptions, missionaries and businessmen were in favor of recognition, and the press generally favored a pragmatic

approach, as did the vast majority of experts on the region who thought that the new government would be amenable to American influence if trade relations and cultural ties were maintained.

The domestic coalition that was able to delay recognition consisted of a small but intensely motivated group of supporters of the Chiang regime together with a group of primarily Republican congressmen who used the China issue for their partisan advantage. The China lobby and China bloc succeeded in delaying recognition for almost a year, a delay that almost certainly contributed to the hostility of the CCP toward America. The key to their power was their ability to withhold support for the administration's programs of assistance to Europe until they got concessions on China.

Although the international environment and the constellation of domestic interests played an important role, ideas were also extremely important in determining the US response to the Communist victory in China. A large impediment to the early recognition of the CCP was that it entailed abandoning Chiang Kai-shek, who, through the propaganda of the war years, had been portrayed as the successor to Sun Yat-sen, and the leader of "free China." Although many in the Truman administration had known better for a long time, this image in the public mind of Chiang as the pro-American leader of a struggling democracy made it very hard to abandon him when the war was over. Giving him "the last push" would have been too unpopular.

At least as important as the traditional imagery of China as ward and the US as her protector, was the fact that China policy was entangled at this time with US policy toward the Soviet Union. As Christensen points out, in order to build support first for assistance to Europe and later for greater military spending, Truman and Acheson

presented US-Soviet relations in a way that drew on public anti-Communist feeling and exaggerated the perception of an imminent threat. But although the idea of containment was successful in mobilizing support for the European assistance programs and higher defense budgets, the universalism of that rhetoric conflicted with Acheson's attempts to prepare the ground for the recognition of China. Combined with the wartime "free China" narrative, it made for a glaring contradiction, and Republicans in Congress, many of whom had little interest in China for its own sake, saw the usefulness of exploiting this.

As I will show in the next chapter, the nonrecognition of China would also have important repercussions. The ideology of anti-Communism and the containment of China were institutionalized as policy and would determine the contours of the debate over China policy for nearly two decades. Those who held dissenting views were marginalized and it would be many years before the new paradigm would be publicly questioned.

Chapter Five

Normalization of Relations with the People's Republic of China

After more than two decades of distance, punctuated by occasional flare-ups over Taiwan and the off-shore islands, US-China relations entered a new phase during the Nixon administration, culminating in 1979, when President Jimmy Carter fully normalized relations with the People's Republic of China.

The recognition of the PRC is the case that most closely approximates the neorealist model of a foreign policy decision motivated by a change in the international environment: the deterioration of relations between China and the Soviet Union and the opportunity for the US to improve its position with regard to the USSR by re-establishing relations with China. But even in this instance, an analysis of the process in terms of recognition reveals a complicated mix of interests and ideas.

A review of the period shows that although the Sino-Soviet split was an important stimulus, other factors contributed to the pressure for a change in China policy at this time, and non-governmental actors and domestic politics played a somewhat larger role in the story of normalization than is often acknowledged. Congress, and church and academic leaders outside government helped to pave the way for a change of policy, and to build public support for it in the mid to late 1960s. But they and many government officials favored normalization of US-China relations for reasons largely unrelated to Kissinger's geopolitical reasoning that closer Sino-American ties would improve the US position in its relations with the Soviet Union. These other logics, more reflective of traditional conceptions of economic and political interests in China and the constituencies that supported them, contributed to the breakdown of the 1949 framework of

nonrecognition, and were crucial in providing normative legitimacy for the policy of rapprochement in the form of support from Congress and public opinion.

Once again, although there was a growing consensus for change, there was also considerable disagreement in both the Nixon and Carter administrations about how rapidly to proceed. In particular the situation of Taiwan presented a thorny issue, with many arguing that it would be inappropriate for America to abandon its loyal ally, which had been regarded as “Free China” for so long. As in previous moments of recognition, the shift in China policy was also shaped by a broader public debate, this time over détente with the Soviet Union and the war in Vietnam, which called into question the whole policy of containment in Asia of which the nonrecognition of China had been a part. The opening to China came to be seen by many within and outside government as part of a new definition of the role of the US in the world.

Finally, although its prime movers viewed the initiative primarily in a geopolitical light, normalization was swathed in the rhetoric of Sino-American friendship, potential for trade and the hope of promoting liberalization and reform. These traditional symbols were important in winning normative legitimacy for the new policy and would shape expectations for the future.

Background: US-China relations 1952-1969

Throughout the 1950s, the US pursued the policy of nonrecognition that had resulted from the crisis over the Korean War, isolating China by refusing diplomatic recognition, opposing PRC admission to the UN, and banning trade and cultural exchanges. In February 1953, Eisenhower “unleashed” Chiang Kai-shek by withdrawing

the instructions to the Seventh Fleet stationed in the Taiwan Strait to prevent KMT attacks on the mainland. He did this he said, “to put the Chinese communists on notice that the days of stalemate were numbered; that the Korean War would either end or extend beyond Korea.” Concerned about Vietnam, Eisenhower soon developed the “domino” theory that the fall of one country in Southeast Asia would lead to the fall of the rest. This led to the formation of the Southeast Asian Treaty Organization in 1954. Taiwan’s position within the US defensive perimeter was also confirmed and, in December 1954, the Eisenhower administration signed a Mutual Defense Treaty with the Republic of China.¹ In 1955, and again in 1958, the US indicated that it would defend the islands of Quemoy, Matsu and Tachen, even though they had not been included in the Mutual Defense Treaty, if attacks on them appeared to be associated with a larger attack on Taiwan.²

China policy under Eisenhower was dominated by individuals who had long supported a tough line against the CCP, among them John Foster Dulles as Secretary of State and Walter S. Robertson as Assistant Secretary of State for Far Eastern Affairs. A member of the US embassy in Chongqing at the end of the war, Robertson had supported additional aid to Chiang. He told a congressional hearing in 1954 that he saw the essence of US China policy as “to keep alive a constant threat of military action vis-à-vis Red China in the hope that at some point there will be an internal breakdown.” Another

¹ Roderick MacFarquhar, *Sino-American Relations, 1949-71* (Royal Institute of International Affairs, 1972), 123; 102.

² *Ibid.*, 103-4.

important figure in China policy making was the US Ambassador to Taipei, Karl L. H. Rankin, also an avid supporter of Chiang Kai-shek.³

Despite their shared anti-Communism, the administration was not entirely united over the best means to employ with regard to China. Eisenhower seems to have continued to hope that relations could improve and several times hinted at the possibility of restoring economic ties. Although he rejected the idea that recognition and friendly overtures could woo the Chinese from the Soviet Union, Dulles himself hoped that forcing China into total dependence on the USSR would strain the relationship and eventually cause a split. During the 1950s, the CIA monitored Sino-Soviet relations carefully, looking for signs of strain, and the Voice Of America exploited every opportunity to imply that China was being humiliated by its “big-brother” next door. However, the pro-Chiang lobby was unnerved by the prospect of a Sino-Soviet split, which could lead to improved US-China relations and the end of US support for Taiwan.⁴

The administration’s public rhetoric did not reflect these internal divisions. Defending the policy of nonrecognition, Dulles expounded the conception of the CCP as a vassal of Moscow, and of America’s role as defender of the free world that this vision encapsulated. He told the Lions International in San Francisco in June 1957 that the US must learn from its experience with the Soviet Union, which it had finally recognized in 1933, only to find it was dealing with an aggressive enemy. Dulles argued that trade and cultural exchanges would benefit only the Chinese government and not the people.

³ Foster Rhea Dulles, *American Policy Toward Communist China, 1949-1969* (New York, Thomas Y. Crowell Company: 1972), 134-5.

Recognition, said Dulles, is “always a privilege, never a right,” and it would give China added prestige and influence that it did not deserve. Refuting the idea that the ability to govern territory and the consent of the governed were adequate conditions for recognition, he argued that the US sometimes recognized regimes in exile and also considered whether governments live up to their international obligations. In contrast to Acheson’s earlier statements about recognition as a neutral tool of diplomacy, Dulles asserted that “recognition is admitted to be an instrument of national policy, to serve enlightened self-interest.”⁵ Dulles acknowledged that, contrary to the claim of neutrality and objective conditions, all recognition formulae entail a normative legitimation. What he did not acknowledge is the contested nature of national goals or interests. His own conception of the situation in China and of America’s interests there was only one of a number of competing scenarios that had triumphed not because of its inherent objectivity, but as the result of a political process.

Throughout the 1950s, then, US-China policy continued to be framed within the narrative of containing global Communism. In 1958 Dulles discussed the two major considerations underlying the policy of nonrecognition. “First, the Soviet bloc, of which Communist China is an important part, is engaged in a long-range struggle to destroy the way of life of the free countries of the world and bring about the global dominion of communism. The Chinese communist regime has made no secret of its fundamental hostility to the United States and the free world as whole nor of its avowed intention to effect their downfall....” The primary purpose of the Chinese Communists, he said “is to

⁴ David Allan Mayers, *Cracking the Monolith: U.S. Policy Against the Sino-Soviet Alliance, 1949-55* (Baton Rouge: Louisiana State University Press, 1986), 110-6; 129-130.

⁵ MacFarquhar, *Sino-American Relations*, 134-9.

extend the Communist revolution beyond their borders to the rest of Asia and thence to the rest of the world.”⁶ China policy therefore continued to be part of the overall policy of containment after World War Two, in which the US assumed a hegemonic role, especially in East Asia, with occupation of Japan and South Korea and protectorates in Taiwan, South Vietnam, Thailand and the Philippines.⁷

At the same time, officials maintained that this policy of isolating China was the for the benefit of the Chinese people. In speech to UN in the late 1950s Dulles declared, “Our relationship with China... is primarily based upon a long background of religious, cultural and humanitarian association.... There is a... long and lasting foundation, of friendship between the people of China and the people of the United States.... History will never judge that we have been motivated by anything other than a desire to serve what we honestly believe to be the welfare of the Chinese people.”⁸

Outside the administration, pro-Chiang groups and individuals were dedicated to sustaining US support for the KMT. In 1953 the Nationalists hired a new public relations company, the Hamilton Wright Organization, allegedly at \$100,000 a year. The firm was a registered agent for Nationalist China for six years.⁹ The same year the Committee for One Million Against the Admission of China to the United Nations (COOM) was formed. The committee was headed by former President Hoover, and Senator William Knowland and Representative Walter Judd played major roles. It also had the backing of American Legion, the American Federation of Labor and the General Federation of Women’s clubs.

⁶ Ibid., 145.

⁷ Franz Schurmann, *The Foreign Politics of Richard Nixon: the Grand Design* (Berkeley: Institute of International Studies, 1987).

⁸ Dulles, *American Policy Toward Communist China*, 6.

⁹ Ross Y. Koen, *The China Lobby in American Politics* (New York: Harper & Row, 1974).

Within nine months it had collected a million signatures. Reorganized in 1955 as the Committee of One Million Against the Admission of China to the United Nations, it lobbied in Congress and ran media campaigns, receiving considerable exposure in the publications of Henry Luce, *Time* and *Life Magazine*.¹⁰ The organization also had links to the KMT. In 1966 it claimed 334 members of Congress among its members.¹¹

Another influential organization was the American China Policy Association (ACPA), founded in 1953 by Alfred Kohlberg, who had run a lace-making business in China. The ACPA's Board of Directors included Representatives Walter Judd and Clare Booth Luce. The ACPA published pamphlets, book reviews, press releases, and other literature out of Kohlberg's office in New York. The China News Service and the Central News Agency also continued to serve as media outlets for the regime, and estimates of KMT's public relations bill were as high as a billion dollars a year.¹²

When the Nationalists moved to Taiwan, the Kungs and T. V. Soong settled in the US. Soong Meiling, whose relations with Chiang were strained, also spent a considerable amount of time there. Despite their feuds, family members pooled their considerable assets and US contacts to lobby for the regime on Taiwan. H.H. Kung's personal lawyer was Louis Johnson, who had been Secretary of Defense under Truman. Kung was also friendly with Senator Styles Bridges of New Hampshire. His son Louis Kung was active in Richard Nixon's 1950 senatorial campaign in California, mobilizing the support of the Chinese community for him. Nixon also visited the Kungs periodically in Riverdale, New York.

¹⁰ Stanley D., Bachrack, *The Committee of One Million: China Lobby Politics, 1953-1971* (New York: Columbia University Press, 1976).

¹¹ Dulles, *American Policy Toward Communist China*, 89.

¹² *Ibid.*

As in the 1940s, the group of individuals that comprised the China Lobby is hard to place within the usual conception of domestic interests, including as it did both Americans and foreign agents. The extent of its power is also difficult to assess, because its influence was in large degree a function of the sympathy of key members of the administration and Congress with their views. Once the mood in the executive and Congress shifted in the mid-1960s, the China lobby quickly lost influence. Although the China Lobby preceded McCarthyism, during the early 1950s, it drew strength from the atmosphere of fear and accusation that prevailed as the result of Senator Joseph McCarthy's accusations about Communist infiltration of the State Department, the media and other professions.¹³ Dulles, who had been working for Acheson at the height of the China Lobby attacks on him, and who had been criticized himself for recommending Alger Hiss for President of the Carnegie Endowment for International Peace, was doubtless aware of the potential danger to himself, and David Mayers suggests that pressure from conservative Republicans associated with the Lobby prevented the Eisenhower administration from exploring options for improving relations with China.¹⁴

In this context, although the Chinese Communist Party made a number of overtures to the US during the mid-1950s, Washington rebuffed them. Dulles refused even to acknowledge Zhou Enlai's presence at the Geneva Conference in 1954, saying, "It is one thing to recognize evil as a fact. It is another thing to take evil to one's breast and call it good."¹⁵ In 1956 Zhou Enlai announced that he would grant visas to a group of fifteen American journalists but, despite strong media criticism, Dulles refused to allow

¹³ Bachrack, *Committee of One Million*, 43-5; O. Edmund Clubb, *The Witness and I* (New York: Columbia University Press: 1974).

¹⁴ Mayers, *Cracking the Monolith*, 111-2; 128-30.

¹⁵ *Ibid.*, 129.

them to go on the grounds that their reporting might improve the image of the PRC, a country with which he said the US was “in a sense in a state of war.”¹⁶

But the government line was by no means the only interpretation of the situation. The church members, business people and China experts who had supported recognition in the late 1940s continued to favor a more open policy toward China, feeling both that this was more realistic, given that the CCP seemed to be firmly entrenched in power, and that it offered the best chance for influencing the course of China’s development. After the Korean armistice in July 1953, the *New Republic* and other liberal journals raised the question of recognition, and challenged the logic of isolating China, asking, “Are we planning to come to terms with the world’s largest nation to determine its intentions, to influence its relations with Russia and promote its willingness to live in peace? Or do we prefer to harass the Chinese Government without really threatening it?”¹⁷

But, with the containment doctrine in full sway, and its proponents in positions of power, critics of nonrecognition were excluded from positions of influence during the 1950s, and China experts who disagreed with the policy of isolating China became more and more isolated themselves. Between 1945 and 1950 Owen Lattimore, John King Fairbank, Edgar Snow, Nathaniel Peffer, Joseph Barnes, Harold Isaacs and T. A. Bisson reviewed 22 of 30 books on China covered in the *New York Times* and 30 of 35 in the *Herald Tribune*. Between 1952 and 1956 none of them reviewed a single book for either paper.¹⁸ Meanwhile, academic specialists supportive of Chiang were better publicized after 1951. They included David N. Rowe, William McGovern, Karl Wittfogel, Kenneth

¹⁶ Dulles, *American Policy Toward Communist China*, 171.

¹⁷ *Ibid.*, 138.

¹⁸ *Ibid.*, 84.

Colegrove, and George E. Taylor.¹⁹ Considering the determined anti-communism of key government officials, and the influence of the China lobby, in the 1950s, Robert Sutter concludes, it was “political suicide” to suggest a change in the policy of checking Communist expansion, isolating the PRC diplomatically and economically, and supporting the KMT on Taiwan.”²⁰

There are some indications that President John F. Kennedy wanted to break the impasse with China. In the 1960 presidential campaign, Kennedy called for a reassessment of US-China policy, which he said had “failed dismally in its principal objective of weakening Communist rule on the mainland.” Kennedy had criticized Dulles’s position over the journalists’ visas and thought that the US should stop defending the offshore islands of Quemoy and Matsu.²¹ After he took office, his Assistant Secretary of State for Far Eastern Affairs Roger Hilsman undertook a review of China policy and recommended lifting restrictions on travel and trade.²² But in the end Kennedy did not modify China policy which, with Dean Rusk as Secretary of State, remained substantially the same. Kennedy’s ambassador to the United Nations, Adlai Stevenson, Under Secretary of State Chester Bowles, and Ambassador to India John Kenneth Galbraith were all in favor of recognizing the People’s Republic and having both Chinas hold seats in the UN. But Kennedy felt the domestic repercussions would have been too strong. Both Nixon and Eisenhower had warned Kennedy when he took office that they would speak out against him publicly if he tried to have China admitted to the UN.

¹⁹ Koen, *China Lobby*, 116.

²⁰ Sutter, *China Quandary*, 2.

²¹ MacFarquhar, *Sino-American Relations*, 5-6.

²² Marshall Green, John H. Holdridge and William N. Stokes, *War and Peace with China: First-hand Experiences in the Foreign Service of the United States* (Bethesda: Dacor-Bacon House, 1994).

Nixon told him that allowing China to enter the international organization would “give respectability to the Communist regime which would immensely increase its power and prestige in Asia, and probably irreparably weaken the non-Communist governments in that area.”²³ Instructing Adlai Stevenson to fight China’s UN admission in 1961, Kennedy said, “ You have the hardest thing in the world to sell. It really doesn’t make any sense—the idea that Taiwan represents China. But, if we lose this fight, if Red China comes into the UN during our first year in town... they’ll run us both out.”²⁴ When another episode of conflict broke out in the Taiwan Strait in 1962, Kennedy stood by the old policy, declaring that the US would defend Taiwan against a Communist attack, and that any attempt to take the offshore islands would be judged “in relation to its wider meaning for the safety of Formosa.”

Kennedy may have been planning a new approach for his second administration. In November 1963, at his last press conference, he said, “If the Red Chinese indicate a desire to live at peace with the United States, with other countries surrounding it, then quite obviously the United States would reappraise its policies. We are not wedded to a policy of hostility to Red China.” Proponents of change drew on old rhetoric to support an alteration in policy. In December, after Kennedy’s death, Roger Hilsman revived the old Open Door language in a speech that also indicated the growing strain on the 1949 nonrecognition, and pointed to a change of direction. “We pursue toward Communist China a policy of the open door; we are determined to keep the door open to the

²³ MacFarquhar, *Sino-American Relations*, 5-6.

²⁴ Arthur M. Schlesinger, *A Thousand days; John F. Kennedy in the White House*, (Boston: Houghton Mifflin, 1965), 483.

possibility of change and not to slam it shut against any development which might advance our national good, serve the free world, and benefit the people of China.”²⁵

But just as the Korean war had shaped the US nonrecognition of China in 1950, now the policy of nonrecognition itself influenced policy toward other areas, and in particular toward Vietnam. Although successive administrations realized that they should withdraw, they were afraid that losing Vietnam would take on some of the aura of “losing China” and carry a high political price. Neither Kennedy nor Johnson felt he could afford it. Johnson later told historian Doris Kearns, “I knew that if we let Communist aggression succeed in taking over South Vietnam, there would follow in this country an endless national debate—that would shatter my Presidency, kill my administration, and damage our democracy. I knew that Harry Truman and Dean Acheson had lost their effectiveness from the day that the Communists took over in China. I believed that the loss of China had played a large role in the rise of Joe McCarthy. And I knew that all these problems, taken together, were chickenshit compared to what might happen if we lost Vietnam.”²⁶

Although until the mid-1960s the policy continued to be one of isolating China, circumstances were beginning to emerge that would lead to a redefinition of the context and content of China policy. On the one hand, there was the growing awareness that the Communist Party was entrenched in China and that the policy of isolation had done nothing to dislodge it from power. At the same time, the deterioration of Sino-Soviet relations seemed to offer an opportunity for improved relations with both countries. The

²⁵ Dulles, *American Policy Toward Communist China*, 189-209.

1949 nonrecognition structure was also challenged by mounting dissatisfaction with America's broader policy of containment and specifically with the Vietnam War. Just as the Korean War had led to the recontextualization of China policy in the 1950s, and the fear of "losing" another Asian country to Communism had contributed to staying in Vietnam, so conflict over the Vietnam War would now fuel the growing perception that America did not have the power to enforce its will on Asia and contribute to the reconsideration of China policy. Once the option of "winning" the war by expanding it through the use of tactical nuclear weapons was defeated, and US diplomats were negotiating with the Vietnamese in Paris while protesters filled the streets, the logic of containing Communism in Asia was completely undermined, and with it much of the rationale for the 1949 policy of nonrecognition of China.

Nixon, Kissinger, and the Shanghai Communiqué

Rapprochement with China is usually presented as a case of executive-controlled policy in which domestic politics played little role. Yet, although Nixon's anti-Communist credentials spared him the attacks from his own party that a Democratic president might have faced, it is unlikely that he could have undertaken such a reversal in policy if there was not already some domestic constituency for it. And there was, as those who had always opposed the 1949 nonrecognition were joined by those motivated by events in Vietnam. From the mid-1960s, churches, academics and Congress pushed for a reconsideration of China policy. In September 1964 the American Friends Service Committee (AFSC) convened a Working Party to analyze US China policy and

²⁶ Quoted in I.M. Destler, Leslie H. Gelb and Anthony Lake, *Our Own Worst Enemy: The Unmaking of American Foreign Policy* (New York: Simon and Schuster, 1984), 62.

recommend proposals. It went on to organize a conference at the University of California at Berkeley in December 1964, cosponsored by the Political Science Department and the World Affairs Council. People from all sides of the debate attended and the event received a lot of press coverage. A follow-up National Conference on China was held in Washington in April 1965 and was attended by representatives from the United Nations, the Council on Foreign Relations, the State Department, Congress, business and unions, and academia, as well as members of the National Council of Churches, and Catholic and Jewish organizations. The conference sparked an interest in China policy that led to numerous follow-up events around the country.²⁷

In his closing remarks Professor Robert Scalapino echoed the arguments for engagement made by Acheson and others in the late 1940s. With the hindsight of 20 years, he declared that the policy of isolation had failed in its goal of undermining communism in China. "...[C]ontainment by isolation has not been successful and never can be successful. It only serves the cause of fanaticism in China. We ought to complicate decision making for the Chinese communist leaders, as it would be complicated if they had multiple concerns with the international community. It is time for us to say, 'We will exchange scholars with you, we are interested in trade, we will accept you in the United Nations under certain circumstances.'"²⁸ Meanwhile, growing trade between China and Britain, France, Japan and Canada reminded American businessmen of their lost China market and in January 1965 the San Francisco Area World Trade Association sent a report to Congress calling for a change of policy. A survey conducted by the University of Michigan's Survey Research Center around this

²⁷ Madsen, *American Dream*, 34-41.

²⁸ *Ibid.*, 38.

time found that 51% of respondents favored exchanging ambassadors with the PRC and only 34% were opposed.²⁹

There was also movement in Congress. At hearings of the Senate Foreign Relations Committee chaired by J. William Fullbright in 1966, most witnesses supported recognizing the PRC, admitting it to the UN and establishing trade and cultural ties. Testimony from scholars including Scalapino, Fairbank, and A. Doak Barnett stressed that rather than focusing purely on China's Communist ideology and practices, the US should also note the cultural roots of much of its behavior. They also argued that the CCP included a moderate pragmatic wing that might be encouraged by contact with the West. Like their missionary and diplomatic forbears, they felt the US could exert a positive influence on China's moderate reformers. The House Foreign Affairs Committee's Subcommittee on Far Eastern and Pacific Affairs heard similar arguments.³⁰

Meanwhile, outside government, participants in the National Conference on China had formed the National Committee on US-China Relations in June 1966 to further debate about US-China relations. The organization, which excluded government officials, and professed to be nonpartisan, began with sixty members drawn from business, unions, religious groups, and nongovernmental organizations. However, the founding members clearly favored a change of policy that would eventually result in normalization.³¹

The thinking of Congress and the nongovernmental actors described above had little to do with geopolitics, and expressed the more traditional conception of American interests in China of trade and political reform. Despite the President's emphasis on geopolitics, these concerns would play an important role in establishing normative

²⁹ Dulles, *American Policy*, 227-8.

³⁰ Sutter, *China Quandary*, 17-8.

legitimacy for the new policy by ensuring congressional and public acceptance. They would also shape expectations of normalization.

The shift in thinking about China policy was neither complete nor immediate. Anti-Communists differed both in their perception of the nature of the CCP and in their view of the best way to promote change in China, continuing to maintain that China was a threat and containment the answer. Walter Judd maintained the negative missionary view of China as a land mired in sin and godlessness and at the Fulbright hearings he and George Taylor ridiculed the idea that the CCP might be susceptible to American influence or that there could be any productive communication with it. Said Taylor, “Unfortunately we live in a world in which there are at least two violently opposed concepts of international relations, of political and social organization and of world order. The dialog between them is still minimal.”³²

Although the public debate was dominated by the more mainstream cautious approach of the National Committee, another interpretation of the situation and its implications for America was held by younger left-wing radicals, many of them graduate students in Asian studies programs, who joined the Committee of Concerned Asian Scholars (CCAS). Forged out of opposition to the Vietnam War, CCAS challenged American policy in Asia. Its members took a largely optimistic and positive view of the Chinese revolution, arguing that Americans had much to learn from what they saw as its progressive and egalitarian society. But despite their differences these groups agreed with the more mainstream National Council on US-China Relations on the need for a new

³¹ Madsen, *American Dream*, 47-52.

³² *Ibid.*, 44-5.

recognition that allowed for a greater degree of communication and the acknowledgment of some shared interests with the PRC.³³

By the time that Nixon came into office, challenges to the policy of nonrecognition were mounting. Outside government, a growing number of academics, religious leaders and journalists were criticizing the policy, and calling for a policy of greater engagement with China. This view reflected their understanding of the situation in China and of the failure of the US policy of nonrecognition to change it, but it also grew out of a more deeply rooted questioning of US foreign policy overall, and particularly of US involvement in Vietnam.

The situation in China was also conducive to a thawing of the chill. Tensions in the Sino-Soviet relationship had come to a head in summer 1960, when the Soviet Union suddenly announced that it would remove the nearly 1400 Russian advisers and experts working in China. Relations with the Soviet Union remained tense throughout the 1960s. In 1968, the Russian invasion of Czechoslovakia, and the buildup of Russian troops on the border made Chinese leaders fear an invasion. In March 1969, Chinese and Russian troops clashed on an island in the Ussuri River. Improved relations with the US were an obvious way of balancing the Soviet threat. Another incentive, particularly appealing to technical experts, was the need for foreign equipment to speed up the modernization of China's oil industry.³⁴

Always an outspoken anti-Communist, Nixon had been in favor of sending American military advisers into Vietnam well before Eisenhower actually did so, and he had consistently opposed admitting China to the UN. But even before he assumed the

³³ Ibid., 52-7.

presidency, Nixon was becoming interested in China policy, and argued that engagement would be more likely to bring change than isolation. In 1967 he published an article in *Foreign Affairs* in which he said, “We cannot afford to leave China outside the family of nations...” and “the world cannot be safe until China changes.” He went on to advocate a new policy of “containment without isolation.”³⁵

As soon as he took office in 1969, Nixon made overtures to China through Kissinger. In April 1969 Secretary of State William Rogers made a policy statement in which he said that the US accepted the existence of both Communist China and Nationalist China on Taiwan as “facts of life” and indicated that although the PRC was currently displaying a hostile attitude, the US would “take the initiative to reestablish more normal relations with Communist China.” In July 1969 the Nixon administration made some unilateral friendly moves, authorizing travel to China for professionals and members of Congress and allowing them to return with up to \$100 in Chinese goods.³⁶

When US and Chinese representatives met again in January 1970 in Warsaw, instead of railing at each other over Taiwan, both sides indicated their willingness for further communication. Kissinger then began to pursue negotiations through the government of Yahya Khan of Pakistan that resulted first, in April 1971, in an invitation for the US table-tennis team to visit China and then, in July of the same year, Kissinger’s own visit to plan a trip by the president.

Nixon and Kissinger’s decision to change policy toward China rested on a certain conception of the international environment and of America’s role in it. Specifically, it

³⁴ Jonathan D. Spence, *In Search of Modern China*, (New York: W.W. Norton, 1990), 627-9.

³⁵ Richard M. Nixon. “Asia After Viet Nam” *Foreign Affairs*, 46, no. 1 (October) 1967, 111-5.

was related to the overarching strategy of seeking détente with the Soviet Union. Criticizing the US tradition of foreign policy for being guided solely by idealism, pragmatic problem solving or legalism, Kissinger argued for a geopolitical or balance of power approach. At that time, both he and Nixon felt that world peace depended on the ability of the US to negotiate terms with the Soviet Union on a range of issues, including arms limitation.³⁷

Although he was strongly anti-Communist and urged preparation for limited war and ideological opposition to the Soviet Union, Kissinger thought that policy towards the USSR should be directed at its international behavior not at changing its domestic society, which he thought an impossible task. However, he opposed the static containment policy of Dulles and Rusk, and favored an active policy of negotiation with a view to winning agreements or showing Soviet intransigence.³⁸ Countering his critics, he offered his view of the role of recognition,

... There has always been a fear that by working with a government whose internal policies differ so sharply from our own, we are in some manner condoning these policies or encouraging their continuation.... In that view, demands for internal changes must be the precondition for the pursuit of a relaxation of tensions with the Soviet Union. Our view is different. We shall insist on responsible international behavior by the Soviet Union and use it as the primary index of our relationship. ... we have profound differences with the Soviet Union - in our values, our methods, our vision of the future. But it is these very differences which compel any responsible administration to make a major effort to create a more constructive relationship.³⁹

³⁶ Dulles, *American Policy Toward Communist China*, 240-3.

³⁷ MacFarquhar, *Sino-American Relations*, 7-8.

³⁸ Gregory D. Cleva, *Henry Kissinger and the American Approach to Foreign Policy* (Cranbury, NJ: Associated University Presses, 1989), 175-85.

³⁹ Kissinger, "The Process of Détente," Statement Delivered to the Senate Foreign Relations Committee, September 19, 1974. Quoted in Cleva, *Henry Kissinger*, 195.

In his first inaugural address, Nixon indicated a change of direction in relations with the Soviet Union. "After a period of confrontation," he said, "we are entering an era of negotiations." Nixon had several reasons for pursuing détente: he thought that the Soviet Union was becoming a normal power, interested in stability and internal development, and therefore more open to negotiation; at the same time he was not convinced that Soviet leaders had accepted the idea of Mutually Assured Destruction, and believed that they were outspending the US on missile developments and possibly seeking superiority. He also hoped to reduce regional conflicts and thought, mistakenly, that the Soviet Union was in a position to force North Vietnamese leaders to seek peace. More generally he hoped détente would lead to creation of mechanisms that would help avoid crises like the Cuban missile crisis. Finally, he was concerned that an increasingly independent Western Europe would improve its own relation with the eastern bloc.⁴⁰

At the same time, the Soviet Union also had incentives to reduce tensions with the US, including the burden of maintaining its high defense expenditures, and subsidies to Cuba and other dependents. It also wanted to import Western technology in order to catch up economically. Tensions with China had also cast the US in a different, and less threatening, light.⁴¹

For Nixon and Kissinger, therefore, China policy was framed by their conception of US relations with the Soviet Union. Discussing the motivation for reaching out to China, Kissinger writes that although the move was not directed specifically against the Soviet Union, it would put the US in a better negotiating position.

⁴⁰ Melvin Small, *The Presidency of Richard Nixon* (Lawrence: University of Kansas Press, 1999), 97-8.

⁴¹ *Ibid.*, 99-100.

We did not consider our opening to China as inherently anti-Soviet. Our objective was to purge our foreign policy of all sentimentality. There was no reason for us to confine our contacts with major Communist countries to the Soviet Union. We moved toward China not to expiate liberal guilt over our China policy of the late 1940s but to shape a global equilibrium. It was not to collude against the Soviet Union but to give us a balancing position to use for constructive ends – to give each Communist power a stake in better relations with us. Such an equilibrium could assure stability among the major powers, and even eventual cooperation, in the Seventies and Eighties.⁴²

Kissinger also hoped that improved relations with China would have benefits that went beyond his geopolitical goal of increasing American leverage with regard to the Soviet Union. One was to alleviate the pain and self-doubt caused by the war in Vietnam, and prevent a retreat into isolationism. Kissinger writes in his memoir,

The agony of Vietnam seemed to bring on a despair about the possibility of creative policy, an abhorrence of foreign involvement, and an in some quarters an insidious self-hatred. The drama of ending estrangement with this great [Chinese] people, in human terms and for what it meant to the global prospects of peace, would be a breath of fresh air, a reminder of what America could accomplish as a world leader. To do so in the midst of a divisive war would prove to ourselves and others that we remained a major factor in world affairs, able to act with boldness and skill to advance our goals and the well-being of all who relied upon us.⁴³

For Nixon, too, China policy was intertwined with his overall vision of America's role in the world, which for him could no longer involve defending every nation against Communism. In what came to be known as the Nixon Doctrine, presented on February 18, 1970, he proclaimed that. "America cannot--and will not-- conceive all the plans, design all the programs, execute all the decisions and undertake all the defense of the free nations of the world. We will help where it makes a real difference and is in our interest... our interests must shape our commitments, rather than the other way around." He later said that the doctrine was an "effort to withstand the present wave of new isolationism... with a

⁴² Kissinger, *The White House Years* (Boston: Little, Brown and Company, 1979), 191-2.

revised policy of involvement.”⁴⁴ Nixon was more optimistic than Kissinger, at least in his rhetoric. While his Secretary of State stressed that there would always be tensions and challenges to face, Nixon spoke to the public not of the need for balance and equilibrium but of the prospects for “a new generation of peace.”⁴⁵

As an elected politician, Nixon also had one eye on the domestic benefits of his foreign policy. The timing of the China initiative was certainly fortuitous, with the announcement of Nixon’s trip coming just a month after the publication of the Pentagon Papers and the resignation of several high level staff in protest over the bombing of Cambodia.⁴⁶ The opening to China also had the benefit of stealing the thunder from the Democrats, among them Nixon’s opponent in the 1972 election, George McGovern, who had called for a change in China policy.⁴⁷

While there was a growing consensus on improving relations with China, there were serious differences of opinion over the reasons for doing so, and on the speed and way in which it should be done. Summarizing the other views on China policy within the government in August 1969, Kissinger identifies them as the “Slavophile,” which held that improving relations with the Soviet Union was key and any overture toward China would ruin it, and the “Sinophile,” which argued that China policy should be independent of policy toward the Soviet Union and better relations sought for their own sake. The State Department’s East Asian Bureau, Assistant Secretary of State for East Asian and

⁴³ Ibid., 194.

⁴⁴ Small, *Presidency of Richard Nixon*, 63.

⁴⁵ Richard Melanson, *American Foreign Policy Since the Vietnam War: the Search for Consensus from Nixon to Clinton* (Armonk: M.E. Sharpe, 2000), 73-4.

⁴⁶ Schurmann, *Foreign Politics of Richard Nixon*, 16; 39.

⁴⁷ Destler et al, *Our Own Worst Enemy*, 67-8; Jerome A. Cohen, as discussant to Robert Sutter in Leon Friedman and William F. Levantrosser eds., *Cold War Patriot and Statesman, Richard M. Nixon* (Westport: Greenwood Press, 1993), 41.

Pacific Affairs Marshall Green, and Secretary of State Rogers opposed sending an emissary to Beijing before the Chinese had made some concessions on bilateral issues, including an agreement in principle to a peaceful settlement of the Taiwan problem. Partly out of concern for secrecy, but also because of these differences over the speed with which a rapprochement was possible, Kissinger and Nixon kept their contacts with Beijing from Rogers, who was not told of the trip until Kissinger had already left.⁴⁸

Interestingly, although credit for reaching out to China and the secretive manner in which it was done is usually given to either Nixon or Kissinger, Jerome Cohen points out that the idea of “confidential, perhaps even deniable conversations between Chinese Communist leaders and someone with whom you have confidence” was suggested in a report given to Kissinger by Cohen and other academic advisers for President-elect Nixon as early as November 8, 1968.⁴⁹

Kissinger’s trip, in which much of the ground for the Shanghai Communiqué was negotiated, culminated in the announcement on his return that Nixon would visit China. In August Nixon made a speech in which he said that neither the Americans nor the Chinese had “any illusions about the wide differences” nor that “we do not expect that these talks will settle all these differences.”⁵⁰ However, both he and Kissinger clearly regarded the trip as a major breakthrough and if public opinion had not already turned around it was unlikely that it would have met with such an enthusiastic reception. As it was, even conservatives in Congress like Strom Thurmond spoke approvingly of the trip.⁵¹

⁴⁸ Kissinger, *The White House Years*, 182; 720.

⁴⁹ Friedman and Levantrosser, *Cold War Patriot and Statesman*, 41.

⁵⁰ Ross, *Negotiating Cooperation*, 40.

⁵¹ Sutter, *China Quandary*, 18.

While Kissinger was on his second foray to China in 1971, China was admitted to the United Nations. Every year since 1949, a vote had been taken in the General Assembly on the question of which China, the Republic or the People's Republic, should represent the nation. Every year, the US opposed the admission of the PRC, but every year the number of countries supporting the PRC increased. In 1961, the US submitted a resolution making a proposal to change the representation of China an "Important Question," that would require a two-thirds majority to pass. But by 1969 it seemed that even this measure would not keep China out for long. As a result, the US changed its position and tried to ensure that Taiwan could keep its seat even if Beijing were admitted. Nixon and Kissinger preferred sticking with the original position even if it meant losing, but Rogers and the State Department thought the two sides might be brought to accept a "two-China" solution. Rogers made his proposal, but Beijing said it would not take the seat under those conditions. In the end, the Albanian proposal for admitting the PRC came to a vote first and was approved. China finally won its seat while Kissinger was on his second trip to China.⁵²

Finally, in February 1972, came the Nixon visit. Whatever the hard-nosed geopolitical principles that underlay it, the visit was presented as an encounter between two great friendly powers. And, despite his claimed lack of sentimentality, Kissinger seems to have fallen prey to one of the age-old myths about the Chinese, seeing them as possessed of an intelligence more subtle and controlled than that of Westerners.

Every visit to China was like a carefully rehearsed play in which nothing was accidental and yet everything appeared spontaneous. The Chinese remembered every conversation, from those with the lowliest officials to those with the most senior statesmen. Each remark by a Chinese was part of a jigsaw puzzle, even if at first our more literal intelligence did not pick

⁵² Kissinger, *White House Years*, 770-4.

up the design.... On my ten visits to China, it was as if we were engaged in one endless conversation with an organism that recalled everything, seemingly motivated by a single intelligence. This gave the encounters both an exhilarating and occasionally a slightly ominous quality. It engendered a combination of awe and sense of impotence at so much discipline and dedication –not unusual in the encounter of foreigners with Chinese culture.

And so it was on Nixon's visit. By the time we had taken tea, all present felt convinced... that they had been admitted into a very exclusive club, though there had yet to take place a single substantive conversation.⁵³

The substantive product of the visit was the Shanghai Communiqué, issued on February 27, 1972. Unconventional in form, it began by laying out the points of disagreement between the two nations, then outlining their areas of agreement. Notable among the latter was the joint opposition to "hegemony," tacitly but clearly understood to refer to the Soviet Union. The two sides agreed that, despite their differences,

Countries, regardless of their social systems, should conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, nonaggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence. International disputes should be settled on this basis, without resorting to the use or threat of force. The United States and the People's Republic of China are prepared to apply these principles to their mutual relations.

With these principles of international relations in mind, the two sides stated that

- progress toward the normalization of relations between China and the United States is in the interests of all countries;
- both wish to reduce the danger of international military conflict;
- neither should seek hegemony in the Asia-Pacific region and each is opposed to efforts by any other country or group of countries to establish such hegemony; and
- neither is prepared to negotiate on behalf of any third party or to enter into agreements or understandings with the other directed at other states.

Both sides are of the view that it would be against the interests of the peoples of the world for any major country to collude with

⁵³ Ibid., 1056.

another against other countries, or for major countries to divide up the world into spheres of interest.⁵⁴

Taiwan was cited as “the crucial question obstructing the normalization of relations between China and the United States.” In taking the first steps toward the recognition of the PRC, the Nixon administration was reviving the old problem of 1949, that diplomatic relations with the PRC would be contingent on the US terminating relations with the KMT on Taiwan. Yet, after 20 years of military, economic and political support for “Free China,” the public would be unlikely to accept a rapid reversal in policy for purely geopolitical reasons.

Unable to draft mutually acceptable language, the two sides again cited their respective positions in an attempt to avoid the problem. In its final form, the statement of the US position read,

The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate object of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes.⁵⁵

Other aspects of the relationship played little role for Nixon and Kissinger. Commercial issues received little attention during the negotiations, and seem to have served largely as a way to distract State Department officials from the more crucial work of drafting the Communiqué, which they saw only when it had been accepted by the

⁵⁴ U.S.-People’s Republic of China Communiqué issued at Shanghai, February 27, 1972.

⁵⁵ Ibid.

leaders of both sides.⁵⁶ Assessments of the potential for trade in the early seventies did not foresee economic reform, and were not particularly optimistic.⁵⁷

However, while stressing the geopolitical achievement of the Communiqué, Kissinger acknowledges that security and geopolitical advantage were not the only issues at stake even for him. Discussing the incentives on both sides to reach an agreement, he writes that “China’s need was somewhat greater from the point of view of security, ours from the point of view of psychology. We required maneuvering room for our diplomacy and to give hope to our people after a tormented decade at home and abroad.”⁵⁸

Nixon and Kissinger also seem to have realized that other audiences would be less concerned with geopolitics and more interested in the prospects for renewing trade and cultural ties. Once the language about Taiwan was set, Kissinger urged his Chinese counterpart to be more explicit about the section on trade and cultural exchanges, saying that “to many Americans progress here would be a measure of the new relationship.”⁵⁹ Previously, Kissinger had written, “The acid test of a policy... is its ability to obtain domestic support. This has two aspects—the problem of legitimizing a policy within the governmental apparatus, which is a problem of bureaucratic rationality; and that of harmonizing it with the national experience, which is a problem of historical development....”⁶⁰

⁵⁶ Kissinger, *White House Years*, 1050-196.

⁵⁷ Jerome A. Cohen, Robert F. Demberger and John R. Garson, *China Trade Prospects and U.S. Policy* (New York: Praeger, 1971).

⁵⁸ Kissinger, *White House Years*, 1078.

⁵⁹ *Ibid.*, 1080. Similarly, the prospect of Soviet markets was used by Nixon as a rationale to convince US businessmen of need for thaw. Small, *Presidency of Richard Nixon*, 98.

⁶⁰ Henry A. Kissinger, *The World Restored; Metternich, Castlereagh, and the Problems of Peace, 1812- 22* (Boston: Houghton Mifflin, 1973), 326.

Certainly the symbolic impact of Nixon's China visit was at least as important as the practical effect. In fact, many issues remained unresolved, but the spectacle and rhetoric of the visit, televised nationally, created the impression that the US and China were now the best of friends and that their interests coincided. While in China, US officials collaborated in the media presentation of a Potemkin village, as the places they visited were swept clean and peopled with smiling locals.⁶¹ As they had done in the 1940s with the KMT, both politicians and correspondents glossed over the dark areas to present a sanitized image of conditions in China and of Sino-American relations.

After Tiananmen, when Deng Xiaoping had ordered troops to fire on Chinese civilians, Nixon would say "China has a limitless capacity to fascinate. But it is not Disneyland. It is, as it has been since 1949, a communist dictatorship held together by brute force.... Those who insist on romanticizing relations between nations will always be disappointed when the realities of national self-interest and survival inevitably intrude." But neither he nor Kissinger mentioned this at the time. In his memoir Nixon gives a glowing account of his encounter with Mao, in which he seems flattered by the chairman's condescension. For his part, Kissinger eulogized Zhou Enlai, describing him as "one of the two or three most impressive men I have ever met. Urbane, infinitely patient, extraordinarily intelligent, subtle."⁶² To this degree, their efforts to mobilize public opinion behind US China policy were not merely tactical, but reflected a genuine enthusiasm for their Chinese counterparts. It is interesting that Kissinger and Nixon, who

⁶¹ Madsen, *American Dream*, 74-5.

⁶² Kissinger, *White House Years*, 745.

saw themselves as hard headed realists, were in the process of creating another set of misconceptions and exaggerated expectations for American relations with China.⁶³

Nixon later acknowledged that the China trip had been oversold, saying, "Creation of a willowy euphoria is one of the dangers of summitry. During my administration excessive euphoria built up around the 1972 Peking and Moscow summit meetings. I must assume a substantial part of the responsibility for this. It was an election year and I wanted the political credit for what I believed were genuinely major advances toward a stable peace."⁶⁴

My point here is not, as some conservatives later argued, that the image of China presented at this time disguised a "real" China that was in every way a ruthless dictatorship. It is rather that every recognition has its normative and symbolic aspects, and reflects only one possible interpretation of the situation in China and US interests there. What is striking here is that even those who thought themselves most unsentimental in pursuing the national interest were firmly in the grip of certain China myths, with important consequences. The normative and ideological aspects of the relationship, which they ignored on the surface, would play an important role in shaping the debate over China policy in the years to come.

The response to the trip was almost overwhelmingly positive. Initially, the State Department was not happy with the Communiqué, which it had not seen until after it was drafted and agreed to by both principals, and Rogers proposed numerous small changes, some of which, not relating to Taiwan, Kissinger was obliged to resubmit to the Chinese. State Department officials were at least equally angry at the secrecy with which the

⁶³ Madsen, *American Dream*, 61; 77: 74-81; Small, *Presidency of Richard Nixon*, 107.

negotiations had been carried out.⁶⁵ However, in general, the Communiqué met with an enthusiastic response from as diverse a group as George McGovern, Edward Kennedy and Barry Goldwater.⁶⁶ This was, of course, at least partly because the tricky problem of Taiwan had been deferred.

Normalization

The Nixon trip and the Shanghai Communiqué were a big step towards the normalization of US-China relations. Although many issues were still unresolved, including the question of Taiwan, there was the sense of a new beginning. In addition to the geopolitical concerns of Nixon and Kissinger, the visit paved the way for the expansion of other ties, and Americans hurried to resume the other strands of the relationship that had been suspended for so long. Business, and cultural and academic institutions initiated a wave of new projects in China.

Although tourism was strictly controlled and guided, it produced a wave of books and articles that expressed great enthusiasm for the People's Republic. These included but were not limited to authors from the radical Left. David Rockefeller, on his return from a trip said that "the social experiment in China under Chairman Mao's leadership is one of the most important and successful in human history." Things Chinese became chic and the old anti-Communist rhetoric was seemingly forgotten. Even conservatives were impressed by the atmosphere of discipline and hard work they observed. "I'm to the right of Attila the Hun" one wealthy woman told a magazine editor, "But when you see

⁶⁴ Dan Caldwell, *American-Soviet Relations: from 1947 to the Nixon-Kissinger Grand Design* (Westport, Conn : Greenwood Press, 1981), 97.

⁶⁵ Marshall Green, *War and Peace with China*.

⁶⁶ Sutter, *China Quandary*, 19.

everyone in clean, white shirts, peddling on their bicycles, going somewhere, seeming to have a purpose, you have to be impressed.”⁶⁷

As Randoll Stross points out, businessmen were also highly susceptible to the new China enthusiasm. In addition to the eternal lure of the vast market, and the excitement of resuming ties after so long a break, the old rhetoric of Sino-American friendship was a major theme in relations, with both sides insisting that it provided the glue of the commercial relationship. As a result of this emotional attitude, American businessmen were prepared to take a long-term view and put up with conditions of trade with China that they would not have accepted in other parts of the world. States and cities vied with each other to establish sister ties with Chinese counterparts and send trade delegations to China. Businessmen returned eulogizing the Chinese for their hard work, lack of corruption and overall niceness. The enthusiasm in light of the relatively sparse return again questions the nature of the commercial interest in China, which seems to have been driven more by emotion than by good business sense.⁶⁸

In their eagerness, many Americans involved in China focused on the positive. After two decades of detailing Communist horrors, the pendulum swung to the other extreme. Most natural and social scientists who visited China in the 1970s shared a modernization perspective in which China, through the introduction of technology and western management ideas, would gradually move toward a market economy and democratic politics. Personal and professional interests were thus combined with traditional idealism about the prospect of changing China. Forced in most instances to work in partnership with Chinese organizations directly or indirectly controlled by the

⁶⁷ Randoll E. Stross, *Bulls in the China Shop, and other Sino-American Encounters* (New York: Pantheon Books, 1990), 46-52; 49.

government, these organizations avoided drawing attention to the darker side of the regime. People who dampened enthusiasm by pointing out instances of repression were soon marginalized not only by the Chinese, who stopped giving them visas, but also by American liberal institutions that had decided their best route was to work with the current leadership.⁶⁹

Interestingly, Kissinger did not share this view. He rejected the postwar modernization theory of Rostow and others, arguing that the pursuit of economic development was not always the most important motivating factor for third world nations, and disagreeing that industrialization would inevitably lead to democracy. In fact, he argued that modernization theories resembled Marxism in their economic determinism.

The interesting question then presents itself: are these interpretations, often hailed as alternatives to Marxism, not in fact a purer version of Marxism than that practiced in communist countries? The notion that economic structure inevitably has certain associated political forms is surely acceptable to Marxists. The proposition that values are altered by changing the economic is also one of the keystones of Marxism. Indeed, the communist interpretation of history differs from many of the evolutionary theories of the West not so much in its assumptions as in the conclusion drawn from them. The dispute is not between two different philosophies but instead concerns the interpretation of a very similar orthodoxy: Communism maintains that industrialization inevitably produces the dictatorship of the proletariat. The evolutionary theories hold that that economic development involves an automatic trend toward liberal institutions.⁷⁰

Public opinion and domestic politics would play an important role in determining the speed and the terms of normalization. Although Nixon intimated that he would seek to normalize relations with China in his second term, the scandal of Watergate brought his presidency to an abrupt end. His successor Gerald Ford wrote to Mao that his highest

⁶⁸ Ibid., 52-76.

⁶⁹ Madsen, *American Dream*, 101-3.

⁷⁰ Henry A. Kissinger, *The Necessity for Choice: Prospects of American Foreign Policy* (New York: Harper, 1961), 288-9.

priority was speeding up the normalization process, and he began preparing for it by withdrawing US troops and aircraft from Taiwan in 1975. By the end of June the total force had been reduced to only 2,800. But with an election approaching, right-wing Republicans were opposing Ford's China policy and threatening to back Reagan against him. Polls showed that 70% of Americans opposed normalizing relations with the PRC at the cost of diplomatic relations with Taiwan.

Kissinger hoped that at least some progress toward normalization could be announced in a communiqué issued at Ford's planned summit with Mao in 1975, but in a tense series of negotiations in fall 1975, the Chinese accused him of stalling and made it clear that they would not give the US the reward of normalization without the concessions they wanted on Taiwan. Ford's visit ended without a communiqué and normalization was put on hold until domestic considerations could be taken care of.⁷¹

Carter brought to office a very different perspective on foreign policy from Nixon. During the 1976 election campaign, he criticized Nixon and Kissinger for their foreign policy, saying it had been "too pragmatic, even cynical." Although Carter intended to normalize relations with China he did not initially share Nixon and Kissinger's view of how US-China relations fit into the broader international environment. Not feeling so threatened by the USSR he did not see the need to accelerate the normalization process but rather thought it might be disruptive to efforts over arms control. Neither Carter himself nor his Secretary of State Cyrus Vance was in a hurry to proceed and, when Carter's National Security team met for the first time in January 1977, US-China relations were not among the priorities it discussed.⁷² More sanguine about

⁷¹ Ross, *Negotiating Cooperation*, 80-91.

⁷² *Ibid.*, 119; 104.

relations with the Soviet Union than Nixon or Ford, they wanted a slower pace and more concessions from the Chinese on Taiwan. Vance also thought that normalization might affect arms negotiations with the USSR adversely and appear to be the betrayal of ally. National Security Adviser Zbigniew Brzezinski, who was more alarmed by Soviet arms developments and activities in the third world, wanted to move fast and saw China as a card in the global power balance that would give leverage over the USSR. Once again, although there was consensus on the end goal of normalization, there were differences of opinion over how to achieve it that reflected differing perceptions of the situation and broader differences of ideology. As Cyrus Vance describes it in his memoir, *Hard Choices*,

Although everyone in the administration agreed that normalization would serve U.S. interests, we had different reasons for reaching this conclusion. Brzezinski looked at normalization largely in light of the impact it would have on the U.S.-Soviet geopolitical competition. Brown emphasized the contribution that improved relations with Peking, including a modest relationship, could make to our ability to counter Soviet military power. Others were intrigued by the drama of having close relations with a nation that contained a quarter of the world's population.

I believed that China constituted a political, economic, and cultural weight in the world that the United States could not ignore. Better relations would help our foreign policy across the board – by producing increased regional stability and, in the long run, a more stable global order. As I saw it, China was a great country that had an important role to play in the final quarter of the twentieth century, not simply one that might be a useful counterweight to the Soviet Union.⁷³

There were also differences of opinion on human rights. So trenchant on human rights problems in other countries. Carter said nothing about China, mentioning the issue of human rights there only twice in his memoir. Patricia Darien, head of the human rights

⁷³ Cyrus Vance, *Hard Choices: Critical Years in America's Foreign Policy* (New York: Simon and Schuster, 1983), 78-9.

office at the State Department, seems to have resented this. Michel Oksenberg, Brzezinski's assistant, justified the administration's approach in 1988.

On the question of human rights, I personally would say that we were and we have been concerned about human rights in China, and that we have tried to do something about this. People like Pat Darien would disagree with me, however. She would say that we would make an exception with regard to human rights in China. I had some difficult times with her. I was responsible for monitoring her speeches and I excised various statements from her speeches concerning human rights in China.

Human rights are advanced in different countries in different ways. It is very difficult to get a country to make improvements in its human rights situation if you don't have relations with it. In my view, we have had as intelligent a program of human rights with regard to China as any country in the world.⁷⁴

Oksenberg's view represented one strand in the emerging debate over means and ends with regard to promoting human rights in China. He believed that over the long term, American engagement with China would bring improvements in human rights, through the involvement of American nongovernmental organizations and educational institutions.⁷⁵

There were also disagreements over how to handle the Taiwan issue. Carter agreed to follow the path of his predecessors in accepting that America would have to abrogate the US-Taiwan Mutual Defense Treaty, withdraw US troops from Taiwan and break off diplomatic relations, but the question of what kind of relationship the US would maintain with Taiwan after normalization remained contentious. Once again there were differences of approach within the administration. Paul Kresiberg of the Policy Planning Office differed with most China specialists in the State Department in thinking that the

⁷⁴ Madsen, *American Dream*, 132.

⁷⁵ *Ibid.*, 132.

US must retain some kind of official presence in Taipei, perhaps a consular office. Vance agreed with him, but State Department officials argued that China had already rejected such a proposal.⁷⁶

Domestic politics continued to affect the speed of progress, and China policy also intersected with other international issues. When Vance made a trip to China in August 1977, Carter needed congressional support for the Panama Canal treaties and did not want to rock the boat with a China initiative. There was also the question of how normalization might affect arms control negotiations with the USSR, and vocal domestic opposition to abandoning Taiwan. Vance therefore kept the draft normalization document in his briefcase and presented the “maximum” US position requesting official representation in Taiwan after normalization. Predictably, Deng Xiaoping rejected it, and although the administration tried to present the visit in a positive light, Deng later publicly declared that it had been a setback in relations.⁷⁷

At this point the Carter administration realized that it would have to accept the Chinese condition that America not maintain an official presence in Taipei after normalization. But the State Department still did not authorize Leonard Woodcock, head of the US Liaison Office in Beijing, to negotiate normalization. This seems to have been largely because Vance wanted to wait until arms negotiations with the USSR were concluded. However, Brzezinski pursued his own contacts with the Chinese and tried to build support for normalization. The National Security Council and Assistant Secretary of State Richard Holbrooke were in favor of this. Brzezinski also tried to speed the process

⁷⁶ Ross, *Negotiating Cooperation*, 104-6.

⁷⁷ *Ibid.*, 106-10.

up by getting an invitation to China for himself, but Vance managed to prevent him from accepting.⁷⁸

Outside the administration, there was a similar divide. In the period since Nixon's visit, contact with China had expanded and between 1972 and 1977, eighty US congressmen went to China. Nearly all favored normalization at some point, but again there were differences over how fast it should be sought and on how the Taiwan issue should be handled. Differences of opinion rested partly on their judgments of the situation in China and its future trajectory. Ideology affected people's outlook on what they saw in China, with liberals more likely to be positive, but there was also the problem of information, given the shortness of stay, restrictions on movement and language barriers.⁷⁹

People viewed the same facts in very different lights. Some thought that China's political and economic systems suited the Chinese and even that other countries might have something to learn from it. Senator Mike Mansfield said it was not possible to judge China by American standards. "It is a disciplined society" he said, "with its people subjected to unremitting propaganda from an all-pervasive party-government apparatus. Westerners note the absence of individual freedoms in China and the subservience to an all-powerful state. On the other hand, the Chinese see our society as wasteful and disorganized.... If China is measured by some of our common yardsticks --whether they be highway mileage, the number of cars, television sets, kitchen gadgets, political parties or newspaper editors-- the bottle will be seen as half empty. If China is viewed in the light of its own past, the bottle is

⁷⁸ *Ibid.*, 112-4.

⁷⁹ Sutter, *China Quandary*, 28.

half full and rapidly filling.” He pointed to the absence of major floods, famines and epidemics, and to the cleanliness and availability of goods, housing, etc..⁸⁰

But where Mansfield saw social control and indoctrination as in keeping with Chinese culture, others saw it as an affront to human rights and religious freedom. They thought China poor and repressive, and opposed abandoning Taiwan in order to improve ties. Senator Robert Byrd said, "Much of what has been accomplished by the Communist regime in China has been... at the expense of human liberty, freedom of choice and most of all at the expense of spiritual life."⁸¹

In late 1977, hearings on US-PRC normalization at the House International Relations Subcommittee on Asian and Pacific Affairs found overall support for normalization, but division over Taiwan. Most experts argued that normalization was needed to maintain and improve relations with the PRC and that this would necessitate a break with Taiwan. But some opposed rapid change and argued that main thing was to retain Sino-US cooperation against the USSR. No one wanted to allow a violent takeover of Taiwan by the PRC, but people differed over what kind of relations the US should maintain with the island after normalization. Some, including Robert Barnett of the Asia Society and Ross Terrill at Harvard, wanted to maintain Taiwan ties through unofficial arrangements as the PRC had demanded. Others wanted to maintain official relations and make a clear commitment to defend Taiwan. On a procedural level, opponents like Senator Barry Goldwater argued that president could not legally end the mutual defense treaty with Taiwan without Senate approval.⁸²

⁸⁰ Ibid., 28-9.

⁸¹ Ibid., 30-2.

⁸² Ibid., 48-51.

Some raised the question of whether normalization was consistent with US efforts to promote democracy and human rights. Opponents argued that normalization would make Taiwan more vulnerable to attack and that if the people of Taiwan had a choice they might object to unification even if the Nationalist government agreed. Many claimed that Taiwan was an example of the successful promotion of human rights and democracy and noted that Freedom House regularly gave it a better rating than the People's Republic of China. There was also the fear that the KMT would become more authoritarian if the US withdrew and the party leadership felt threatened. Proponents of normalization countered that Beijing was unlikely to attack Taiwan and that Chinese leaders really wanted unification through peaceful means. They also argued that current policy was patently unrealistic, and that the US had done enough for Taiwan. Finally they questioned whether Taipei's record on human rights was much better than Beijing's given the KMT's monopoly of power, the suppression of dissent, and strict censorship. Others argued that normalization would open the PRC up to western influence through trade and cultural exchanges that might lead to improvements in human rights.⁸³

In the business community, opinions also varied. Some business leaders with interests in Taiwan argued against the PRC's terms for normalization because they would harm US trade and investment on the island. At the same time, they said there would not be much investment on the mainland because of the PRC policy of self-reliance and lack of interest in consumer goods. They also feared that if the PRC were to take over Taiwan it would confiscate US investments there which totaled \$500 million. In addition, US private banks had lent \$1.5 billion to Taiwan in 1978 and the Export-Import bank another million. Business leaders at least wanted guarantees that these investments would continue, and this

⁸³ Ibid., 59-60.

raised the question of whether new leaders would honor the commitments of Mao and Zhou.⁸⁴

On the other hand, there was the China market. With the embargo on trade lifted, trade had risen from \$5 million to over \$900 million in 1974. From nothing, US exports reached \$819 million by 1974. China was exporting \$114-117 million of goods by that time, giving the US a healthy trade surplus. China was importing mostly aluminum, oil drilling equipment, grain, and cotton, and exporting textiles, apparel, and antique and craft products to the US. There was a slight decline in trade during the mid-1970s, as China's economic situation improved. But the Chinese also used signed contracts to purchase wheat from Canada and Australia as a way of manifesting their dissatisfaction with the slow progress of normalization negotiations.⁸⁵ Trade saw a renewed spurt in 1978, exceeding \$1 billion in that year. US exports accounted for \$823.6 million and Chinese for \$324.1. The increase resulted partly from the rapid movement toward normalization of relations, but it also reflected the "open door" policy initiated by Deng Xiaoping as part of his economic reform. Deng's decision to liberalize the economy, allow some measure of private enterprise, and encourage commercial relations with the West opened up a host of new opportunities for US business. As a result, major US companies including Coca Cola, Pan Am, and US Steel signed sizeable contracts with China in 1978.⁸⁶

These were the concerns that Carter had to bear in mind as he decided on the terms on which he would normalize relations with China. Once again we see the several

⁸⁴ Ibid., 60-1.

⁸⁵ Tan Qingshan, *The Making of U.S. China Policy: from Normalization to the Post-Cold War Era* (Boulder: Lynne Rienner Publishers, 1992), 61.

⁸⁶ Ibid., 63.

strands of US interest in China, including business concern over the impact on markets and investments, but also concern over human rights and democracy. Underlying most views of US-China relations was a strong normative pull, with most deciding not on cold geopolitical criteria but on the basis of their view of the nature of the CCP regime. Whether or not their views accorded with facts, most Americans seemed to feel that there was at least a hope that China would move in a democratic direction and that America could play an important role in pushing it do so.

Carter's own view of China and his sense of urgency over normalization changed in 1978 when he re-evaluated the prospects for US-Soviet détente. In March 1978 he made a speech in which he spoke of the "ominous inclination on the part of the Soviet Union... to intervene in local conflicts..." The military coup in Afghanistan in April 1979 and the movement of Angolan rebels into Zaire strengthened his determination to push back and Carter accused the Cubans of being "a surrogate for the Soviet Union." He was also concerned about Soviet military buildup in Europe. The Soviet invasion of Afghanistan in December 1979 seems to have been the last straw, resulting in the "Carter doctrine" that "any attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interest of the United States... and will be repelled by any means necessary, including military force."⁸⁷ In this context, the domestic price of normalization paled. Carter decided that despite Vance's objections, Brzezinski should visit China in May 1978. Carter instructed Brzezinski to "share with the Chinese my view of the Soviet threat," and told him to initiate discussions on normalization.⁸⁸

⁸⁷ Ross, *Negotiating Cooperation*, 121-4.

⁸⁸ *Ibid.*, 128-9.

When Brzezinski went to China he addressed Deng Xiaoping in the language of geopolitics. “President Carter and I believe that the United States and China share certain common fundamental interests and have similar long-term strategic concerns. The most important of these is our position on global and regional hegemony.”⁸⁹ Brzezinski told Deng that Carter was ready to normalize relations and that in doing so he would be “guided by the Shanghai Communiqué, by the principle that there is one China, and that the resolution of the issue of Taiwan is your problem.” However, indicating that the convergence of security concerns would not ensure the acceptance of the policy back home, he continued, “at the same time we have certain domestic problems and certain historical legacies which we will have to overcome. These are complex, difficult, and in some respects very emotional issues. That is why we have to find some formula which allows us to express our hope and our expectation regarding the peaceful resolution of the Taiwan issue, though we recognize that it is your own domestic affair.”⁹⁰

At this point the issue became again not the willingness of the two parties but whether they could reach agreement. This time the thorny issues were whether the Chinese would agree not to refute an American statement “expecting” a peaceful solution to the Taiwan question, and whether they would accept continued US arms sales to Taiwan. After much delay, the Chinese side agreed to the former and to the US termination of the Mutual Defense Treaty with Taiwan with a warning of one-year. The US agreed to a one-year moratorium on arms sales during that period. However, the arms sales issue was not entirely resolved and some Chinese officials seemed to think the US had agreed to terminate sales permanently. Carter pushed Woodcock to get a clearer

⁸⁹ Zbigniew Brzezinski, *Power and Principle: Memoirs of the National Security Advisor, 1977-1981* (New York : Farrar, Straus, Giroux, 1983), 211.

Chinese acceptance of continued sales. However, when Deng Xiaoping responded angrily that arms sales were unacceptable, the two sides still went ahead and set the date for normalization as January 1, 1979, leaving the issue unresolved.⁹¹

Normalization met with a more mixed reaction than had the Shanghai Communiqué. Members of Congress were angry that Carter had not consulted with them during the normalization negotiations. A few months before recognition, Congress had passed by 94 to 0 a resolution calling on the White House for “prior consultation” before making any changes that would affect the Mutual Defense Treaty. The State Department had wanted to consult Congress and feared the backlash, but the White House was afraid that leaks might give conservatives the opportunity to mobilize public opinion against normalization.⁹²

Carter’s normalization initiative predictably encountered opposition from staunch anti-Communists who opposed any friendly overtures to Communists and saw normalization as a betrayal of a long-standing anti-communist ally. These included Jesse Helms, Barry Goldwater and S. I. Hayakawa.⁹³ Barry Goldwater filed a lawsuit challenging whether the administration had the right to terminate the mutual defense treaty with Taiwan without the approval of the Senate.⁹⁴ George Bush, who had been head of the US Liaison Office in China said “I have long felt that in spite of the totalitarian nature of the Chinese government, it was in our own national interest to improve relations with Beijing [Peking]. But the critical question was the terms on which

⁹⁰ *Ibid.*, 213-4.

⁹¹ Ross, *Negotiating Cooperation*, 132-7.

⁹² *Ibid.*, 142.

⁹³ Robert G. Sutter, *The China Quandary: Domestic Determinants of China Policy, 1972-1982* (Boulder: Westview Press, 1983), 5.

⁹⁴ Harding, *Fragile Relationship*, 85. It was overturned on appeal.

the recognition was initiated.... The terrible truth is that the United States now stands exposed to the world as a nation willing to betray a friend.”⁹⁵ Ronald Reagan would also use this rhetoric against Carter in his 1980 campaign. But even some Democrats felt that normalization undermined US honor and prestige by sending a message of unreliability. This was the view of John Glenn, Chairman of the Subcommittee on East Asian and Pacific Affairs of the Senate Foreign Relations Committee, and of Richard Stone, Clement Zablocki, and Edward Kennedy. Members of the administration, including Cyrus Vance and his advisor on Soviet Affairs Marshall Shulman, continued to fear that normalization would disrupt US-Soviet relations and that closer military ties with China proposed by Carter would upset things further. Finally there were those, like Lester Wolf, Chairman of the Subcommittee on Asian and Pacific Affairs of the House foreign Affairs Committee, and members of the State Department, who objected not so much to the outcome as to the secretiveness of the process and the failure to consult Congress about a relationship that affected a treaty.⁹⁶

Rather than accepting Carter’s proposal for legislation governing US-Taiwan relations after normalization, Congress drafted competing legislation. Initially, the Taiwan Relations Act (TRA) included references to the Republic of China and described military relations in terms of the Mutual Defense Treaty. But by threatening to use his veto, Carter was able to bargain its sponsors back to a less strident position. In the end the TRA declared that the US would “consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts and embargoes, a threat to the peace of the Western Pacific area and of grave concern to the United States. It also allowed for

⁹⁵ Quoted in Madsen, *American Dream*, 123.

⁹⁶ Sutter, *China Quandary*, 5.

the US to provide Taiwan with “such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capacity.”⁹⁷

Although Carter pursued normalization primarily for geopolitical reasons, it had an enormous symbolic impact. Again this was cemented by a public relations effort; this time with the visit of Deng Xiaoping to the United States in 1979. Deng actually said very little to show his approval or disapproval of what he saw in America or reveal his thinking about the relationship, but he shook hands and kissed children, and it seems to have been enough. Many journalists interpreted minor or ambiguous gestures as enthusiasm for US goods and customs. The *New York Times* editorial speculated, “One is tempted to think that [Deng] soon after his return to Peking, will tell his comrades in the Politburo, “I have seen the future, and it works.”⁹⁸ Carter said he was “favorably impressed with Deng,” and found him “small, tough, intelligent, frank, courageous, personable, self-assured, friendly, and it’s a pleasure to negotiate with him.”⁹⁹

Once normalization was established relations developed in many other spheres. It was followed in March 1980 by a visit to China by Secretary of Defense Harold Brown, after which the administration announced that it would consider selling certain military items and technology with military support applications to China. Later that year the administration announced that it would approve applications to sell military support and dual use technology to China.¹⁰⁰

⁹⁷ Ross, *Negotiating Cooperation*, 143.

⁹⁸ Stross, *Bulls*, 42-3; 44.

⁹⁹ Madsen, *American Dream*, 129-31.

¹⁰⁰ Sutter, *China Quandary*, 12.

Economic relations were solidified when in August 1979 Vice President Mondale announced his intention to give China up to two billion dollars in Export-Import Bank funding over five years and to seek congressional approval of investment guarantees from the Overseas Private Investment Corporation (OPIC) for US firms investing in China. Critics argued that it was breaking with the policy of even-handedness to give these benefits to China when the Soviet Union did not enjoy them.¹⁰¹

However, trade and investment were still hampered by the fact that China did not have most-favored-nation status (MFN) and companies seeking to invest there were not eligible for Export-Import Bank financing. As European countries and Japan began to compete for opportunities in China, US businesses and officials began to push to reduce the barriers that stood in their way. In 1979 the Commerce Department estimated that with MFN, exports to China had the potential to increase by 12% to 15% annually over the 1979-1985 period. The National Council for US-China Trade, founded in 1973 as a semi-official organization to promote commercial relations prior to normalization, was even more optimistic. The Commerce Department saw opportunities for hotel construction, communications, and infrastructure, but warned that US companies would be at a disadvantage without MFN and loan guarantees from the Ex-Im Bank.¹⁰²

As a trade treaty was developed, differences of opinion arose within both Congress and the Executive. China's restrictions on emigration violated the conditions of the Jackson-Vanik Amendment, but most were satisfied with Deng's assurances that

¹⁰¹ *Ibid.*, 13.

¹⁰² Harding, *Fragile Relationship*, 96. Mao had offered to provide the US with ten million Chinese if the nation's commitment to free emigration were seen as an impediment, but, unlike the Jewish case, there was no constituency demanding it. Deng made a similar offer to Carter. *Keeping Faith*, 213.

barriers to emigration would be lifted.¹⁰³ Some, including Secretary of State Cyrus Vance and Representative Charles Vanik, felt that it was important to maintain an “even-handed” policy toward China and the Soviet Union, and that China should not be given most-favored-nation status first. Others, including Zbigniew Brzezinski and Senator Henry Jackson (the two sponsors of the Jackson-Vanik amendment took different positions in the debate), thought that closer ties with China would be helpful for US-Soviet relations.

Business interests were not united on the issue. Early MFN for China was also opposed by the textile lobby which, alarmed by the rapid increase in Chinese textile exports, sought protection through quotas. The textile industry found an ally in the Office of the United States Trade Representative, newly formed by Carter in 1979 to conduct trade negotiations, which supported the textile industry in seeking a separate agreement on textiles prior to negotiating MFN. When this failed, the US imposed unilateral quotas on Chinese textile imports in order to forestall the opposition of the textile lobby to MFN. Congress eventually passed MFN in January 1980 partly in response to the Soviet invasion of Afghanistan.¹⁰⁴

MFN clearly offered opportunities for American business, but it also had to be justified on moral grounds. Representative Charles Vanik said “I would hope that ... the extension of MFN to the PRC would stimulate a broadening of human rights.” And Representative Bill Alexander said “the seeds of democracy are growing in China.”¹⁰⁵

¹⁰³ Tan, *The Making of U.S. China Policy*, 71.

¹⁰⁴ Sutter *China Quandary*, 13. The House approved the trade agreement on January 24 1980, by 294-88 and the Senate followed on the same day by 74-8.

¹⁰⁵ Madsen, *American Dream*, 133.

Levels of Recognition

On the formal level, normalization of relations with the PRC ended the long period of isolation between the two countries and acknowledged the Chinese Communist Party as the legitimate government of China with the right to represent it in international institutions, completing the process begun with the PRC's admission to the UN in 1971. At the same time, it led to the derecognition of Chiang Kai-shek's regime on Taiwan. Yet the formula by which this was achieved avoided resolving the status of Taiwan. Instead it endorsed, without supporting the claim of either side to the territory of the other, the shared conception of the Nationalists and the Communists that Taiwan was a part of China.

Although the recognition was claimed by Kissinger and Nixon to be the logical consequence of an unsentimental analysis of America's place in the international system and the need to use China for leverage with the Soviet Union, it clearly had strong normative and symbolic elements. Many Americans supported the new policy not because of the greater leverage it might offer regarding the Soviet Union, but because they thought recognition and engagement were a better way to achieve the old goal of changing China's domestic political system and having greater influence over its development. Furthermore, both Nixon and Kissinger joined many others in hoping that recognition of the PRC would improve public morale in the wake of the Vietnam War.

As in the past, the recognition did not reflect only a certain perception of the situation in China. It also reflected a redefinition of the US role in the world and a rethinking of the nature of US security interests and the best means to achieve them. After Vietnam, and at a time when Nixon felt the US had to adjust its role to its reduced

circumstances, the idea that American security required the prevention of Communist revolution throughout the world and the commitment of American troops to ensure it, was far less appealing than it had been in the early 1950s. As a result, the wisdom of isolating China also came into question. At a time of low morale, the opening to China promised a new beginning and a more positive relationship with at least some people in Asia.

Normalization transformed relations, opening the way for a host of contacts between the two countries. Economic ties would soon prove far more extensive than had been anticipated due to the reforms initiated by Deng Xiaoping from the late 1970s, and cultural contacts would also flourish. At the same time, however, these denser connections would soon make people aware that some of the expectations of normalization had been exaggerated.

The Taiwan issue would also prove to be a persistent thorn in the relationship. US recognition of the PRC dramatically changed the international situation of Taiwan. The withdrawal of American support was one factor that prompted the KMT to broaden its base at home by liberalizing the political system and drawing more local Taiwanese into high level positions. Ironically, the development of democracy on Taiwan, for which Congress had been pushing for years, would complicate US policy, making it harder to ignore the emergence of the Taiwan independence movement as a major force in Taiwan politics.

Conclusion

When Kissinger and Nixon initiated the opening to China, and Carter formalized it, they were responding to their perceptions of changes in the international environment and seeking to find ways to improve relations with Soviet Union; continuing to contain it, but in a less conflictual manner than in the past.. But although the international situation presented certain constraints and opportunities, there was by no means only one response open to policy makers and there was considerable disagreement over the specific way in which the US should conduct relations with China. Some objected to the subordination of US-China policy to US-Soviet relations, and many were opposed to the breaking off of ties with Taiwan as a condition of better relations with the PRC.

Domestic interests played a more important role in shaping policy at this time than many scholars give them credit for, and many familiar characters re-emerged in the debate over normalization, if in somewhat modified roles. Liberal churches and China experts who had opposed the policy of nonrecognition in the late 1940s played an important part in stimulating public debate and challenging the policy of nonrecognition some time before governmental actors moved to change it.

As in previous cases, the policy of recognition and its impact cannot be understood purely through an analysis of interests. As America's role in the world was revised in light of the Vietnam War, it became clear that even national security interests were not as objective as they might seem, and it no longer seemed self-evident that the US should play a hegemonic role in Asia. On a broader level of policy, Nixon and Kissinger also redefined the nature of American security interests with regard to Russia.

arguing that détente and the development of treaties that would channel and constrain Soviet behavior would be more effective than outright confrontation.

In addition to a changed perception of US security interests, recognition also embodied the old normative goals of changing China and of shared interests and Sino-American friendship. As in the past, missionaries and China experts were largely motivated by a desire to open China back up to the influence of Western values. However, mainstream churches had largely given up their missionary role, choosing instead to involve themselves in educational and humanitarian work more acceptable to the Chinese government. The traditional missionary interest in evangelism was now largely in the hands of the evangelical Christians. Although less significant than in the past, business interests also added their voice to those who called for a change in policy. These traditional goals would be the basis for mobilizing public support for a reversal of policy.

In retrospect, then, even the case in which international-level factors played the most important role reveals the participation of a number of actors, including many outside government, and a complicated mixture of motivations, interests and ideas. As in other cases, the normative and symbolic aspects of recognition would also turn out to play an important role in shaping relations in the period that followed normalization.

Chapter Six

China's Accession to the World Trade Organization

My final case is US policy toward China's accession to the World Trade Organization (WTO) and the related decision in 2000 to grant China Permanent Normal Trade Relations (PNTR). Although not entailing recognition in the sense of international law, the decision to approve China's admission to the WTO and grant permanent PNTR resembles the earlier recognition decisions in many ways, and involved a thorough-going debate about the nature of US interests in China and the best way to pursue them.

Taking place in the new international environment of the post-Cold War world, and marking the culmination of the ten-year battle over China's most-favored-nation status (MFN), the WTO accession debate seems at first sight to be emblematic of the increased influence of interest groups in foreign policy making in the post Cold War era, and it is often seen as showing a sharp contrast to the policy making of the period between 1972 and 1989, in which the Cold War provided a clear framework for setting priorities. But, just as the usual characterization of normalization overstates the degree of consensus over the national interest, and understates the role of domestic politics and nongovernmental actors, so the widespread emphasis on the role of domestic interest groups in the post-Cold War period belies the complex interaction between governmental and nongovernmental actors and the mix of ideas and interests driving the debate. As in the past, the language of interest, whether national or domestic, leaves a good deal unexplained, and ideas about the relationship between different goals and the means of achieving them were crucial to actors as they considered the importance of information and formulated ideas about appropriate policy.

Viewed in light of the historical development of China policy, the WTO debate shows a marked continuity with earlier periods of China policy. As if gathered for the grand finale, many familiar actors appear on the stage, once again presenting widely differing characterizations of the situation in China and of the appropriate policy for the United States. As in earlier moments of US recognition of China, the debate over WTO intersected with other policy issues. This time, the China decision became part of an ongoing debate about globalization and America's role in an increasingly interdependent world. The ideas particular actors held about the implications of globalization acted as a filter on their perceptions of the situation in China and shaped their predictions for the future.

Background: US China relations, 1979 – 1989

The framework of the 1979 recognition came under severe strain in the 1980s and 1990s. Like so many before him, Ronald Reagan used the issue of China policy to attack the incumbent in the 1980 election, charging that Carter had sold out to China and hinting that he might establish official relations with Taiwan. Once in office, however, his advisors dissuaded him from this course, and US-China relations continued along the path set by Nixon and Kissinger. In 1982, the US and China signed the Joint Communiqué on United States Arms Sales to Taiwan, in which the US agreed that future sales would not exceed those since normalization and that they would be gradually reduced.¹ However, the

¹ Harry Harding, *A Fragile Relationship: the United States and China since 1972* (Washington, D.C.: Brookings Institution, 1992), 109-16.

unresolved issue of Taiwan would continue to be a constant irritant in the relationship.

Although Nixon and Carter had moved toward normalization of relations with China primarily for geopolitical reasons, as I showed in Chapter Five, the economic and cultural aspects of the relationship were to take on an increasingly important role, developing a depth and inspiring a level of enthusiasm that went far beyond the supposed neutrality of recognition. Gradually at first, Americans resumed their traditional activities in China. After a slow start, commercial relations expanded rapidly. By 1988 Sino-American trade had reached \$13.5 billion, a three-fold increase since 1983, and the US was China's third largest trading partner. Over the same five-year period, US investment in China increased from \$18 million to \$1.5 billion, and more than 250 American firms established offices in China.²

As Randoll Stross points out, the rush into China in the early 1980s bore a strong resemblance to earlier waves. The prospects for trade were routinely exaggerated and the old stereotype of the Chinese as clever, honest orientals was revived. American states and cities vied to establish "sister" relationships with their Chinese counterparts, and politicians gushed about the significance of the new ties. Boston Mayor Kevin White, returning from a trip in 1982, said that he had "come back from China a different person," and that "the only other time that I've significantly changed with that abruptness, was the night after Martin Luther King was shot."³

² Ibid., 147.

³ Randoll E. Stross, *Bulls in the China Shop, and other Sino-American Encounters* (New York: Pantheon Books, 1990), 52-7; 55.

Unlike businessmen, missionaries would not return to China in their original guise. Although Jimmy Carter raised the issue with Deng Xiaoping on his visit to the US, and the distribution of bibles was permitted, foreign missionaries continued to be barred from working in China. However, some Christian institutions, including the United Board for Christian Education, the interdenominational agency that had governed Christian colleges founded by Protestant churches in China before the revolution, did return in another capacity. After 1980, the Board began to fund the development of programs in the social sciences and humanities, supporting Chinese scholars in the US and providing money for libraries in Chinese colleges. Although specifically Christian content was not provided, and sponsors stressed the Christian virtue of giving without expectation of reward, they clearly hoped that these programs would spread American values. One board director said, "Quite apart from the service motive, there is the possibility of being of some indirect influence on the Chinese people... we did not have a lot of illusions about our ability to influence Chinese education.... But indirectly we could influence them through our friendship."⁴

Secular educational institutions and foundations also became involved in education in China through the establishment of scholarly exchange programs. By 1990, there were forty thousand Chinese students studying in the US and 4,000 Americans in China. From 1979 the Ford Foundation funded training of Chinese in economics, law and international relations, and in the mid-1980s it opened an office in Beijing. These educational programs were regarded as a long-term investment in economic and political reform in China. The assumption was that the Chinese students trained in the US would

⁴Richard Madsen, *China and the American Dream, A Moral Inquiry* (Berkeley:

return to leadership positions in China, and that training in the social sciences, law, and management would foster democratic political views.⁵

Yet, as in the past, many Chinese had a different understanding of the situation. Deng Xiaoping was well aware of the ideological aspect of America's desire for engagement and was equally determined to resist it, seeking, as had his predecessors, to absorb the techniques of the West while preserving the foundation of Chinese values and social practices. This time, in an odd twist on the old *ti-yong* formula, it was now socialist values and practices, themselves originating in the West, that were to be protected from "spiritual pollution."⁶ Nor did the plans of students who went to the US necessarily coincide with those of their hosts: many were reluctant to return to China, seeing better opportunities if they stayed, and those who did return often languished in dead-end jobs because their skills were not relevant or their western sojourn was resented.

As with the Qing in the 19th century, and with the KMT in the 1940s, the US government and major American institutions put their faith in the existing government and hoped that it would serve as an agent of reform. Nearly all projects sponsored by the mainstream Christian churches and institutions involved in educational programs in China were run in collaboration with a Chinese government agency, and in order to maintain good relations, the American parties were obliged to overlook censorship,

University of California Press, 1995), 137-43; 141; 142.

⁵ Ibid., 151-60.

⁶ Lucian W. Pye, "How China's Nationalism was Shanghaied," in Jonathan Unger, ed., *Chinese Nationalism* (Armonk: M.E. Sharpe, 1996), 86-113.

official corruption and nepotism. The investment in long-term reform from within also inclined them to look unfavorably on those critical of the regime.⁷

As in the past, evangelical Christians were more likely to take a confrontational, anti-Communist line toward the Chinese government. The evangelical churches raised money in America for broadcasts into China and the distribution of bibles. They also trained missionaries to get jobs teaching English in China to evade the ban on proselytizing.⁸ But, in general, both governmental and nongovernmental actors put their faith in the Chinese government as the agent of reform.

However, despite the overall atmosphere of optimism established by the 1979 recognition, by the mid-1980s there were already signs of the tensions that would become more serious in the 1990s. These resulted partly from disillusionment following exaggerated hopes for economic relations, and partly from conflicts of interest between different government agencies or groups of Americans with differing agendas in China. They also reflected mounting evidence of discontent within China that challenged the assumption of popular support for Deng and his reforms.

From 1983 the US ran a trade deficit with China, which by 1988 had reached \$3.5 billion.⁹ The US textile industry repeatedly called for stricter quotas and in 1987 the United States Trade Representative began issuing annual reports on China's obstacles to

⁷ Madsen, *American Dream*, 151-60. The Ford Foundation cut off support to an association of Chinese political science students in the US when they elected the dissident scholar Hu Ping as their president. The Soros Foundation, more inclined to support individuals and groups outside and in opposition to the government, picked up the funding.

⁸ *Ibid.*, 147-9.

⁹ Harding, *Fragile Relationship*, 131. Rural reform had reduced China's need to import agricultural products from the US, and Chinese exports of textiles, consumer electronics and other commodities had grown rapidly.

market access, including high tariffs, import taxes, foreign exchange controls, quotas and licenses. China's violation of intellectual property rights was also raised. Several sudden retrenchments on the Chinese side in which contracts were canceled, had, at least temporarily, thrown cold water on corporate optimism, leading to swings in the enthusiasm of investors and traders. In periods of downturn, Americans resented the exorbitant prices charged by the Chinese for office and residential accommodations and services for foreigners.¹⁰ American firms began to complain about investment conditions in China, including the difficulty in securing land, restrictions on the repatriation of profits, and the maze of legal and bureaucratic constraints.¹¹ Many companies had not done so well as they had expected. Between 1979 and 1985, US oil companies spent \$1.7 billion on oil exploration in the South China Sea, only to find that there was not much there. "We rolled our dice, and we seem to have gotten snake eyes," said the president of exploration for Penzoil.¹²

There was friction between different branches of the Reagan administration over whether defense or economic considerations should take priority. As China sought to make up for the lag in technological development caused by years of isolation, it sought to buy high technology and communications equipment from the US, much of which had potential military applications. These high technology exports became contentious in the early 1980s as American exporters complained that the Department of Defense and the Pentagon unnecessarily held up licenses for satellite and other equipment that had been

¹⁰ Stross, *Bulls*, 72-83.

¹¹ Harding, *Fragile Relationship*, 190-5. In April 1986, the International Businessmen's Association in Beijing warned Vice President George Bush that American firms might begin withdrawing from China unless the investment climate improved. Investment was stagnant in 1986 and grew only slowly in 1987 and 1988.

approved by the Commerce Department and the White House.¹³ This debate reflected a conflict between two conceptions of the national security interest, one that regarded it as dangerous to allow a former enemy access to American technology, and another that regarded sales of military equipment, and even the building of military-to-military relations, as contributing to prosperity, stability, and therefore peace.

Human rights also moved onto the agenda. In theory, normalization of relations between the United States and China had been predicated on the acceptance of differences in the two systems and human rights issues were not discussed. However, the informal interpretation of recognition included a strong normative component that reflected the desire to support reform in China and rested on the assumption that diplomatic and economic engagement would promote political liberalization. In keeping with this image, the media had largely presented Deng as a reformer and little attention was paid to human rights issues in China. There was only mild criticism from the US over the arrest and imprisonment in 1979 of Wei Jingsheng and other activists associated with the Democracy Wall movement.¹⁴

Yet, as economic reform progressed and China became more open to foreigners, American journalists, and through them politicians and the public, became more aware both of the existence of dissent and of the repressive measures taken to suppress it.¹⁵ In

¹² Stross, *Bulls*, 63.

¹³ Harding, *Fragile Relationship*, 30.

¹⁴ Andrew Nathan, "US Human Rights Policy Toward China: Two Essays," in Andrew Nathan, ed., *China's Crisis* (New York, Columbia University Press, 1990), 82-94.

¹⁵ Harding, *Fragile Relationship*, 128. There were some diplomatic skirmishes in the early 1980s. In 1981 an anthropology graduate student from Stanford University, Steven Mosher, published a series of articles criticizing China's population control policy. China accused him of improper behavior and Stanford eventually expelled him from the

the relatively liberal atmosphere of the mid-1980s, more Chinese were willing to risk criticizing the regime, and urban intellectuals were testing the boundaries of official control, starting provocative journals and publications and challenging the official orthodoxies in cultural and academic life. In the winter of 1986-7, students staged pro-democracy demonstrations that were televised worldwide and it became increasingly apparent that many urban Chinese favored political as well as economic liberalization. Even before the demonstrations of 1989, Congress became increasingly concerned with human rights in China, addressing a number of issues in a series of amendments to the Foreign Relations Appropriation Authorization in 1987.¹⁶

These growing tensions belied the image of a neutral recognition motivated by shared security concerns and untrammelled by concern with conditions within China. They also challenged the optimistic expectations that normalization had aroused among many Americans, including the smooth growth of trade and the gradual transmission of American values to grateful Chinese. However, the Reagan and Bush administrations played down these tensions within society and within the Communist Party. When Hu Yaobang was dismissed for his sympathy with the demonstrating students in 1987, American officials said that it was merely a “bump in the road.”¹⁷

program. There was also the case of the tennis player Hu Na, who sought political asylum in the US in 1982.

¹⁶*Ibid.*, 173-4; 201. Some clauses referred back to the Cultural Revolution but others dealt with human rights violations and freedom of religion in Tibet, where riots had been harshly suppressed by the Chinese. One called for the release of Yang Wei, a Chinese student who, after studying in the US, had returned to Shanghai and distributed literature on behalf of the China Alliance for Democracy. Other clauses called for China to establish a more democratic society, and contrasted it with Taiwan's progress in this respect. Another amendment instructed the State Department to include repressive population control policies in its annual human rights report.

¹⁷ *Los Angeles Times*, June 1, 1989.

The 1989 Tiananmen Protest and the Impact of the Suppression

Meanwhile, the international environment was also changing in ways that had important implications for US-China policy. In the context of Mikhail Gorbachev's policies of *glasnost* and *perestroika*, US-Soviet relations were undergoing a rapid thaw, thereby lessening China's importance as a lever to induce Soviet cooperation. Political reform in the Soviet Union also made comparisons of the two Communist powers less favorable to China, which now appeared to be lagging behind the USSR in this respect.

In April 1989 the pressures that had been building under the surface found a catalyst in the death of Hu Yaobang, which sparked massive demonstrations in the streets of Beijing. Rebuffed in their demands for dialogue with party leaders and the recognition of their independent student organization, students occupied Tiananmen Square and began a hunger strike. Unlike previous occasions, when students had protested alone, they were joined this time by workers, white collar and government staff, and the self-employed. However, the way in which the protests were presented by the US media was telling of the preconceptions and priorities of the American audience. Focusing on the students and on the calls for democracy that were easily understandable to the American public, journalists gave far less attention to the participation of other groups and to the issues – primarily inflation and official corruption – that concerned them.¹⁸

The outpouring of public criticism was a challenge to the widespread image of Deng as a reformer who had the support of the majority of the people. When he ordered

¹⁸ Elizabeth J. Perry, "Casting a Democracy Movement" in Jeffrey N. Wasserstrom and Elizabeth J. Perry, eds., *Popular Protest and Political Culture in Modern China*:

troops to clear the square and they fired on demonstrators on the night of June 3-4, 1989, the disillusion was complete. The crackdown challenged the terms of the 1979 recognition on almost every level, and the powerful response revealed that the symbolic and normative aspects of normalization far outweighed the formal in the public mind. As in the past, Americans had been strongly invested in the idea of a China democratizing under the influence of American commerce and ideas.

Revealing the old tendency to revert to past rhetoric in moments of crisis, many now spoke of China's leaders in terms reminiscent of the Cold War period. Patrick Buchanan proclaimed in the *Washington Times* that "...we must choose – between the people of China and their now naked enemy, the Stalinist regime of Deng Xiaoping.... The time for realpolitik is past; the love affair is over.... Mr Deng and his comrades have declared war on the Chinese people; and Americans must stand with the people as allies against Mr Deng." Many of those who had been involved with promoting reform in China, including prominent China scholars, also called for a strong response against the Chinese government. An early draft of a statement by scholars at Harvard University's Center for East Asian Research declared that "the perpetrators of this massacre will go down in Chinese history as evil men and as belonging to the list of those who have defied human rights and human dignity." The scholars eventually called, in less florid language, for economic sanctions that included rejection of China's admission to the General

Agreement on Tariffs and Trade (GATT), a freeze on its MFN status, and the suspension of loans.¹⁹ In Congress people usually on opposing sides, such as Senator

Learning from 1989. (Boulder: Westview Press, 1992), 146-64; Madsen, *American Dream*.

¹⁹ Madsen, *American Dream*, 10-1.

Jesse Helms and Representative Stephen Solarz, jointly called for a strong response to the crackdown. “If the president doesn’t take the initiative in changing American policy in this regard,” said Helms, “the Congress will do it for him.”²⁰

In the face of the public outcry, President Bush attempted to maintain the overall framework of relations established in 1979. On June 5 he suspended all government-to-government sales and commercial exports of weapons and visits between US and Chinese military leaders. He also ordered that requests by Chinese students in the US to extend their stay be sympathetically reviewed. On June 20 he further ordered the suspension of all high-level exchanges of government officials and directed US representatives to postpone consideration of new loans for China by international financial institutions. But he resisted calls for stronger action.²¹ Although he said that he “deeply deplore[d] the decision to use force against peaceful demonstrators and the consequent loss of life,” he also stressed the twenty-year relationship between the two countries, and warned that a strong response would cause the Chinese to lose face and “throw China back into the arms of the Soviet Union.”²² In his diary for June 24 Bush wrote, “This has been a very delicate matter—how to handle this relationship. China is back on back a little with the

²⁰ Harding, *Fragile Relationship*, 230.

²¹ The same amendment suspended new programs to guarantee US investments in China, licenses for crime control and detection equipment, export licenses for US satellites scheduled for launch on Chinese launch vehicles and peaceful nuclear cooperation with China. Robert G. Sutter, *US Policy Toward China: an Introduction to the Role of Interest Groups* (New York: Rowman & Littlefield, 1998), 30.

²² Steven Hurst, *Foreign Policy of the Bush Administration: In Search of a New World Order* (New York: Cassell/Pinter, 1999), 39-40.

Soviets, and they could indeed come back in much stronger if we move unilaterally against them and cut them off from the west.”²³

Procedurally, as well, his reaction was in many ways a continuation of the secretive management of US-China relations that had surrounded normalization. At the end of June, Bush sent National Security Advisor Brent Scowcroft and Deputy Secretary of State Lawrence Eagleburger to Beijing both to convey to the Chinese his desire to maintain good relations and impress upon them the strength of public opinion in America.²⁴ The two emissaries were both associated with Henry Kissinger, having worked for him in the Nixon administration. In their comments on the crisis, Nixon and Kissinger placed a premium on order over freedom. They criticized the Chinese leaders for unnecessary brutality but argued that they had felt a genuine threat to stability and that the US should support them as the only force able to maintain order in China. Nixon wrote, “In view of the cruelty and stupidity that led the Chinese government to resort to repression, lashing back with punitive policy would be politically popular and emotionally satisfying for the great majority of the American people...” but that President Bush “should continue to ignore those extremist voices and stay the prudent course.” Kissinger said that he felt the pain of “a spectator watching the disintegration of a family to whom one has a special attachment...” but argued that Deng’s reaction was understandable in light of his experience of the Cultural Revolution and the specter of its chaos evoked by the students.²⁵

²³ David M. Lampton, *Same Bed Different Dreams: Managing US China Relations, 1989-2000* (Berkeley: University of California Press, 2001), 26.

²⁴ Steven Hurst, *Foreign Policy of the Bush Administration: In Search of a New World Order* (New York: Cassell/Pinter, 1999), 39-40.

²⁵ Cited in Madsen, *American Dream*, 10-2.

Bush's position toward China was reflective of his broader position on foreign affairs. His biographers have noted that he did not have an overarching policy or doctrine, but responded to events in an ad hoc fashion.²⁶ He was a committed internationalist and proponent of free trade. At the same time, he was cautious in his relations with the Soviet Union, fearing a reversal of the improvement of relations as had happened with détente.²⁷ Given this general perspective, it is not surprising that he was concerned that strong sanctions from the West might "cause China to pull back to its pre-1972 era of isolation and repression."²⁸ Having served as the head of the US liaison office in China in the 1970s, Bush also had strong views about China policy, believing that China was in the process of gradual reform and that economic ties with the rest of the world would inevitably, if slowly, promote not only economic development but also political liberalization.²⁹ "The budding of democracy which we have seen in recent weeks owes much to the relationship we have developed since 1972," he said "and it's important at this time to act in a way that will encourage further development and deepening of the positive elements of that relationship and the process of democratization.... The process of democratization of communist societies will not be a smooth one and we must react to setbacks in a way which stimulates rather than stifles progress toward open and representative systems."³⁰

²⁶ David Mervin, *George Bush and the Guardianship Presidency* (Basingstoke, England: Macmillan, 1996), 158-9; Steven Hurst, *Foreign Policy of the Bush Administration* (New York: Cassell/Pinter, 1999).

²⁷ Hurst, *Foreign Policy of the Bush Administration*, 9-11; 11.

²⁸ President Bush's statement on China, June 5, 1989. *Public Papers of the Presidents of the United States: George Bush, 1988-1992*, 721.

²⁹ Sutter, *U.S. Policy*, 27.

³⁰ President Bush's statement on China, June 5, 1989.

Although Congress and the media approved his initial response to the crisis, between 1989 and 1992, Bush was under continual pressure to adopt a stronger position toward China. A coalition had formed in Congress that was demanding strong sanctions against China, including revocation of MFN or the attachment of strict conditions for renewal. Outside government, they were supported by human rights organizations, some China experts, and groups of Chinese students and scholars in the US.³¹ Added to their concerns over the next few years were the Chinese sales of nuclear and missile technology and unfair trade practices. On the other side were businesses with an interest in China, the Hong Kong Chamber of Commerce, some China specialists and some Chinese students arguing for the renewal of MFN. In the early 1990s, however, the anti-MFN lobby was considerably more vocal than the business community, which was wary of appearing to support repression.

Bush announced in May 1991 that he would grant another waiver giving MFN to China for that year. In light of the collapse of the Soviet bloc, he changed his reasoning from the previous strategic argument about keeping China away from the Soviet Union. He now argued that the main reason for renewing MFN was “not economic. It’s not strategic. It’s moral. It is right to expand the ideals of freedom and democracy to China.... It is wrong to isolate China if we hope to influence China.”³² His rhetoric

³¹ June 4 prompted the founding of an array of organizations seeking to represent the interests of Chinese students and intellectuals in the United States and promote human rights in China, including the Independent Federation of Chinese Students and Scholars (IFCSS) and the Front for a Democratic China. They joined older exile organizations like the *China Alliance for Democracy* (better known by the name of its magazine, *China Spring*). Other groups were *Human Rights in China*, the *Democracy for China Foundation*, and the *China Strategic Institute*.

³² Hurst, *Foreign Policy of the Bush Administration*, 208.

revealed an awareness that normative legitimation for China policy required linking economic engagement to other goals.

Despite the pressure for a stronger policy, Bush was able to keep to his preferred approach. In part he did this by toughening his approach toward China in an effort to exact concessions that would win over some critics. In 1990, he waited until the last minute before recommending the annual waiver, and did so only after the Chinese had allowed the dissident Fang Lizhi to leave the American Embassy where he had sought refuge after the crackdown. In October 1990 a proposal that would have made renewal of MFN conditional on China realizing certain human rights objectives and making significant progress on others passed the house with a veto-proof majority, but did not come to a vote in the Senate before the congressional session ended in December. In 1991, the House again voted against MFN in July 1991, but Bush was able to avoid losing in the Senate, largely because of the votes of several Democratic senators from farm states that exported to China. The same approach worked in 1992.³³

China policy became an issue in the 1992 presidential election campaign, as Clinton attacked Bush for "coddling" China and pandering to the repressive Chinese government.³⁴ The 1992 Democratic Party Platform approved "the conditioning of favorable trade terms for China on respect for human rights in China and Tibet, greater market access for US goods, and responsible conduct on weapons proliferation."³⁵ On

³³ For a detailed account of these MFN battles see Sutter, *U.S. Policy*, chap. 3.

³⁴ Michael L. Lasater, *The Changing of the Guard: President Clinton and the Security of Taiwan* (Boulder: Westview Press, 1995), 48.

³⁵ "The Democratic Party Platform," 1992, 14.

taking office, Clinton appointed Winston Lord, who had been an early advocate of conditioning MFN, as Assistant Secretary of State for East Asia and the Pacific.³⁶

On May 28 Clinton announced his new policy: an executive order that would impose a set of conditions for the renewal of MFN in 1994. The Executive Order stipulated that the Secretary of State would make a recommendation on whether to extend MFN on the basis of whether China had made “significant, overall progress” with respect to several human rights- related criteria.³⁷ Giving testimony before the House Ways and Means Committee on June 8, Assistant Secretary Lord made it clear that the administration felt that full recognition of China should be contingent on good behavior: “The Chinese government cannot expect to enjoy the full fruits of membership in the international community... unless it abides by universally recognized standards regarding treatment of its citizens, global commerce, and the transfer of weapons of mass destruction and sensitive technology.”³⁸ In July, addressing the Korean National Assembly, Clinton echoed Lord, saying that China could not be a full partner in the world community without respecting human rights and international agreements on trade and weapon sales. Stretching the idea of national security to fit his purposes, he declared,

³⁶ Sutter, *U.S. Policy*, 47.

³⁷ Taking steps to adhere to the Universal Declaration of Human Rights; releasing and providing an acceptable accounting for individuals arrested and imprisoned for non-violent expression of their political and religious beliefs, including such expression of beliefs in connection with the Democracy Wall and Tiananmen Square movements; ensuring humane treatment of prisoners, such as by allowing access to prisons by international humanitarian and human rights organizations; protection of Tibet’s distinctive religious and cultural heritage; and permitting international radio and television broadcasts into China. Executive Order #12850. *Public Papers of the Presidents of the United States: William J. Clinton*, vol. 1 (Washington, D.C.: GPO, 1993), 770-1.

³⁸ House Committee on Ways and Means, *U.S.-China Trade Relations: Hearing before the Subcommittee on Trade*, 103rd Cong., 1st sess., June 8, 1993.

“Our final security priority must be to support the spread of democracy throughout the Asian Pacific region.”³⁹

This position reflected Clinton’s broader policy agenda which has been described as one of “enlargement and engagement.” In a speech at Johns Hopkins University School of Advanced International Studies in September 1993, Clinton’s National Security Advisor Anthony Lake said that the administration’s strategy would be to “strengthen the ranks of market democracies, foster and consolidate new democracies and market economies, counter aggression and support the liberalization of states hostile to democracies.”⁴⁰ But this policy assumed a compatibility between its economic and political goals that did not always exist, and which would become painfully evident in the case of China. The administration was divided within itself on the issue of MFN, with officials in the Commerce Department and the National Economic Council more concerned with promoting trade, and those at State more interested in human rights and more likely to approve of conditioning MFN. Although the traditional foreign policy agencies dominated the drafting of the Executive Order, these differences would soon rise to the surface.

At the same time, changes were taking place in the constellation of nongovernmental groups with an interest in China policy. To a certain extent, the anti-MFN lobby was losing momentum and suffering from internal divisions that reflected the emphasis of different groups on issues that ran from nuclear proliferation to Tibet to prison labor. At the same time, US businesses, after a lull, had renewed their trade and

³⁹ Clinton, *Public Papers*, 1993, 1:1053-6.

investment projects in China. This was partly in response to Deng Xiaoping's initiation of new economic development policies following his trip to the south in 1992.⁴¹ Major US companies began to invest in China, considerably expanding the business coalition in favor of MFN. By 1992, US exports to China totaled \$7.5 billion, and the US was receiving 30% of China's total exports. US investment in the PRC totaled \$6 billion by the end of 1992.⁴² As a result, businesses were strongly motivated to end the linkage of MFN to improvements in human rights. They invested in a comprehensive campaign to lobby both Congress and the executive, with members of the economic agencies, now more influential than before, serving as channels to the President.⁴³ In lobbying Congress, they were careful not only to stress the benefits of MFN for their own businesses, but also to link it to improving conditions in China. Calman Cohen of the Business Coalition for U.S.-China Trade said that it was "critical to persuade Congress that US companies in China are creating better working conditions, living standards, and economic rights for Chinese workers and that revoking China's MFN would cut off that process."⁴⁴

The impetus for a change in policy was also fostered by a series of incidents that indicated the deterioration of relations with China. In July 1993 the House adopted a resolution urging the International Olympic Committee to reject Beijing's bid to host the summer games in the 2000. Two-thirds of the Senate signed a letter to same effect in

⁴⁰ Emily O. Goldman and Larry Berman, "Engaging the World: First Impressions of the Clinton Foreign Policy," in Colin Campbell and Bert A. Rockman, eds., *The Clinton Legacy* (New York: Chatham House, 2000).

⁴¹ Sutter, *U.S. Policy*, 54-5; 48.

⁴² Lasater, *Changing of the Guard*, 45.

⁴³ David Michael Lampton, "US-China Policy in the Age of the Finance Minister: Clinton Ends Linkage," *China Quarterly*, no. 139 (September) 1994, 597-621.

August. In the same month the administration determined that China had sold M-11 ballistic missiles to Pakistan, and announced a ban on the sale of some high technology goods to China for two years, including the suspension of licenses for the export of rocket systems, avionics equipment, satellite launchers and advanced computers that amounted to billions of dollars. In early September US officials insisted on searching the Chinese cargo ship Yinhe on its way to Iran because it was thought to be carrying gases used for making nerve gas. When nothing was found, the Chinese accused the US of hegemonic and power politics.⁴⁵

By mid-September 1993 Clinton was undergoing a change of heart about means and ends with regard to China. Although administration officials repeatedly insisted that its policy had always been to engage China, there was a definite change of tone and behavior. In October 1993 Deputy Assistant Secretary of State John Shattuck went to Beijing to discuss human rights issues, Treasury Secretary Lloyd Bentsen and Agriculture Secretary Mike Espy went to discuss trade, and the Assistant Secretary of Defense Charles Freeman went to discuss military ties. Secretary of State Warren Christopher met his Chinese counterpart Qian Qichen in New York to launch an effort to improve relations and, in November 1993, Clinton met with President Jiang Zemin at the Asia-Pacific Economic Cooperation (APEC) meeting in Seattle. At a November 16 press briefing, senior administration officials announced that several months previously the administration had decided to expand the dialogue with China and “engage them in ways that we can raise concerns.” However when asked whether sanctions would be lifted the official said that this had not been considered yet. The administration remained vague

⁴⁵ Sutter, *U.S. Policy*, 58.

through the spring of 1994, but rumors were already circulating that he intended to renew MFN. By the time Warren Christopher went to China in March 1994, the Chinese were already confident that linkage would not be revoked and pointedly detained dissidents before and during his visit.⁴⁶

At a press conference on May 26, 1994, Clinton announced that although China's progress over human rights over the last year had been mixed at best, and serious abuses continued, he felt that "the best way to advance the cause of human rights and other profound interests the US has in our relationship with China" was to delink human rights from MFN. He added that although linking the two issues had been "constructive" during the past year, the usefulness of that policy was over.⁴⁷

In defense of the new policy he added that other countries do not link human rights issues to MFN, that political transitions are hard, and that there had been some progress. The President also mentioned that the Chinese might be unwilling to do more if it was seen as submitting to foreign pressure.⁴⁸ In a more detailed justification of the new policy, senior administration officials said that it was designed to be the basis of a long-term relationship and that the decision making process had included a consideration of human rights, foreign policy and economic considerations at the same time with "all the relevant people around the table." They emphasized that delinking with a strong human rights policy was a better approach, calling on business to help with voluntary and

⁴⁵ Lasater, *Changing of the Guard*, 55-6.

⁴⁶ Sutter, *U.S. Policy*, 50.

⁴⁷ Press Conference of the President, May 26, 1994. Clinton, *Public Papers*, 1994, 1:991-5. Clinton also initiated a series of activities focused on improving human rights, including greater funding for Radio Free Asia, the Voice of America and nongovernmental organizations working on human rights in China and the development of a voluntary set of principles for business activity in China.

cooperative principles for operating in China, and a long term view focused on the development of nongovernmental organizations and civil society.⁴⁹

Clinton denied that he was bowing to big business, and Lake remarked that “there were pressures - if you want to use the word - from a lot of different directions.”

However, he continued, “at a certain point after you have consulted and heard different points of view, you simply sit down and decide what is right... and that is precisely what the President did.”⁵⁰ But the different points of view were not merely those of interest groups. Although they rallied round the new policy, Warren Christopher and Assistant Secretary for Human Rights John Shattuck had pushed for continued emphasis on human rights, while Treasury Secretary Lloyd Bentsen, Commerce Secretary Ronald Brown, Secretary of Agriculture Mike Espy and United States Trade Representative Charlene Barshefsky all favored delinking.⁵¹

When Secretary of Commerce Ronald Brown visited China in August, accompanied by the chief executives of 24 corporations, he got a warm welcome, and the team came home with \$5 billion dollars in contracts.⁵² Perry also made a trip to China in October, re-establishing military ties. But the new policy did not immediately result in a dramatic improvement in relations. Warren Christopher was still angry and unwilling to deal with the Chinese, who made no significant concessions on the human rights front to

⁴⁸ Ibid.

⁴⁹ Press Briefing by National Security Advisor Anthony Lake, Assistant Secretary of State for Human Rights John Shattuck, Assistant Secretary of State for Asian and Pacific Affairs Winston Lord, and Assistant to the President for Economic Policy Robert Rubin. May 26, 1994.

⁵⁰ Ibid.

⁵¹ Michael A. Santoro, *Profits and Principles: Global Capitalism and Human Rights in China*, (Ithaca: Cornell University Press, 2000), 80.

⁵² Lasater, *Changing of the Guard*, 66.

reward the administration's efforts. Clinton apparently commented over the summer of 1994, "I hate our China policy.... I wish I was running against our China policy. I mean we give them MFN and change our commercial policy and what has changed."⁵³

In 1995 and 1996, MFN was again renewed, despite the usual airing of criticism in Congress and tensions over Taiwan.⁵⁴ The 1997 debate over MFN was hotly contested. The business lobby had originally hoped to make this the last year of such debates by granting China permanent MFN, but allegations of illegal campaign funding from China made that impossible. Meanwhile, opponents pointed to the failure of Clinton's policy of engagement to bring improvements in human rights or a reduction in the trade deficit.⁵⁵ The issue divided the Democratic Party, with the pro-labor wing led by minority leader Richard Gephardt opposing extension, and the business wing led by Clinton and Gore favoring engagement.

Nineteen ninety-six saw the beginning of the involvement of religious conservatives. For many years their interest in China policy had been limited to opposition to US funding for international programs that supported coercive population control policies or abortion, and in the early years following 1989, most religious organizations stayed out of the debate over MFN. Through the early 1990s religious practice mushroomed in China and the government's desire to control the burgeoning ranks of believers grew correspondingly. In early 1994 a new regulation was passed requiring the enforcement of the rule that all churches register with the Religious Affairs

⁵³ *Washington Post*, June 21, 1998.

⁵⁴ Those voting for revocation included 65 Republicans, 75 Democrats and one independent. The House adopted a second non-binding resolution (H. Res. 461) calling for hearings and possible legislation targeting China's actions on Taiwan and other issues by 411-7. *Congressional Quarterly*, November 2, 1996, 3157.

Bureau. Following this, there were press reports of Christians being beaten and fined for participating in ceremonies at unregistered “house” churches.⁵⁶

There was little immediate response from Christians in America, but events in China coincided with growing concern among American evangelicals about religious persecution worldwide. In June 1995, the Southern Baptist Convention (SBC) passed a Resolution on Religious Liberty and World Evangelism that noted both “the increasing opportunities for evangelism in unreached areas of the globe,” and the “suppression, arrest, persecution and harassment of Christians and Baptists.” A 1997 SBC resolution called for government officials to elevate religious liberty concerns to the *highest priority* in foreign policy, invoking sanctions against those nations which tolerate persecution of those with differing political beliefs.” The SBC, with the support of the National Association of Evangelicals (NAE), the US Conference of Catholic Bishops and several conservative groups including the Hudson Institute, Freedom House, and the Family Research Council, pushed for stronger government action on religious persecution.⁵⁷ They were strategic in passing a congressional resolution submitted by Representative Frank Wolf and Senator Don Nickles in September 1996 condemning religious persecution, and calling for the appointment of a White House special advisor on the issue. In 1997 a number of other bills were passed that related to religious persecution, and in 1998 the president appointed a Commission on International Religious Freedom to

⁵⁵ Ibid., May 24, 1997, 1205.

⁵⁶ *Washington Post*, February 2, 1994.

⁵⁷ Although these groups collaborated on the religious persecution issue, they do not have similar views across the board. Author’s interview with Richard Cizik of the NAE, July 22, 1998.

monitor religious freedom in other countries and advise the President, the Secretary of State, and Congress on how best to promote it.

However, there was disagreement among religious organizations over the use of MFN and other economic sanctions as a lever. The division, as it had been in the past, was between the evangelical churches and the mainstream protestants. The National Council of Churches (NCC) which represents 53 million believers in mostly liberal Protestant denominations, had had a longstanding relationship with the official China Christian Council (CCC). Since 1984 it had been sending English teachers to China and providing funds for emergency relief and development projects. In contrast to the SBC, the NCC acknowledged the existence of persecution but saw it as the result of local error rather than central policy and as a partly understandable overreaction considering the havoc caused by the Taiping and Boxer rebellions.⁵⁸

But despite the efforts of the religious conservatives, only one Republican, Jim Bunning of Kentucky, voted for ending MFN, and the resolution was defeated on June 24, 173-259.

WTO Entry

Proposed in 1990 during the final Uruguay Round of the GATT, the WTO was designed to respond to the rapid changes in the global economy and strengthen dispute-settlement arrangements. The organization, formed in 1994, negotiates and administers trade agreements, including tariff reductions, the reduction of non-tariff barriers and anti-

⁵⁸ Author's interview with Reverend Victor Hsu of the NCCC, August 6, 1998. The NCCC also felt that concern about religious persecution should not be limited to Christians but extended to Jews, Muslims and other believers.

dumping. The WTO had 142 members as of July 2001. Countries seeking to join the WTO must first reach trade agreements with key members that are then merged into an accession protocol. Once approved by the full membership, the terms of the protocol apply to all members on a most-favored-nation basis.

China first applied for GATT membership in 1986, but its application was derailed for a long time by the political fallout from Tiananmen, by disputes with the US over intellectual property rights violations, and by the far-reaching economic reforms China would need to make to come into compliance with WTO norms. To join the WTO China had to agree to significantly reduce tariffs, remove non-tariff barriers, increase the transparency of its trade regulations and decision making processes, and grant national treatment for foreign providers of goods and, to a more limited extent, services.⁵⁹

The negotiation of the United States-China Bilateral Trade Agreement was a long and drawn out process conducted by the USTR. The agreement was eventually initialed on November 15, 1999, in Beijing. Many of the points of contention were economic, and specific industries lobbied hard for the inclusion of clauses addressing their particular concerns. But because China's entry into the WTO would necessitate the granting of permanent normal trade relations (PNTR) to China, the decision was seen by many groups with non-economic interests as their last opportunity to influence other aspects of China policy. The WTO debate therefore inherited all the issues that had been associated with the MFN debate since 1989, including human rights in China and Tibet, concerns about nuclear proliferation and cross-straits relations. As a decision about China's overall

worthiness to become a member of an extremely influential international organization, the question of China's WTO accession came to resemble in many ways earlier debates.

On the formal level, China's admission to the WTO would make it a member of the last international organization to which it had been denied entry, completing its acceptance into the international community and giving it a say in shaping the development of the international trade regime. But the US decision to approve China's WTO entry soon acquired a heavy normative shadow.

Opponents cast it as an endorsement of China's authoritarian domestic politics, while, despite the protestations that it was a neutral act, proponents argued that it would promote positive change in China and that to deny it would be to drive China into isolation and bring about the self-fulfilling prophecy of China as an enemy of the US.

On the cognitive level, people on opposite sides of the debate had remarkably different perceptions of the situation in China, and its likely development, and of the implications of its WTO entry for the US and for China itself. Once again the perception of material interests would be affected not only by wishful thinking, but also by a certain construction of the relation between means and ends. People disagreed about the prospects for trade and about its likely impact on the US economy. They also disagreed about whether American economic engagement would lead to political liberalization in China or merely provide additional funds for a repressive government. As so often in the past,

⁵⁹ Sylvia Ostry, *The Post-Cold War Trading System: Who's on First?* (Chicago:

some people thought that the existing regime offered the best chance for positive development, while others saw continued support for it as a betrayal of the Chinese people.

In the past, China policy had been shaped by debates over expansionism, containment, and détente. In 2000, the debate over WTO was taking place against the backdrop of a larger conflict over the question of globalization and free trade. Once again, perceptions of China and views about the appropriate course of action would be shaped by larger issues about America's role in the post Cold War world.

Well before the end of the Cold War, cracks had appeared in the free-trade consensus that had prevailed since the early years after the Second World War. Competition from Europe, Japan, and the newly industrializing East Asian countries from the 1970s was exacerbated by the strong dollar in the mid-1980s, and the very success of tariff reductions achieved by the GATT revealed less easily addressable trade barriers such as government subsidies, quality control policies and regulatory and distribution practices. At the same time, the institutional structure that had kept trade issues out of Congress had been weakened by congressional reforms in the 1970s and by the involvement of a broader range of committees in trade policy.⁶⁰

After the end of the Cold War, questioning of free trade became more pronounced, and with traditional defense concerns less pressing, economic issues began to dominate US foreign policy. In the 1990s the debate increasingly centered around the concept of globalization, and the impact of increased international flows of goods, capital

University of Chicago Press, 1997), 193.

⁶⁰ I.M. Destler, *American Trade Politics* (Washington, D.C.: Institute for International Economics, 1992).

and people. For export-oriented industries, and individuals with the capital or skills to take advantage of it, the global marketplace seemed to offer unprecedented opportunities, but for import-competing industries and lower-skilled and immobile workers, it seemed to foretell, at least in the short-term, less employment security and the erosion of living standards.⁶¹

As a result, a diverse range of groups mobilized to influence foreign economic policy, some seeking to mitigate or offset the perceived harmful effects of interdependence on jobs or particular industries, and others pressing for the further reduction of barriers to foreign trade and overseas investment.⁶² These divisions were evident in debates over the North American Free Trade Agreement (NAFTA) in 1993, with concerns over labor standards and environmental protection. They re-emerged in discussions over the ratification of the Uruguay Round of the GATT in 1994, which included the formation of the WTO, over the yearly extension of most-favored-nation (MFN) status to China, and over Clinton's request for fast track authority to negotiate trade agreements in 1997.

The debate over globalization has led to unusual coalitions that cut across the party divide. Clinton Democrats, the majority of Republicans, corporate CEOs, and a substantial number of journalists and academics see globalization as bringing a higher standard of living for Americans. Although they acknowledge that there are costs for certain industries and workers, they argue that this is merely a transitional problem and

⁶¹ See, for example, Dani Rodrik, *Has Globalization Gone Too Far?* (Washington, D.C.: Institute for International Economics, March 1997).

⁶² David A. Deese, ed., *The New Politics of American Foreign Policy* (New York: St. Martin's Press, 1994); Jeremy D. Rosner, *New Tug of War: Congress, the Executive*

that the overall prognosis is good. Countering the argument that US multinationals exploit third-world workers, they argue that low-skilled low-wage jobs will be the basis of growth for these countries.⁶³

On the other side, both old-style Democrats like Richard Gephardt and liberal critics of Clinton including Ralph Nader were joined by conservatives such as Pat Robertson and Patrick Buchanan in arguing that economic and political integration benefits only elites and creates greater insecurity for ordinary people, while the state surrenders its sovereignty to international organizations that are not accountable to any public.⁶⁴ Writers, academic and popular, have released a string of titles addressing the issue, with those such as William Greider arguing that globalization has had an overall negative impact on the US economy in terms of “the general stagnation of incomes and loss of high-wage jobs, the slower U.S. economic growth, the widening extremes of wealth and poverty, the nation’s staggering foreign indebtedness, the general sense of insecurity and social stress.”⁶⁵ Liberal members of the anti-globalization campaign such as Nader also argue that foreign direct investment leads to environmental degradation, low wages and repression in developing nations. They call for greater transparency and popular accountability in the operation of international organizations including the WTO, the World Bank and the International Monetary Fund, and for new rules to govern the

Branch, and National Security (Washington: Carnegie Endowment for International Peace, 1995).

⁶³ Krugman, *Accidental Theorist*.

⁶⁴ Edward S. Cohen, *The Politics of Globalization in the United States* (Washington, D.C.: Georgetown University Press, 2001), 3-4; Pat Robertson, *The New World Order* (Dallas: Word Publishers, 1991); Patrick Buchanan, “Time for Economic Nationalism,” *Commentary*, June 1997.

⁶⁵ William Greider, *One World Ready Or Not: the Manic Logic of Global Capitalism* (New York: Simon and Schuster, 1997).

global economy that would include international labor standards and environmental protections. Conservative critics such as Robertson and Buchanan more often favor asserting American sovereignty by withdrawing from international obligations and organizations.

These issues were frequently raised in debates over China's WTO accession, with both sides making references to NAFTA in support of their arguments. Thus, endorsing China's entry into the WTO and giving up the ability to impose bilateral sanctions was not just an important decision about China. It also had a strong reflexive quality as one instantiation of the broader struggle between the administration's faith in free trade as the linchpin of growth, prosperity and democratization, and opponents who question the rationale of free trade, its impact on America and the putative relationship between the liberalization of trade and the development of democracy.

The WTO debate

The Clinton administration enthusiastically supported China's entry into the WTO and the president was eager to push it through Congress as the last achievement of his presidency. Clinton directly compared the decision on WTO for China to earlier recognition decisions, and threw his weight behind the engagement-will-change-China construal of the situation. Sending the PNTR bill to Congress, he declared: "This decision could fundamentally change not only our relationship with China, but China itself. The passage of PNTR represents the most significant step in our relationship with China since

President Nixon first went there nearly three decades ago.”⁶⁶ Clinton cast the decision in familiar dichotomous terms, evoking the imagery of the Cold War, and hinting that the US once again risked “losing China.”

It’s a historic opportunity and a profound American responsibility.... By joining the WTO, China is not simply agreeing to import more of our products, it is agreeing to import one of democracy’s most cherished values: economic freedom.... Will it be the next great capitalist tiger –with the biggest market in the world – or the world’s last great Communist dragon and a threat to stability in Asia.⁶⁷

Although the WTO agreement covers no non-economic issues, the administration’s statement on PNTR claimed that it would have a positive effect on all aspects of US-China policy, including the national security and economic growth of the US, China’s economic development, human rights, labor and environmental practices, and cross-straits relations. There was no suggestion that any of these goals might be contradictory. Stressing the benefits for national security, Secretary of State Madeleine Albright asserted,

Approval [of PNTR/WTO] is also the right vote for our national security. The more integrated China is into the world economy, the more incentives it will have to deal peacefully with Taiwan, to help preserve stability on the Korean peninsula ... and to play a constructive role on issues such as halting the spread of nuclear, chemical and biological weapons, and curbing global climate change. Conversely, China could interpret rejection of trade relations as a strategic decision on our part to treat it as an enemy. This would create an opening for hard-liners to move China in the direction of confrontation instead of cooperation, heightening tensions

⁶⁶ White House China Trade Relations Working Group, “Clinton Administration Statement on Permanent Normal Trade Relations with China,” 2. This document was formerly available on the White House web site. Since the change of administration it is no longer there, and it has yet to be published elsewhere. Copies of this and other documents released on web sites are available from the author on request.

⁶⁷ *Los Angeles Times*, March 9, 2000.

across the Taiwan Strait and the risk of disruptive incidents in the South China Sea.⁶⁸

On human rights, labor conditions and the environment, the administration acknowledged China's bad record on human rights, the lack of free unions, and the damaging impact of its rapid development on the environment, but argued that progress had been made on all these fronts and that engagement through trade was likely to promote further improvement while disengagement would not help. On the contrary, argued the administration, failure to grant PNTR would lead to a backlash by China that would affect the whole gamut of policy spheres it saw as linked. China would become more belligerent in foreign affairs, would retaliate in trade, and would be beyond the reach of US efforts to improve human rights, labor rights and environmental protection. "Not passing PNTR would not free a single prisoner in China or create a single job in America, or reassure a single American ally in Asia," reads the administration's statement. "it would simply empower the most rigid, anti-democratic elements in the Chinese government."⁶⁹

The administration mounted an intensive effort, led by Commerce Secretary William Daley, Agriculture Secretary Dan Glickman and United States Trade Representative Charlene Barshefsky, to secure congressional support for the bill.⁷⁰ The White House also sought endorsements from influential former officials and experts. It released a letter signed by 148 leading economists, including 13 Nobel laureates and nine

⁶⁸ *Denver Post*, April 30, 2000.

⁶⁹ White House China Trade Relations Working Group, "Clinton Administration Statement on Permanent Normal Trade Relations with China," 3.

⁷⁰ *Journal of Commerce*, February 23, 2000.

former chairmen of the White House Council of Economic advisers.⁷¹ Chairman of the Federal Reserve Board Alan Greenspan also endorsed PNTR and Clinton appeared with former presidents Ford and Carter, and Henry Kissinger.⁷²

The administration was not entirely united over PNTR. Vice President Al Gore appeared to be somewhat ambivalent about the accession agreement, especially because he needed union support in his election campaign against George W. Bush. Gore was notably absent from the lobbying campaign, and is said to have hoped Clinton would postpone sending the legislation to Congress until after the election.⁷³ At one point, Gore was reported to have promised the Executive Council of the AFL-CIO that if the union backed him in the election he would renegotiate the agreement with China on WTO and insist that future trade agreements would require developing countries to adhere to developed country standards on labor and the environment.⁷⁴ Gore later wrote a letter to the National Association of Manufacturers backtracking on this statement and saying that he supported administration policy.⁷⁵

Gore's vacillation reflects the deep division within the Democratic Party, with the "new Democrats" taking a pro-trade position and traditional Democrats strongly opposed. As late as March 2000, fewer than 60 Democrats were lined up to support PNTR.⁷⁶

⁷¹ *Financial Times*, April 26, 2000.

⁷² White House China Trade Relations Working Group, "Examples of Support for the Historic US-China WTO Agreement," 8; *Washington Post*, May 9, 2000.

⁷³ *San Diego Union Tribune*, March 12, 2000

⁷⁴ *Sunday Times*, February 27, 2000.

⁷⁵ *San Francisco Chronicle*, March 9, 2000.

⁷⁶ *San Diego Union Tribune*, March 12, 2000. This was significantly less than the 110 out of 205 who voted for the extension of NTR in 1999. *San Francisco Chronicle*, December 9 1999. Committees were more pro-trade than rank and file members. The House Committee on Ways and Means voted 34 to 4 to support legislation, and the Senate Finance Committee passed it by 18 to 1. *Washington Post*, May 20, 2000.

Republican representatives showed more support for the legislation but the party was also divided; the majority took a pro-business stand, but a substantial number of national security hawks and religious conservatives saw China as a threatening and godless rising power.

Some aspects of the WTO debate were remarkably familiar. Like their expansionist forbears of 1898, proponents of WTO argued that US economic growth is driven by trade, with 11 million jobs in the US dependent on exports, and that China's WTO accession would give US businesses freer access to China's huge market of more than 1.2 billion potential consumers. In addition to the overall benefits of trade, they catalogued the benefits for specific interests, including agriculture, high-tech industries and financial services. As in 1898, a major issue was one of competition with the Europeans and Japan, who would snap up the opportunities in China if the US allowed itself to be distracted by idealism.⁷⁷

Proponents of WTO in Congress also argued that trade would lead to improvements in human rights. Said Dick Armev,

... free and open trade is not only the best way to make China a free and open nation, but it may be the only way.... What is a market, Mr Speaker? A market is simply an arena in which there is a sharing of information about market transactions, information about desires, wants, hopes and dreams, and economic conditions. But, Mr Speaker, one cannot share that information about economics without also sharing information about culture, politics, religion, and values. Information, Mr Speaker, is the life blood of a market. It is also poison to dictators, because dictators know that it is the truth that will set one free. When we open the China market, citizens from all over China will be carrying devices like this, a simple little pocket PC. With that PC, they can connect to the Internet every bit of information about culture, religion, markets, economics, and freedom and dignity available on this Earth.... When the people of China are free to transact in world markets, and when they share this information about

⁷⁷ *Congressional Record*, June 9, 2000, H941.

freedom, they will learn the lessons of liberty, they will see liberty working out in the lives of the other citizens in the world, and they will demand it of their nation, and they will change their government.⁷⁸

Congressional opponents offered an entirely different characterization of the situation in China and the implications of the trade agreement for US interests there. They questioned the lure of the market and the potential of the agreement to reduce the trade deficit, pointing out that most Chinese do not earn enough to buy American products. “We are told we need this trade deal to open up the vast markets for American goods,” said David Bonior, “but these Chinese workers cannot even afford to buy the products they make themselves. How are they going to buy our cars, our cell phones, our computers?”⁷⁹ Critics of China’s WTO accession were also skeptical about the likelihood of China honoring the terms of the agreement given its spotty record of compliance with previous agreements on intellectual property rights and prison labor, its commitment to export-driven growth, and statements by Chinese officials that appeared to indicate reluctance to honor WTO agreements.⁸⁰ A major concern, particularly for unions, was that the agreement would facilitate foreign direct investment in China, leading to the loss of high-paying manufacturing jobs in the US, which they argued had occurred in the wake of the NAFTA agreement.⁸¹

Opponents of the bill also questioned the relationship between free-trade and democracy, disputing the claim that prosperity inevitably leads to improvements in civil

⁷⁸ *Congressional Record*, June 9, H3711.

⁷⁹ *Congressional Record*, May 24, 2000, H3712.

⁸⁰ William R. Hawkins, visiting fellow in national security for the US Business and Industry Council in Washington, D.C. in the *San Diego Union-Tribune*, May 10, 2000.

⁸¹ Lampton, *Same Bed Different Dreams*, 182

and political rights. Noting the repressive regimes of Pinochet in Chile and Suharto in Indonesia, David Bonior remarked,

It was not the forces of world commerce that enabled coal miners and steelworkers and auto workers and textile workers to take their place among America's middle class. No it was leaders like Walter Reuther, and it was other Americans exercising their rights to form unions, to create political parties, to build women's organizations, to organize churches, civic organizations and groups. . . .It was not the global trade that created our national parks or the laws that protect our air and our water; it was the environmental movement. It was not free trade that won women the right to vote or beat Jim Crow; it was the commitment and the sacrifice of the suffragettes and civil rights leaders... the advocates of this trade deal tell us that prosperity is a precondition for democracy, and with all due respect, they are wrong. They have to grow together. While trade may make a handful of investors wealthy, it is democracy, democracy that makes nations prosperous.⁸²

Reflecting the continuing strain of the unresolved status of Taiwan left from the 1979 normalization agreement, the issue of cross-strait relations also became an issue in the debate. Proponents of China's WTO accession argued that it would improve economic cooperation and provide a neutral terrain for the discussion of differences, thus reducing tensions in the relationship. They also pointed out that even Taiwan's Democratic Progressive Party (DPP) was lobbying for China's early accession, probably because of the importance of Taiwanese firms' investment in China. But opponents, seeing WTO as a prize that indicated a positive judgment on the PRC regime and its policies, pointed to the belligerence of Chinese leaders in recent years and threats that PRC would take Taiwanese failure to engage in timely talks as grounds for forcible reunification. Representative Dave Welden said, "Frankly this issue has been one of the more difficult issues for me during my tenure in Congress... I think it would be a very

⁸² *Congressional Record*, May 24, 2000, H3712.

bad signal for us to let them turn around and make those kind of statements toward Taiwan and then reward them with a free-trade deal.”⁸³

In an effort to mobilize more support for the bill, Democrat Sander Levin and Republican Douglas Bereuter introduced legislation to create a Congressional-Executive Commission on the People’s Republic of China that would monitor China’s compliance with human rights standards and religious freedom, compile lists of victims of torture and human rights violations, and monitor the development of the rule of law. The Commission would compile annual reports and hold congressional hearings on them. Other titles included in the final legislation established programs to develop commercial and labor law, and to make Taiwan’s WTO accession the next order of business after China’s accession.⁸⁴

The vote on PNTR probably saw the greatest mobilization of interest groups of any piece of China policy, with a vast array of business organizations, unions, human rights groups, environmentalists, religious organizations and Chinese dissidents jostling to have their voices heard. With the exception of some members of the textile industry, American businesses were united in their support for China’s WTO accession and in favor of PNTR. The final accession agreement had included nearly all the demands they had made and corporations threw their weight behind the PNTR legislation in their

⁸³ *Washington Post*, March 21, 2000.

⁸⁴ H.R. 444, Title III Section 301, Establishment of a Congressional-Executive Commission on the People’s Republic of China; H.R. 444, Title V, Trade and Rule of Law Issues in the People’s Republic of China; and Title VI, Section 601, Accession of Taiwan to the WTO.

biggest lobbying effort up to that time.⁸⁵ The Business Roundtable, the US Chamber of Commerce, and the National Association of Manufacturers (NAM) all made PNTR a legislative priority. The Emergency Committee for American Trade (ECAT) and USA* Engage were active, as were the US-China Business Council, the National Council for United States-China Trade, sectoral associations, and individual companies like Boeing and Motorola with large stakes in China.

Business groups were straightforward in their message to legislators on PNTR/WTO. Thomas Donohue, President of the US Chamber of Commerce, told them, "If you are absent on this China vote, it's going to get very expensive politically.... You make this vote at your own peril."⁸⁶ And they put their money behind the effort. The Business Roundtable alone budgeted \$6 million for campaigns in 87 congressional districts, and the Chamber of Commerce \$8 million for 40 house and 11 Senate races.⁸⁷ The Electronics Industries Alliance, with 2,100 member companies, made PNTR its major legislative priority, flying in dozens of corporate heads to lobby Congress and budgeting \$300,000 in donations to the two parties. It also ran a grassroots campaign in the constituencies of wavering legislators.⁸⁸ Other high tech companies also lobbied hard.

⁸⁵ *Journal of Commerce*, April 16, 2000. In May 1998 NAM issued a report setting forth the commitments it wanted from China to join the WTO. The November 1999 agreement included almost all of them.

⁸⁶ *San Francisco Chronicle*, December 9, 1999.

⁸⁷ *Journal of Commerce*, February 23, 2000. Center for Responsive Politics data show that the average contribution by the BRT to House members who voted for PNTR was \$44,000. Center for Responsive Politics, "A Passage to China: The Business Roundtable and PNTR," *Money in Politics Alert*, vol.5, no. 47, May 22, 2000.

⁸⁸ *Washington Post*, March 21, 2000.

“This is as mobilized as I have ever seen high tech on any issue,” said Michael Maibach, lobbyist for Intel. “It’s the biggest issue since the trade wars with Japan in the 1980s.”⁸⁹

Business groups emphasized the benefits for American companies but were careful to avoid the impression that multinationals would be the major beneficiaries, frequently citing the Department of Commerce report showing increased exports by small and medium-sized enterprises (SMEs).⁹⁰ Corporate advertising also hammered home the connection between trade and democracy and religious freedom. A campaign in late May funded by the Business Roundtable featured a Chinese religious leader saying,

For twenty years I have worked for freedom of religious belief in China. Now I see the best chance we’ve ever had to promote those values. Trade between America and China is the best way to open China’s borders, and to open the minds of China’s leaders. Trade is a powerful force to help spread religious and democratic values. You can help bring religious freedom to my people by asking your Congress to vote for trade with China.⁹¹

Business groups including the US-China Business Council issued reports and fact-sheets that sought to counter union claims of low wages in US firms in China. In an op-ed article in the *Washington Post*, Bill Gates extolled the benefits of the US corporate presence in China, where Microsoft employs 450 people in its Chinese subsidiary, noting the higher than average salaries, good benefits, and support for the development of China’s IT industry and Beijing University’s Center for the Study of the Rule of Law.

⁸⁹ *San Francisco Chronicle*, May 12, 2000.

⁹⁰ US Department of Commerce, International Trade Administration, Office of Trade and Economic Analysis, *The Role of Small and Medium-sized Enterprises in Exports to China: Results from the 1997 Exporter Data Base*, January 2000. SMEs have fewer than 500 employees.

⁹¹ BRT Television advertisement, “Eyewitness to Change in China,” May 30, 2000.

which focuses on intellectual property law.⁹² The website of the Business for China Trade carried a set of letters from Chinese employees of American companies enthusiastically describing the transformation of their lives.

In an attempt to address the human rights issue, the corporate lobby stressed the improvements that have been made since the late 1970s, including the introduction of village elections. They also focused on the Business Roundtable Report on Corporate Responsibility which documents corporate efforts to the introduce better employment practices in China and provide access to travel, information, the internet, training, environmental regulation and labor conditions.⁹³

Unions presented an opposing view of the impact of WTO on both America and China. Although unions supported normalization in 1979, as trade and foreign direct investment in China grew, so did union concerns about the impact of the trade deficit and the transfer of production and technology on US workers. Unions also stressed labor-related human rights issues such as the absence of free unions in China, low standards of worker safety and poor working conditions, and the production and export of goods made with forced labor.

The American Federation of Labor-Congress of Industrial Organizations (AFL-CIO), the United Auto Workers (UAW), the Union of Needletrades, Industrial and Textile Employees (UNITE), the United Steel Workers of America (USWA), the American Federation of State, County and Municipal Employees (AFSCME), and the

⁹² Op-Ed by Bill Gates, *The Washington Post*, May 23, 2000. Not more than 2.5 per cent of China's population currently has a computer and less than 1% has internet access.

⁹³ Business Roundtable Report "Corporate Social Responsibility in China: Practices by US Companies, How US Companies Contribute to the Improvement of Social, Labor, and Environmental Conditions."

International Association of Machinists and Aerospace Workers (IAM) all opposed the legislation and made defeat of PNTR a top legislative priority.⁹⁴ Unions mobilized their members to put pressure on Congress; the Steelworkers wrote 252,000 letters to Congress, held candlelight vigils and made thousands of phone calls.⁹⁵ Other unions paid for TV advertisements featuring Chinese sweatshop workers.⁹⁶ AFL-CIO Chairman John Sweeney asked Congress to insist on three conditions before granting accession: China should observe and enforce core labor standards as defined at the UN Social Summit in 1995, by the WTO ministerial in 1996 and the ILO in 1998; Chinese workers must be allowed to form independent unions; and the Chinese government must agree to support US efforts to incorporate enforceable worker rights into WTO rules and a “working party” on worker rights.⁹⁷

Unions challenged the claims of trade-driven economic growth and job creation made by the administration and proponents of China’s accession, claiming that 800,000 jobs would be lost.⁹⁸ More importantly, they charged that China’s WTO accession would facilitate foreign direct investment (FDI) in China and multinationals would transfer production to China, resulting in job losses in the US and the exploitation of non-unionized workers in China.⁹⁹ They argued that the transfer of production would be fueled both by the multinationals’ search for cheap non-union labor, and by China’s export-led development plan, in which the auto and aerospace industries are both targeted

⁹⁴ *San Diego Union Tribune*. March 12, 2000.

⁹⁵ United Steel Workers of America, Rapid Response Feedback, www.uswa.org, May 25, 2000.

⁹⁶ *Financial Times*, April 26, 2000.

⁹⁷ House Committee on Ways and Means, *Hearings before the Subcommittee on Trade*, 106th Cong., 1st sess., June 8, 1999, 102-3.

⁹⁸ *South China Morning Post*, May 10, 2000.

for growth. The UAW noted that Chrysler has been involved in joint ventures in China since the late 1980s and General Motors has built a \$1.5 billion state of the art production facility in Shanghai. In 1996 Buick signed a half billion dollar contract to produce vehicles in China, and the company already has 25 part-plants in the country. The UAW argued that as there is no significant market for the cars in China, this production will be for export and will affect employment in the US. Furthermore, it believes that over the long term the Chinese will domesticate the imported technology and compete with the US car industry.¹⁰⁰

The International Association of Machinists and Aerospace Workers (IAM) voiced similar concerns. Boeing, which has been active in China since 1972, is the largest single US exporter of goods to China. Its largest competitor is the British-French firm Airbus Industrie. Boeing resisted Chinese pressure to manufacture in China for many years but in July 1992 it decided that "China wants to build its capability, and if Boeing doesn't assist, Airbus will."¹⁰¹ In August 1994 Boeing contracted to build parts in Xian and in 1995 it began to negotiate with China to be the technical partner in building China's first passenger jet.¹⁰² In October 1995 the IAM went on strike, primarily to oppose the outsourcing of manufacturing to low-wage countries like Mexico and China.

⁹⁹ *Seattle Times*, December 6, 1999.

¹⁰⁰ Author's interview with Steve Beckman, International Economist at the UAW, July 28, 1998.

¹⁰¹ *Seattle Times*, July 7, 1992.

¹⁰² *New York Times*, February 25, 1995. By this point Boeing had sold China 200 planes out of a total of 350 China purchased from abroad. China President Peter K. Chapman said bluntly, "We're in the business of making money for our shareholders... if we have to put jobs and technology in other countries, then we go ahead and do it."

Boeing's workforce in the US had fallen to 105,000 from 165,000 in 1989.¹⁰³ The IAM also appealed to the USTR on the grounds that subcontracting parts production to China was leading to the loss of US jobs and technology and that China was forcing technology and manufacturing transfers in exchange for contracts.¹⁰⁴ Lawrence Clarkson of Boeing remarked that "keeping 50% of an aerospace deal in the US is better than getting 100% of nothing."¹⁰⁵

Other unions, including UNITE, were more concerned with low-wage labor and sweatshops. They pointed to a report by the National Labor Committee that exposes sweatshop conditions in contractors used by American apparel, footwear and toy companies in China. They reject codes of conduct and audits as a sham and argue that unless labor rights are incorporated into trade agreements, the "race to the bottom will continue."¹⁰⁶

Union opposition to China's WTO accession and PNTR was part of the broader union campaign to force international financial and trade organizations to address labor and environmental issues. The New Rules for a Global Economy, a resolution passed at the 1999 AFL-CIO convention, called for global growth and development that works for everyone, enforceable rules to regulate global competition in a way that values people not just profits, and the reform of the international financial architecture to support

¹⁰³ *Los Angeles Times*, October 7, 1995. However, Boeing claimed that only 1,900 machinists jobs had been transferred overseas and only 14% of components were produced outside the US.

¹⁰⁴ *Journal of Commerce*, November 1, 1995.

¹⁰⁵ *Washington Post*, November 26, 1995.

¹⁰⁶ The report accuses companies, including Wal-mart, Timberland and Nike of employing contractors in China who hire only young, and sometimes under age women, and pay them less than subsistence wages for long hours with compulsory overtime in overcrowded and hazardous working conditions.

progressive growth, as well as the cancellation of debt of poor countries. Protests at the WTO meeting in Seattle in November 1999, and demonstrations against the World Bank and the IMF in April 2000, which brought 30,000 activists to Washington, were also part of the campaign.¹⁰⁷ China's WTO accession was viewed as a potential setback: not only did the accession agreement contain no requirement that China comply with internationally-recognized worker rights or accept collective bargaining or free trade unions, but unions considered that China's accession would transform the WTO itself, because China would be a powerful opponent of initiatives to incorporate workers rights and environmental protections into WTO rules and to open the group's procedures to participation by unions and other nongovernmental groups.¹⁰⁸

Unions linked the retention of a domestic manufacturing base to national defense as well as job security. George Becker, President of the USWA, told the Senate Foreign Relations Committee that China's WTO accession

puts our entire manufacturing base at risk. We're currently losing manufacturing jobs at the rate of 500,000 a year.... PNTR and the underlying accession agreement with China – will only accelerate this trend as companies relocate their plants and equipment to China. . . . China has the largest steel industry in the world and it's modernizing rapidly –much of it at government expense. . . . [This] isn't simply an exercise in maintaining employment, it's a basic component of national security...Ten years from now, I don't want our nation to be unable to supply needed defense weaponry because we don't have the steel capacity in this country.¹⁰⁹

In a mirror image of the all-round optimism of proponents, Becker painted China as a sinister rising power,

¹⁰⁷ AFL-CIO 1999 Convention Resolutions.

¹⁰⁸ Author's interview with Steve Beckman, July 28, 1998.

¹⁰⁹ USWA press release, www.uswa.org, July 19, 2000.

The White House is embracing a rogue nation which blatantly rejects the rule of law, imprisons dissidents, tramples workers' rights, persecutes those who only seek to practice their religion, and engages in the proliferation of weapons of mass destruction. Our new-found trading partner is a country where the military itself owns factories and uses prison labor....¹¹⁰

Human rights organizations devoted their attention to issues of political and religious freedom. Human Rights Watch (HRW) was the most influential human rights organization on the policy front, although Amnesty International was also an important information source. Citing its own sources and the US Department of State's *Human Rights Report* for 1999, which indicated a deterioration of human rights conditions in China, HRW called for conditions relating to human rights to be met before China got PNTR. These included China's ratification of human rights treaties it had already signed, the review of cases of convicted counterrevolutionaries, and the abolition of the system of reeducation through labor. HRW also suggested that the US should establish a code of conduct for US companies operating in China, and set up a special commission to report on China's compliance with human rights standards, and labor norms.¹¹¹

Although few of the organizations formed in the aftermath of Tiananmen had much of a regular presence in Washington by this time, many individual activists and some organizations made an appearance in the debate. These US-based dissidents and their counterparts in China were an important source of legitimacy for US interest groups, who frequently cited them in justification of their position. Although these groups all sought a more central position for human rights in US policy toward China, there was

¹¹⁰ George Becker, President of the USWA, press release, www.uswa.org, November 16, 1999.

¹¹¹ House Committee on Ways and Means, *Hearings on US-China Relations*, 106th Cong., 2nd sess., February 16, 2000, 151-7.

considerable disagreement over trade sanctions. In 1989, nearly all the exiles were in favor of suspending or conditioning MFN but over the years the balance shifted somewhat. The best known and vocal exile opponents of PNTR were Harry Wu, who has publicized prison labor and the trade in human organs, and Wei Jingsheng, who spent 20 years in jail for his part in the 1979 Democracy Wall movement.¹¹² On the other side, the student leader Wang Dan and former think tank director Wang Juntao were the most famous dissidents in exile to come out in favor of PNTR.¹¹³

Some dissidents inside China voiced strong support for PNTR. While acknowledging that exiles in America were well-intentioned, Bao Tong said “it doesn’t make sense to use trade as a lever. It just doesn’t work,” and the writer and environmentalist Dai Qing said, “First we must break the monopoly of the state. To do that, we need a freer market and the competition mandated by the WTO.” A labor lawyer who represents injured workers commented, “American consumers are a main catalyst for better worker rights in China. They are the ones who pressure Nike and Reebok to improve working conditions at Hong Kong and Taiwan run factories here. If Nike and Reebok go... this pressure evaporates. This is obvious.”¹¹⁴ But another lawyer, Zhou Guoqiang, argued that the annual reviews of MFN were useful and had been key in securing the release of Wei Jingsheng and Wang Juntao.¹¹⁵

¹¹² Other opponents included Wang Xizhe and Lian Shengde.

¹¹³ *Washington Post*, May 11, 2000. Other US-based exiles who favored PNTR included Democracy Wall activists, Ren Wandong and Fu Shenqi. Fu takes the cynical view that although MFN secured the release of some prisoners, many were rearrested and “recycled” as bargaining chips.

¹¹⁴ *Washington Post*, May 11, 2000.

¹¹⁵ *Independent*, May 26, 2000.

Missionary zeal, submerged for several decades, was evident again in 2000, although disagreement among religious groups over the best way to promote religious freedom in China continued. Religious figures who came out in support of PNTR included Dr. Donald Argue, former president of the National Association of Evangelicals, several leading Quakers from the American Friends Service Committee, China Source, and the China Services Coordinating Committee of the Billy Graham Center.¹¹⁶ The Dalai Lama took no position on the PNTR vote although he had made previous statements about the positive benefits of China's joining the WTO. Nonetheless he was widely cited by advocates of PNTR as supporting the legislation, much to the annoyance of the International Campaign for Tibet, which represents him in the US and opposed PNTR.¹¹⁷

The Commission on International Religious Freedom was unanimous in opposition to PNTR. After extensive hearings, it reported that the suppression of religious activity in China has worsened over the last few years. Specifically, it mentioned the passing of the "anti-cult law" which made possible the arbitrary arrest and imprisonment of anyone belonging to an organization labeled as a cult.¹¹⁸ Giving testimony for Human Rights Watch, Mickey Spiegel said that the CCP now sees religion as one of the greatest threats to party control and that "overall, there has been a shift in Chinese religious policy away from seemingly random acts of persecution... to mass campaigns aimed at

¹¹⁶ DWHWD. White House China Trade Relations Working Group, "Examples of Support for the Historic US-China WTO Agreement," 8.

¹¹⁷ House Committee on International Relations, *Hearings before the Subcommittee on International Relations and Human Rights: Human Rights in China and Tibet*, 106th Cong., 1st sess., March 2, 2000, 45-8.

¹¹⁸ House Committee on International Relations, 106th Cong., 2nd sess. May 10, 2000, 33-5.

relatively large scale and coordinated groups acting outside the aegis of official control..." including the Falungong, the underground Catholic Church, the Universal Church and Protestant house churches. In Tibet, and in the Muslim Uighur region of Xinjiang religious practice is associated with support for separatism and suppressed.¹¹⁹

Finally, a small number of veterans' organizations questioned the administration's claim that China's WTO accession would be beneficial to US national security. PNTR was opposed by the American Legion, the Veterans of Foreign Wars, AMVETs, and the Military Order of the Purple Heart. Three former commandants of the Marine Corps, seven retired four-star generals, and a former commander in chief of the US Army in Europe signed a letter submitted by the Center for Security Policy, comparing China to Japan before World War II as a belligerent rising power and seeing a national interest in containing it. Representative Frank Wolf conjured up the China of the Korean War.

The national security evidence and the human rights evidence shows that the Chinese government is a brutal regime that sees America not as a strategic partner but as a global threat and competitor. economically and militarily....What evidence is there to believe that China will change? ...China continues to destabilize Asia. In the past 50 years, China has clashed with nearly all of its neighbors. They invaded the Soviet Union, they invaded parts of India, they invaded Vietnam, they fought and killed thousands of US troops in the Korean War... China continues to threaten to use force against Taiwan.... China is now reportedly conducting war games mimicking an invasion of Taiwan that includes battle against U.S. troops.¹²⁰

Gary Condit echoed Wolf in referring to the Cox committee report which found that China had stolen classified information that might help it develop advanced thermonuclear weapons. His comments highlight the different perceptions of US security interests with regard to China.

¹¹⁹ Ibid.

We hear that PNTR will lead to economic and political growth in China, but who in China will benefit the most from increased foreign investment? Since the Clinton administration reduced technology trade restrictions in 1993, incidences of technology transfers from the US to China have been numerous. Much of the capital and revenue the Chinese would gain from PNTR will go to help increase China's military build-up and to help stabilize a repressive authoritarian regime.

It also leads to a bigger problem—that of US national security interests. China is one of the world's largest exporters of missile technology and weapons of mass destruction. Their clientele reads like America's Most Wanted list: Libya, Iran, North Korea. China has repeatedly sold components and missiles capable of carrying nuclear, biological and chemical weapons to rogue nations.¹²¹

Looking to the Future

After a fierce battle, PNTR finally passed by a vote of 237 to 197, with 73 Democrats and 164 Republicans voting for the bill. It passed the Senate on September 20, 2000, 83 to 15. Thirty-seven Democrats and 46 Republicans voted yes. Seven Democrats and eight Republicans voted no.

The 2000 framework of recognition sees the US pursuing its interest in increased trade with and investment in China, which will prevent the loss of market share and future opportunities to Europe and Japan and, despite some transitional pain in certain sectors, eventually bring substantial rewards for the American economy. Not only this, but through economic engagement the US is seen as contributing to both economic development and political liberalization in China. As in the past, these claims impose a heavy burden of expectations.

It is too early to say how this recognition will play out, but there are already indications that the optimistic view of the situation encapsulated in the Clinton

¹²⁰ *Congressional Record*, May 24, 2000, H3721.

administration's rhetoric will turn out to have been extremely selective. This is not to argue that China is really a Communist menace, or that many of the claims of opponents of China's WTO accession do not draw on an equally selective interpretation of the facts, but merely that the reality is much more complicated than the arguments used to win normative legitimation from Congress and public opinion for the approval of China's WTO accession imply.

This is not the place to attempt a survey of the impact of American involvement with China in coming years, but a brief look at some of the likely trends gives a much more mixed picture than either proponents or opponents of the WTO accession suggest. One does not have to look far to find information that challenges the optimism of its proponents. Even some who support China's accession have expressed concern that the exaggerated claims of its all-round benefits will cause problems later. Greg Mastel, Director of the Global Economic Policy Project at the New America Foundation, criticized the administration's hyperbole, arguing that, although there will be benefits, they will not be as immediate, as certain, or as pronounced as has been claimed. Other financial and trade experts have also made sobering comments about the prospects for both individual industries and job creation.¹²²

In terms of the impact on the US economy, clearly some sectors will benefit. Under its WTO accession protocol, China agreed to open its corporate banking sector to foreign financial institutions in two years and its domestic retail banking market in five

¹²¹ Ibid.

years. The agricultural sector will also benefit, with one estimate predicting \$2 billion a year in additional agricultural exports by 2005. Tariffs on poultry, pork, beef, citrus, fruits and vegetable, fish and forest products will also be lower.¹²³

Several US-based multinational corporations stand to profit from the agreement. Those predicted to generate at least \$1 billion in China revenue within the next five years are Motorola, Boeing, the IBM Corporation, Lucent Technologies, Hewlett-Packard, Procter & Gamble, General Electric and Nortel Networks. Eastman Kodak Co. is also likely to do well, as will Emerson Electric and Wal-Mart Stores, Inc..¹²⁴ These companies have a great deal to gain in ending the tension created by the yearly review of trading relations.

However, although China's WTO accession may smooth the way, there are many indications that China's millions of consumers may remain elusive for some time to come. Urban per capita income in China increased from \$406 to \$765 between 1994 and 2000 and rural per capita income increased from \$141 to \$274 over the same period.¹²⁵ However, although urban residents of Shanghai, Beijing and Guangzhou may be in a position to buy imported US products, the majority of the population is not. The Boston Group says that the Chinese economy is currently oversupplied with imports, and estimates that it will take eight years before the demand for color televisions catches up with supply, five years for beer, and four years for refrigerators. "Too many players are

¹²² *Journal of Commerce*, May 12, 2000; House Committee on Commerce, *Hearings before the Subcommittee on Finance and Hazardous Materials*, 106th Cong., 2nd sess., May 23, 2000.

¹²³ *Journal of Commerce*, February 23, 2000.

¹²⁴ *Ibid.*

¹²⁵ *Statistical Communiqué of the People's Republic of China, 2000* (Beijing: National Bureau of Statistics, 2002).

chasing too little demand in too many categories,” the firm warns, adding that WTO will not do much to improve the market because consumer products are already largely deregulated.¹²⁶ Another analyst challenges the “myth that China’s market is an untapped gold mine,” saying that “the price of entry into China’s market is high, the margins thin, and the competition frenzied.”¹²⁷

The implementation of market access agreements may also be difficult. President Clinton promised that a rapid response team would monitor and follow up on China’s compliance with WTO. But corporations know that trade disputes are hard to research, time consuming and expensive. “American companies have to be realistic,” said Dong Tao, economist at Credit Suisse, “Genuine market access in China will take years – probably decades.”¹²⁸ Despite agreements on the protection of intellectual property rights in 1992 and 1995, piracy was still at 90% in 2000.¹²⁹ Furthermore, certain sectors within the Chinese government are known to have opposed WTO, including the security services, the military and several other ministries, as well as China telecom, steel conglomerates and agricultural firms, and there are indications that some agencies interests may try to thwart the implementation of WTO.¹³⁰ Mainland officials are also looking at nontariff barriers to limit access of US products and services, including inspection procedures and packaging requirements.¹³¹

¹²⁶ *San Diego Union-Tribune* May 23, 2000.

¹²⁷ Henderson, China on the Brink: *the Myths and Realities of the World’s Largest Market* (New York: McGraw-Hill, 1999), 233.

¹²⁸ *Washington Post*, May 25, 2000.

¹²⁹ Greg Mastel *Journal of Commerce*, May 12, 2000.

¹³⁰ *Washington Post*, March 13, 2000.

¹³¹ *South China Morning Post*, March 16, 2000.

Even without government interference there is the question of how many exports China can absorb. Compared with other markets in Europe and Latin America, it seems that the imagined potential of the China market continues to be far greater than the current reality. In 1999 the US exported less to China than it did to Belgium, Switzerland or Holland. Future sales will be dependent on the continued growth of the Chinese economy, but most analysts consider it unlikely that China will sustain the average 10% growth rate it has seen over the last decade. In fact, growth rates of 8% would be needed just to absorb projected unemployment, and even with a steady growth rate of 7%, it would be 20 years before average per capita income would reach \$5,000.¹³²

The other question is the impact that FDI will have on American labor markets. Investment by American firms in infrastructure and services in China will have little or no effect on job creation in the US, but investment in manufacturing will probably mean the transfer of production from the US to China. Jeffrey Garten, Dean of the Yale School of Management and former investment banker says, "Look for our computer, aircraft and auto companies to manufacture part of their products in China then send components elsewhere for assembly." Garten feels that US companies should go ahead because, "if the US doesn't do it, Europe and Japan will," but his predictions imply lost jobs for workers in these industries.¹³³

As for China, the impact of WTO accession will also be mixed. Although leaders are assuming that it will be beneficial in the long run, foreign competition will present a threat to the stability of China's economy in the short term. WTO accession will initially have a deleterious impact on Chinese agriculture, as small farmers find themselves in

¹³² *San Diego Union-Tribune*, May 23, 2000.

competition with US agribusiness. As many as 10 million peasants may lose their source of livelihood as a result of agricultural imports and unemployment, already nearing 20% by some estimates, will rise. Inefficient state-owned enterprises (SOEs) will be particularly vulnerable to competition.¹³⁴ Because employees in SOEs receive housing, health care and other benefits from their jobs, and there is almost no assistance with retraining or relocation, the loss of employment is more devastating than in many other countries.¹³⁵

Unless the government acts promptly to provide a safety net for unemployed workers, their frustration will likely result in more social unrest and greater political repression. Incidents involving workers protesting late pay and bad working conditions have been on the increase for some time, and labor unrest is a major concern for government officials.¹³⁶ There is also growing resentment among rural residents of the opportunities and wealth of urban areas.¹³⁷ If these trends escalate, it seems probable that there will be more incidents of repression than before. The record on other areas of dissent is not promising either. The last few years have seen crackdowns not only on liberal intellectuals and religious groups, but also on Chinese-born academics returning to conduct research in China.¹³⁸

¹³³ *Los Angeles Times*, May 21, 2000.

¹³⁴ *Los Angeles Times*, February 19, 2000.

¹³⁵ The official statistics of 3-4% are universally regarded as inaccurate. They exclude the rural unemployed, the "floating population" that has left the countryside to seek work in the cities, and those who are sent home on partial pay. Henderson, *China on the Brink*. 39.

¹³⁶ Ching Kwan Lee, "Pathways of Labor Insurgency," in Elizabeth J. Perry and Mark Selden, eds, *Chinese Society: Change, Conflict and Resistance* (New York: Routledge: 2000).

¹³⁷ Henderson, *China on the Brink*, 51-60.

¹³⁸ *South China Morning Post*, April 19, 2000.

Part of the normative legitimation for WTO recognition was based on the argument that US economic engagement and that the involvement of US business in China would have a positive indirect effect on human rights.¹³⁹ An examination of the situation turns up a range of information from which business and union spokespeople have drawn selectively to make their respective cases. It does not, however, provide all that much ground for optimism.

As Michael Santoro has pointed out, US business does not have an undifferentiated impact on China. Santoro distinguishes two kinds of American firms in China, which have very different goals, needs and strategies. Companies that sell labor-intensive, inexpensive items like toys, garments and footwear are interested in minimizing their costs and turn to China for cheap and docile labor. As such, they have no economic motivation to promote human rights and have to overcome the temptation to benefit from abusive practices that may reduce costs even further. Not all resist, and avoidance of responsibility is made easier by the absence of unions, the large pool of vulnerable migrant workers, and the fact that many American companies have no direct presence in China, buying instead from subcontractors. Furthermore, these firms have no long-term investment in China and are ready to relocate production to a lower-cost venue if the option becomes available.¹⁴⁰ This situation is the focus of union complaints about the “race to the bottom.”

¹³⁹ Michael Santoro, *Profits and Principles*, 34; 87.

¹⁴⁰ Santoro, *Profits and Principles*, 81-122. Anita Chan and Robert A. Senser, "China's Troubled Workers," *Foreign Affairs*, vol. 76, no. 2 (March, 1997), 104-17; Anita Chan, eds., *China's Workers Under Assault: Exploitation and Abuse in a Globalizing Economy* (Armonk: M. E. Sharpe, 2001).

The other side of the coin, and the one most frequently presented by business, is the impact of companies seeking to enter the Chinese market through a long-term strategy of investment in production facilities for the manufacture of high-tech products in China. These include firms such as Motorola, Microsoft, Boeing, and American car manufacturers. Ironically, while the transfer of these companies' production to China is more likely to mean job losses for American workers than that of the labor intensive industries, it will provide well-paid work in state-of-the-art facilities for many Chinese. Employees of such companies often enjoy merit-based promotions, training programs, and a greater degree of participation in workplace decision making than they would in the average Chinese SOE. As a result, Santoro argues, there may be some validity to the claim that the presence of these American corporations fosters democratic thinking and behavior that might eventually carry over into other areas of life.¹⁴¹ However, as he acknowledges, because only a tiny percentage of the Chinese labor force is currently employed by foreign companies, the extent of their impact is likely to be small.¹⁴²

As in the past, the Clinton administration put its faith in the current Chinese leadership to pursue reform. In the past, this policy has led Americans to overlook the level of dissatisfaction within Chinese society and to underestimate the likelihood of serious unrest. The destabilizing impact of the adjustments required for WTO accession, along with continuing corruption, are likely to increase popular dissatisfaction with the

¹⁴¹ Santoro, *Profits and Principles* 42-5. For the argument that corporations instill democratic values, see also Deborah L. Spar, "The Spotlight and the Bottom line" *Foreign Affairs*, 1998. This explains why such companies have not been so concerned to avoid the imposition of corporate codes of conduct governing working conditions. Some car manufacturers were willing to sign Clinton's code in 1995, but the National Association of Manufacturers talked them out of it. Author's interview with Steve Beckman, July 28, 1998.

regime, which now relies almost entirely on economic performance for its legitimacy. Although there are numerous factors at work and it is impossible to predict developments, the potentially destabilizing effects of China's WTO accession would seem to warrant more attention than they have been given.

Finally, one has to question the pervasive assumption that if the Chinese people had more freedom to express themselves, what they say would be welcome to American ears and that, in contrast to their authoritarian leaders, the "Chinese people" are bursting to become just like us. Nationalism in China developed in response to the aggression of foreign powers and has retained a strong element of sensitivity to any indication of exploitative or disrespectful behavior. It is a strong thread in the political culture and has often served as unifying symbol for building political constituencies. At a time when the Communist Party no longer appeals to Communist ideology for legitimacy, it has substituted expressions of nationalism in much of its rhetoric and introduced "patriotic education" into the curriculum in schools and colleges, sometimes replacing the former compulsory courses in Marxism. Many intellectuals, even those who are critical of the CCP, have been shaken by the disintegration of the Soviet Union and become more skeptical about rapid political reform, seeing nationalism as contributing to social cohesion and a strong state as necessary to maintain order in an era of upheaval.¹⁴³

Although some scholars argue that China's nationalism is essentially defensive and aimed at fostering internal cohesion, both government rhetoric and popular expressions

¹⁴² Santoro, *Profits and Principles*, 27-8; 67.

¹⁴³ Suisheng Zhao, "We are Patriots First and Democrats Second: Chinese Nationalism in the 1990s," in Edward Friedman and Barrett L. McCormick, eds. *What if China doesn't democratize?: Implications for War and Peace*. (Armonk, N.Y: M.E. Sharpe, 2000).

also contain a strong element of anti-foreign sentiment.¹⁴⁴ There is no reason to suppose that a more democratic China would necessarily be less nationalistic or more pro-American.

Levels of Recognition

China's accession to the WTO will complete its formal integration into the international community. After a century in which it began in a kind of semi-colonial status and then became a revolutionary outsider, China will finally become a member of all the primary international political and economic organizations. On a formal level, it will be fully recognized.

But on the informal and normative level, which has turned out to be at least equally important in determining US-China relations, recognition seems still to be conditional. Approval of China's WTO accession did not grow inevitably out of a shared perception of US interests, but was the outcome of a political battle, and in the process of winning it, the administration tried to build normative legitimacy by arguing that China's WTO accession would also contribute to the realization of its opponents' goals. Despite the protestations of the Clinton administration that approval of China's WTO accession did not indicate approval of its domestic policies, administration officials continually made the argument that trade would be the catalyst for political liberalization in China and lead to improvements in civil and religious freedoms. They also linked it to improvements in cross-strait relations. That some Americans continue to see recognition of China as conditional on "good behavior" became apparent during the dispute in spring

¹⁴⁴ Geremie R. Barmé, "To Screw Foreigners is Patriotic: China's Avant-Garde

2001 over the US spy plane incident. Republican Congressman Dana Rohrbacher's response to China's demands for an apology was, "OK, I'm sorry. I'm sorry that we passed the law giving them permanent favored nation trade treatment, and I'll do my best to see that reversed."¹⁴⁵

As in the past, on the cognitive level, the administration's representation of the situation in China and its likely development reflects a selective perception of the situation in China and a set of assumptions about the origins of American prosperity and about the relationship between trade and democracy. In a pattern that mirrors the enthusiasm of 1898, current levels of trade and investment are seen as the beginning of much greater things to come, and as channels for the penetration of western ideas of management and government, and even religion into China. While the opportunities for certain American firms in China are certainly greater than ever in the past, this representation downplays the continuing obstacles to large scale sales of consumer goods, including poor infrastructure and low per capita income. It also fails to consider the long-term impact of growing rates of FDI by American companies in China and the likelihood that Chinese firms will domesticate foreign technology in order to build their own export capacity. It seems likely that the claims for the China market will turn out, once again, to have been exaggerated. At the very least they depend on the fulfillment of conditions that are far from certain and largely beyond American control.

At the same time, optimism about rapid political liberalization seems to be overstated. Economic reform has already given rise to a lot of tensions in Chinese society. Given the disruptive impact of WTO on China's economy, and the

Nationalists," in Unger, *Chinese Nationalism*, 183-208.

obstacles to sustaining high rates of growth, greater social unrest and harsh repression to contain it seem as likely as further liberalization, at least in the short run. At the same time, nationalism and hostility towards the US seem to be on the rise, as evidenced in the public response to the accidental bombing of the Chinese Embassy in Yugoslavia, and the spy-plane incident.¹⁴⁶

On a reflexive level the decision to approve China's WTO accession contributed to the redefinition of America's role in the world. Taking place in the context of the debate over globalization and against the backdrop of strong criticism of NAFTA, the decision became the battleground for groups presenting competing visions of the process of globalization. Approval of China's WTO accession represented another victory for those who see America as the leading sponsor of free trade and, through it, of democratization. But the intensity of the fight also indicates the strength of the opposition.

China's WTO accession will have a significant impact on US-China relations. First it will eliminate the yearly MFN debate, which has been the forum for airing grievances in the US. Second, it will facilitate trade and investment with important implications for the economies of both nations. Finally as a member of the WTO China will now have a role in shaping that organization and designing the rules of economic engagement for everyone. At least as important will be the symbolic aspect, encapsulating, as it does, high expectations for trade and reform.

¹⁴⁵ *China Online*, May 23, 2001.

¹⁴⁶ *New York Times*, April 22, 2001.

Conclusion

China's application to join the WTO and its successful negotiation of accession agreements with the EU and other major trading nations presented the Clinton administration with the challenge of negotiating its own protocol with China and securing approval from Congress for China's accession. The decision occurred in the context of a post-Cold War world, in which US relations with China were no longer seen, at least by most people, in reference to the Soviet Union. With China no longer clearly an enemy or an ally, concerns over defending American national security had largely given way to concerns over national competitiveness in an increasingly global economy. This entailed granting China PNTR, which would end the annual hashing out of US-China relations.

Many analysts have seen the debate over PNTR as typical of interest group politics in the post-Cold War era, and corporate and union actors were indeed major players defending opposing economic interests. But a straightforward interest group model fails to capture the complexity of the debate. Many of the "interests" involved were not material but ideological: the promotion of human rights and democratization; ensuring religious freedom; and preventing prison labor, environmental damage, etc.. These ideological concerns were as least as important as the economic ones and important enough to force the administration and business to incorporate them into their defense of China's WTO accession by arguing that free trade was in fact the best way to promote all these disparate goals.

Even in the case of material interests we see the importance of ideas in filtering and shaping actors' interpretation of the facts. The concept of national security is defined by actors in very different ways: from a Cold War emphasis on protecting military secrets

and technology, and retaining sufficient industrial capacity for independent weapons production, to the counter argument that such practices would be likely to make China more hostile and threatening to America, and that military cooperation is the safest path. There is also disagreement about the appropriate role of economic considerations in national security, with some arguing that America's strength is rooted in its economic prosperity and that this is dependent on trade, while others argue that economic interdependence weakens the country and enriches China's authoritarian rulers.

Once again, the old fantasy of the China market is in evidence, and current trade is being regarded as the tip of an iceberg, despite many indications that current projections may be exaggerated. Ideas also have also played an important role in perceptions of the human rights situation. Optimism growing out of the 1979 normalization led many observers to overlook the stirrings of discontent in the late 1980s and ignore the repressive practices of the regime, assuming that China was on the road to reform. Since the suppression of the Tiananmen protests in 1989, human rights have moved to the forefront of the debate, but the same information is interpreted in widely differing ways. Some argue that the Chinese government is working through a difficult transition as it struggles to modernize without sliding into chaos, sometimes slipping into brutality out of paranoia, while others view it as a shamelessly authoritarian regime that routinely and callously represses its own people. Through these different prisms, the glass appears as either half empty or half full.

Ideas have also played an important role in thinking about means and ends as actors decide the best way for America to approach the situation. As in almost every debate since the 19th century, Americans agree about the desirability of changing China,

but disagree about whether the stick or the carrot is the best approach. Some, as they did in 1898 and 1949, favor working with the existing regime and giving it the benefit of the doubt. They believe that over the long term, economic engagement and cultural exchange will bring the changes they hope for. Others contest this reasoning and argue that the only way is to take a hard line against current injustices even if it means a short term deterioration in the relationship. In some cases, these differences of opinion coincide with economic interests: it is convenient for CEOs of corporations with investments in China to believe that they are doing good as well as doing well, while union leaders whose members are losing their jobs as manufacturing is relocated have an interest in questioning who benefits from globalization. But these opposing views are also held by many who do not have a direct economic interest in the matter, and reflect deep-seated and contrasting beliefs about the nature of capitalism and about the relationship between economic development and democracy.

Chapter Seven

Conclusion

This dissertation has examined five critical moments in the history of US-China relations over the last one hundred years. While many writers have contrasted the current mingling of domestic and foreign policy, and the heightened activity of interest groups with the earlier period of the Cold War, this analysis shows that continuity is as noticeable as change in China policy. In each instance, the international environment presented certain challenges, and the changing balance of power imposed constraints or offered new opportunities. Yet, within these boundaries, there was plenty of room for disagreement about where the national interest lay and how America should respond.

Even security interests, which most closely approximate a “common good” that might trump the narrower concerns of particular groups, have never been straightforward or easy to determine. Despite agreement on the need for security, the best means for attaining it has always been in question. At the time of the Open Door notes, there was disagreement about the best way to respond to the possible partition of China, a situation that presented both the threat of foreign dominance of China and the opportunity for America to demonstrate and expand its power. Some advisors pressed for the US to take a naval port or other territory, while others felt that an alliance with Britain or allowing Russia to expand its sphere of influence were preferable ways of achieving the same goal. During the Cold War, when the threat to American security was clearer and more immediate, the room for debate narrowed, but did not disappear. In 1949, policy makers disagreed about the nature and the extent of the Soviet threat, about the best means of countering it, and about whether containment or engagement would be the best approach

to the People's Republic of China. In the 1970s, some questioned the wisdom of Nixon's policy of détente as a way of managing US-Soviet relations, and many felt that Carter made too big a concession in giving up formal relations with Taiwan in order to normalize relations with China. At the end of the 20th century, there is considerable disagreement over whether China's military build-up does or does not pose a threat to US security interests, and whether a conciliatory or a hardline approach is the best way to avoid conflict in the future.

As Kissinger himself has argued, "however 'self-evident' the national interest may appear in retrospect, contemporaries were oppressed by the multiplicity of available policies, counseling contradictory courses of action.... The choice between these policies did not reside in the "facts," but in their interpretation. It involved what was essentially a moral act: an estimate which depended for its validity on a conception of goals as much as on an understanding of the available material, which was based on knowledge but not identical with it...."¹

Domestic interests, which are often contrasted with the national interest, and seen either as distorting it or, in the case of two-level game theorists, as delimiting the "win-set" of policies open to governmental decisionmakers, also defy easy categorization.² First, the clear distinction between governmental and nongovernmental actors that the opposition of national and domestic interests suggests is hard to maintain. In the nineteenth century the distinction between missionaries and diplomats was often blurred, with the former serving as translators, advisors and even Chargés d' Affaires for

¹ Henry A. Kissinger, *The World Restored; Metternich, Castlereagh, and the Problems of Peace, 1812-22* (Boston: Houghton Mifflin, 1973), 325.

² Robert D. Putnam, "Diplomacy and Domestic Politics: The Logic of Two-Level Games." *International Organization*, vol. 42 (Summer) 1988, 427-60.

American consulates. In addition to their importance as a source of information about China and their influence over public and elite opinion, missionaries also affected policy through their own behavior: their expansion into the interior provoked anti-missionary violence to which the US government was forced to respond. In the early twentieth century, men like Willard Straight moved easily between the worlds of commerce and diplomacy, sometimes developing plans that were quite independent of their Washington superiors.

During the 1940s, members of Chiang Kai-shek's extended family, the Nationalist Party, and Americans who supported them joined with members of Congress with a range of motivations to form a powerful lobby in opposition to the Truman administration's foreign policy. During the late 1960s, church groups and academics worked with members of Congress to push for an end to the isolation of China. In 2000, members of the Clinton administration worked closely with business groups to develop and promote the argument that trade would not only bring economic benefits but also further other goals such as political liberalization and the protection of human rights.

These constellations of governmental and nongovernmental actors, which turn out not to be unique to the post- Cold War world, more resemble the loose issue-networks common to domestic policy analysis than they do the starkly defined roles found in much international relations theory.³ Finally, pressure has not always been a one-way street. Under the Taft administration, the usual direction of interest group politics was reversed,

³ Hugh Heclo, "Issue Networks and the Executive Establishment," in Anthony King, ed., *The New American Political System* (Washington, D.C.: American Enterprise Institute, 1978); Edward O. Laumann and David Knoke, *The Organizational State: Social Choice in National Policy Domains* (Madison: University of Wisconsin Press, 1987); Martin J. Smith, *Pressure, Power, and Policy: State Autonomy and Policy Networks in Great Britain and the United States* (University of Pittsburgh Press, 1993).

with the President taking the initiative in encouraging the participation of US firms in the Six-Power Loan in the face of their considerable reluctance.

The content of domestic interests is also less clear cut than one might think. Although Jervis rightly points out that we must be wary of attributing behavior to wishful thinking, in the case of China policy the phrase often comes to mind.⁴ In the 1890s, and again in the 1980s, businessmen greatly over-estimated the potential of China's market for American goods and the ease with which it could be tapped, and the assessment of commercial relations has undergone enormous swings over the course of the century, with the same trade figures being used to justify very different conclusions. Whether the glass appears half full or half empty clearly depends a great deal on the mindset and expectations of the viewer. In the case of non-economic interests such as religious evangelism and the promotion of political reform and democracy, many Americans have also had very selective perceptions of the situation in China and their prospects for success, overestimating the likelihood of Christian conversion and political reform, placing unrealistic hopes on individual leaders, and underestimating Chinese nationalism, which their own behavior often fueled.

This analysis of key moments in US China relations highlights the role that ideas play in the perception of interests, both national and domestic, supporting the arguments of scholars who have pressed for greater attention to the role of ideas in foreign policy making. While the international environment provided the overall opportunity structure for foreign policy and material factors imposed certain hard constraints, the cultural and historical context has been crucial in determining how interests have been perceived, how

⁴ Robert Jervis, *Perception and Misperception in International Politics* (Princeton: Princeton University Press, 1976).

power has been employed, and how its use has been legitimated. Including their role offers a thicker description that better accounts for policy choice and its implications than an analysis that takes interests as exogenous.

Certain kinds of ideas have emerged as particularly relevant. The first is a set of myths about China, in the anthropological sense of images and stories that simplify and seek to explain reality.⁵ These images, some of which can be traced back to the eighteenth century, of China as a land of consumers, benighted sinners, potential democrats, or belligerent aggressors, have played an important role in determining the way in which events there are perceived and in shaping policy responses. The recent debate over WTO saw opponents battling to have their respective image of China prevail, whether as land of opportunity and potential ally, or economic and possibly military rival.

At the same time, the perception of US interests in China has been framed by ideas about relations with other countries, relations that have also been the subject of disagreement. In the case of the Open Door notes, one question was whether Russia would present a long-term threat to US interests if it came to dominate China. Those who felt that it would thought the US should take a strong stand to maintain China's territorial integrity and economic independence. Those who felt that China might benefit from becoming part of the Russian sphere of influence, and that this might improve rather than damage American economic opportunities, were far less concerned. Similarly Presidents Theodore Roosevelt and Woodrow Wilson had very different views about Japanese control over China, with Roosevelt seeing it as the natural development of Japan's sphere of influence, and Wilson opposing it as a violation of China's right to self-determination.

⁵ Northrop Frye, *Myth and Metaphor, Selected Essays, 1974-1988* (Charlottesville: University Press of Virginia, 1990), 4.

During the Second World War, Franklin Roosevelt, who was relatively optimistic about Soviet intentions, was not overly concerned about the possibility of Russian dominance of China, a view that was not shared by later presidents. Nixon was convinced that rapprochement with China would bring an improvement in relations with the Soviet Union, while others felt that it would have a destabilizing influence. Now, those who continue to be wary of a rapprochement between Beijing and Moscow argue for a more conciliatory policy toward China than those who think such an outcome unlikely or irrelevant.

These debates about relations with China and with other countries have often been part and parcel of larger debates about America's national identity and its changing role in the world, supporting the arguments of Wendt, Katzenstein, Hudson and others that national identity plays an important role in the definition of interest.⁶ In addition to shaping perceptions of events in China and their implications, conceptions of national identity have been important in winning normative legitimacy for foreign policy. In 1899 growing American power and the unstable situation in China presented both the distant threat of Russian control over China, and the opportunity to exhibit American power and establish a stronger foothold in Asia. The idea that American prosperity could only be secured by extending overseas markets fueled the enthusiasm for defending US commercial interests in China, and the idea that it was America's manifest destiny to spread its religion and political system overseas legitimated expansionist behavior. But the pure logic of the expansion of power had to be reconciled with the cultural

⁶ Alexander Wendt, *The Social Theory of International Politics* (Cambridge: Cambridge University Press, 1999); Peter J. Katzenstein, ed. *The Culture of National Security: Norms and Identity in World Politics* (Berkeley: California University Press, 2000); Valerie M. Hudson, *Culture and Foreign Policy* (Boulder: Lynne Reiner Publishers, 1997).

commitment to self-determination and political equality with which colonialism seemed to be in contradiction. This did not prevent America from enjoying the benefits of the more overtly coercive tactics of the other powers in China, but the decision not to attempt direct political control of foreign territories is an example of how conceptions of national identity can affect the way in which interests are perceived and power is wielded.

The recent debate over China's WTO accession, which became part of the larger debate over globalization, pitted corporate and union interests against each other in a traditional battle of economic interests, but the debate also involved a discussion of America's national identity, and the pursuit of economic interest had to be reconciled with concerns over America's claim to promote democracy and human rights throughout the world. In the end, normative legitimacy was won by arguing that China's WTO accession would serve political as well as economic goals, and by the establishment of mechanisms to monitor China's compliance with human rights and international labor norms.

As Goldstein and Keohane argue, ideas about causal relationships have also been important in shaping perceptions of the national interest in China.⁷ In particular ideas about the relationship between economic development and political reform and the spread of religious values have played an important role in policy formation. In the early years of US-China relations, many missionaries argued that where they led, commerce would follow. In recent years, a more common argument has been that commercial engagement will lead inexorably to political liberalization and religious freedom in

⁷ Judith Goldstein and Robert O. Keohane eds., *Ideas and Foreign Policy, Beliefs, Institutions, and Political Change* (Ithaca: Cornell University Press, 1993).

China. In turn, the development of democracy has itself been linked with security issues by those who believe in the idea of a democratic peace.⁸

As Goldstein and Keohane also point out, ideas institutionalized as policy also shape future action and debate. They do this not only because policy decisions rest on a certain interpretation of the facts and a set of expectations about developments and about appropriate responses, but also because the shift from one policy to another privileges certain actors and marginalizes others. So the victory of the 1949 policy of nonrecognition brought to prominence officials and scholars who were pro-Chiang and favored a hardline policy towards the PRC, while those who favored engagement were largely excluded from decisionmaking and even public debate. In 2000, the shift to a China policy centered on the expansion of free trade both reflected the growing influence of economic agencies within the government and of business outside it, and also consolidated that influence and marginalized groups, including labor unions and human rights organizations, that formerly had greater access to administration officials and used the MFN debates as a venue for bringing their point of view before Congress and the public.

This analysis of five cases of recognition in China policy suggests that theories which seek to explain foreign policy decisions purely in terms of system-level factors and/or domestic economic interests exaggerate the role of these factors and overlook the role of ideological factors even in cases where international or economic considerations are dominant. Rather than the usual dichotomy between realism and idealism, or the two-level game structure that takes interests as objective and unproblematic, a typology of

⁸ Edward Friedman and Barrett L. McCormick, eds. *What if China Doesn't Democratize?: Implications for War and Peace*. (Armonk, N.Y: M.E. Sharpe, 2000).

recognitions would seek to integrate the role of ideas into the analytic framework by acknowledging that they play some role in all foreign policy decisions and a key role in some of them. A typology might include: a) *traditional*, for the neutral recognition of a state based on minimal objective criteria, such as control of territory or meeting membership requirements of an international organization, a situation that turns out to be quite rare b) *realist* for decisions made almost entirely in response to international system level criteria, with few concessions to domestic or ideological considerations; c) *instrumentalist*, in which domestic economic interests are strongly in evidence, and d) *idealist*, for instances in which ideological concerns such as the desire to spread American religious and political values were strongly represented, whether in the paternalistic form of the 19th and early 20th centuries, or the democracy promotion of the post-war period

As with all ideal types, any actual situation would combine a number of these elements in different degrees, and the balance between them would shift. The normalization of relations in the 1970s was dominated by realist considerations, but considerations about changing China's domestic political situation and instrumental hopes for improved trade were crucial in winning political support for the initiative. In the absence of strong international level constraints, the recent WTO recognition was highly instrumentalist, but also had a strong idealist strain, reflected both in the exaggerated perception of economic prospects, and in the emphasis on America's role in promoting human rights and democracy.

A logical step for further research would be to examine the reciprocal aspect of recognition by tracing the process of policy formation in China, and the relevant interests,

ideas and other relationships that have informed the construction of a Chinese national interest with regard to the United States over time.

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