PRC Foreign Relations after the National People's Congress: Iraq, North Korea, SARS, and Taiwan

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The National People's Congress (NPC) in mid-March produced all the major leadership outcomes predicted by experts on Chinese Communist Party (CCP) personnel issues: Hu Jintao, of course, became president of the People's Republic of China (PRC); Jiang Zemin maintained his powerful position as chair of the Central Military Commission (CMC); and, as long anticipated, Li Zhaoxing replaced Tang Jiaxuan as foreign minister.[1] Tang was promoted to replace Qian Qichen in the role of party overseer of Chinese foreign policy, while trade negotiator Wu Yi will handle the trade portfolio and advise Tang. This lineup is exactly what was predicted by my interlocutors in Beijing in January.[2]

Although the NPC followed predicted paths, this outcome does not mean the event was unimportant to PRC foreign policy. On the contrary, China's behavior on the international stage has changed significantly since the NPC on two key issues for U.S.-China relations and China's role in the region: North Korea and severe acute respiratory syndrome (SARS). Although neither problem is close to being solved permanently, China adopted an about-face on both issues in the weeks after the NPC ended and the U.S.-led war in Iraq began. The military overthrow of Saddam Hussein's regime in Baghdad and the passing of the NPC were, arguably, the two most important determinants of the new trends.

Relations with Taiwan have been affected by Iraq, North Korea, SARS, and electoral politics in Taipei. Release of the anticipated "assessment" of cross-Strait relations—allegedly a road map for how to pursue gradually the development of direct air, shipping, and communications links (the "three links") across the Taiwan Strait—has been delayed by some combination of international and domestic factors relating to the March 2004 Taiwan presidential elections (for discussion of the assessment, see my entry in *CLM* 6).

The War in Iraq

One thing was consistent before, during, and after the NPC. Whereas China joined other critics of Washington's Iraq policy in the U.N. in February and March, the PRC was much less vociferous in its condemnation of the U.S. war effort in Iraq than were Russia and France in theirs, and China took no concrete actions to delay or hinder the U.S. war effort, nor did it seize the opportunity of a distracted United States to increase pressure on Taiwan. Such moderation is the result of a few important factors: a

conscious choice in Beijing to avoid near-term conflict with the United States; a high degree of confidence that the United States needs Chinese cooperation in the global war on terrorism and in the North Korea crisis and therefore will not provoke China on the Taiwan issue; a feeling that cross-Strait economic and military trends might mean time is on the mainland's side; and a desire to avoid counterproductive pressure on Taiwan in the lead-up to the March 2004 elections, for fear of inadvertently assisting the reelection prospects of Chen Shui-bian.

Although it started a few weeks later than Chinese analysts had expected, the war in Iraq did proceed as many in China had expected—if not in terms of the very low number of U.S. and coalition casualties, then in terms of the quick and decisive outcome. In January one well-placed Chinese interlocutor worried, with apparently good reason, that Vice President Cheney's scheduled April visit to China might be canceled if the war lasted into April. Sagaciously, he also predicted that a war in Iraq would have two implications for the North Korea crisis: Washington would toughen its position against Pyongyang, and Pyongyang would soften its position on negotiations with the United States. He predicted that by April, China would likely have a presentable and constructive position on the crisis, once the NPC was out of the way and the domestic political risks inherent in raising new proposals were reduced. April would mean perfect timing for the planned (and subsequently canceled) trip by Vice President Cheney to the region. But my interlocutor also worried that if Washington were to become too demanding of the Democratic People's Republic of Korea (DPRK) after a quick victory in toppling Saddam, then the PRC would have a hard time adopting a position that appeared helpful in Washington's eyes, as Beijing would not be able to go too far down the path envisioned by a highly confident and demanding Washington. It was clear from the conversation that he and his colleagues were hoping that China could cooperate with the United States on the North Korea crisis in a way that would strengthen overall U.S.-PRC strategic coordination, not weaken it.[3]

Like the upcoming NPC itself, then, the predicted war in Iraq created some uncertainties in Beijing that contributed to the PRC's cautious stance on the international stage. The passing of both freed China up to address in more creative ways some important issues, particularly North Korea.

North Korea

Despite the cancellation of Vice President Cheney's trip, Washington and Beijing behaved in ways fully consistent with my Beijing interlocutor's earlier expectations for April. It seems that the cancellation, however disappointing to Hu Jintao (see *CLM* 6), did not preclude progress between Washington and Beijing on the North Korea issue. For its part, as soon as the war began in Iraq, Washington apparently began putting additional pressure on North Korea and on regional allies and nonallies, such as China and Russia, by characterizing as very real the danger that Washington might decide to destroy North Korean plutonium reprocessing facilities in Yongbyon if a peaceful, diplomatic solution were not possible.[4] In the buildup to the war in Iraq, Washington had

insisted that Iraq and North Korea were fundamentally different cases and that diplomacy, not force, was the prescription for the latter case. This insistence meant that while regional actors worried in the abstract about eventual U.S. efforts at regime change in North Korea, war over the immediate nuclear crisis itself seemed unlikely.

If press reports are accurate, sometime beginning in late February or March Washington apparently began changing this tack and hinting privately at a future U.S. strike. Washington also insisted that diplomacy could not occur bilaterally with North Korea. Washington successfully mobilized Seoul, Tokyo, and Beijing to become more active in seeking a diplomatic solution.[5] Concerned about the apparently increasing chances for military conflict, representatives from Tokyo and Seoul visited Beijing in search of a way out of the crisis.[6]

In late March and April, the caution that had characterized PRC policy before the NPC was jettisoned as Beijing successfully pressured and cajoled Pyongyang to accept a joint meeting on the crisis with U.S. and PRC representatives. According to press reports, Beijing began adopting various measures, from briefly cutting off oil to the North under the pretense of technical difficulties to offering to host a multilateral (or at least trilateral) meeting on the issue to placing conditions on when and why the PRC would or would not honor its 1960 defense commitment to the North. (Of course, Beijing may have adopted other measures not reported or speculated about in the press.)[7] There is another important role that Beijing can play in these matters that is not always appreciated in the press. By digesting the policy statements of the United States and listening to the concerns of regional actors about the dangers of war, Beijing can pass these concerns along to Pyongyang in a way that might seem more credible there than would direct threats from Washington.

Press reports suggest that Li Zhaoxing's Foreign Ministry played an active role in the trilateral discussions. Beijing was not simply a passive host. Minister Li clearly used the opportunity not only to improve China's influence in the region but also to demonstrate his personal authority as foreign minister.[8] Before returning to the Foreign Ministry in Beijing, Li was PRC ambassador to the United States during the Wen-ho Lee controversy and the Belgrade embassy bombing. His vitriolic, pugnacious, and simplistic public and private performance in those instances led many to believe that Minister Li was unsophisticated and fundamentally anti-American. But, some prominent Americans who have worked with him behind the scenes over the years have noted that he is also very pragmatic and capable of getting things done within the CCP system.[9] In fact, his public statements as ambassador accusing the United States of slandering China by asserting that the PRC had spies in the country were seen by sophisticated analysts as more a sign of his skill—the ability to maintain a strong political reputation at home during a bad time in U.S.-China relations—than an indication of some cognitive closure and a simple denial of reality on his part. If that theory is correct, it would follow from the same logic that a pragmatic Minister Li now would now seize on the new spirit of cooperation in U.S.-China relations (see *CLM* 6) to play a constructive role and set a helpful agenda in the talks.

Although the United States did not get its full wish list in the form of a truly multilateral forum involving all the regional actors, the trilateral setting with an active China and the apparent acquiescence of both Seoul and Tokyo to this formula was arguably much closer to the U.S. position than to the North Korean one. The North Koreans reportedly decided to use the forum to admit to having nuclear weapons, and to threaten the creation of more if their proposal for a road map is not met. Because of the ambiguity in the DPRK statements, press reports differed over whether North Korean representatives stated that plutonium fuel rod reprocessing was near completion or whether they said the preparations for such reprocessing were complete. Some news reports suggested that Pyongyang even went so far as to threaten the export of weapons or weapons-grade material from Yongbyon if the United States did not negotiate cooperation with Pyongyang, an action palpably feared in Washington, D.C., long before the meetings.[10]

It might seem odd that both Beijing and Washington would label the conference productive given this behavior by Pyongyang.[11] However, neither could have expected an easy and quick solution in any case, and both had reason to be somewhat satisfied with the proceedings. From Beijing's perspective, the North was able to present its views to Washington (and vice versa), and a door has been opened to future discussion, perhaps to take place again in Beijing. This state of affairs is preferable in Beijing analysts' minds to a total lack of dialogue. For its part, Washington achieved more than just a face-saving way to establish contact with the North. Beijing's presence and participation meant that any startling statements or obstreperous behavior by Pyongyang would be directed, at least in part, at the hosts in Beijing as well. This consequence means that if tensions are to escalate in the future because of Pyongyang's truculence, a tougher U.S. position toward North Korea should do less damage to U.S.-China relations than it otherwise would. For example, Beijing will be less likely to assist the North in a crisis or military conflict.[12] Beijing might also be more willing to help the United States police exports from North Korea, a nearly impossible task even with China's assistance and a truly impossible one if land and air routes in China are open to North Korean commerce. Finally, any recognition of these realities in Pyongyang might encourage the DPRK to be more cooperative on nuclear issues.

Whether or not any comprehensive settlement is possible is too hard to judge at this point. Public reports of North Korea's statements about the testing of its existing weapons, the advanced status of its reprocessing of spent fuel, etc., suggest that the North is adopting a very hard stance. We can say that there has been a bit of a turnaround in Chinese foreign policy in any case. The intellectual ferment among PRC security analysts on taboo topics like sanctions on North Korea (see *CLM* 6) seems to have percolated to the top at least in the form of tacit sanctions, like a temporary cutoff of oil. Although China cannot be expected to try to strangle North Korea fully, it might participate in searching DPRK land, sea, and air transport and, in particular, in limiting the use of Chinese airspace by DPRK planes. Unlike most sanctions, limiting and inspecting air traffic would likely have a bigger impact on North Korean government elites and their external links than on the suffering citizenry of that country.

SARS

Another turnaround in Chinese policy occurred on the issue of recognizing and attempting to contain the SARS epidemic. This epidemic, though most basically a domestic health problem, has huge implications for Chinese foreign policy. The CCP's cover-up of the spread of the disease in the weeks leading up to the NPC did severe damage to the potential for containment of the disease at home and abroad.[13] Although some have speculated that SARS might constitute the PRC's Chernobyl, it is far too soon to draw such a sweeping conclusion.[14] What can be said is that Beijing has undercut a lot of goodwill in the region, particularly in Southeast Asia, where economic engagement and reassuring diplomacy have built up China's reputation as a responsible actor since the 1997 Asian financial crisis, when the PRC refused to devalue its currency.[15]

Without the intentional deceptions by the CCP, it is doubtful that even a quickly spreading disease would have caused such damage to the PRC's reputation, but with those old-fashioned communist prevarications and cover-ups, SARS has done severe damage to Beijing's efforts to portray itself as a kinder, gentler, and more transparent CCP. The negative fallout is also exacerbated by the economic impact on the region, particularly in key industries such as air travel and tourism.[16] There is a debate about how much SARS will reduce China's economic growth, but some informed sources are predicting a 2 percentage-point drop in gross national product (GNP) growth for the year. That would place the official growth rate at 6 percent, considered dangerously low by CCP officials and scholars worried about the effects of reduced job creation on social and political stability.[17]

If CCP policy was passive and secretive before the NPC, there has been a much more proactive and transparent process since then, especially in Beijing. Two token officials, the minister of health and the mayor of Beijing, were sacked. As Bates Gill of the Center for Strategic and International Studies points out, they were likely sacrificial lambs, not actually those responsible for the cover-up.[18] What is more important is that the CCP basically admitted that its previous statements about SARS had been false and that greater transparency was needed to fight the disease. This acknowledgment could have positive implications for long-term reform in China, a point made in some of the frank criticisms one hears about the regime from Chinese elites. One healthy sign is that the whistle-blowing of brave Chinese citizens brought this issue to the fore and, to my knowledge, they have not been punished seriously, as others have been in the past.[19]

In early May something quite significant happened as a result of SARS: the PRC allowed a World Health Organization (WHO) team to travel to Taiwan without requiring the humiliating precondition, unacceptable in Taipei, that Taiwan apply to Beijing as a local government to arrange such a visit.[20] Since the WHO is an international organization of sovereign states, Beijing has long stiff-armed Taiwan's efforts to engage and join the organization and was pleased with President Clinton's third of "three nos," stating that the United States does not support Taiwan's entrance into international organizations that require sovereign statehood for membership. Beijing's temporary

reversal on WHO and Taiwan because of the SARS crisis shows just how embarrassed Beijing elites are about their culpability in the spread of the disease and demonstrates what a big impact this crisis could have on long-term CCP policies at home and abroad.

Cross-Strait Developments: The Death of the "Assessment"

As discussed in detail in *CLM* 6, President Chen Shui-bian's ruling Democratic Progressive Party (DPP) wanted to use an "assessment" (*pinggu*) of cross-Strait relations and the prospects of setting up the three links as a public relations tool to improve its position against its most likely election opponents—Kuomintang (KMT) stalwart Lian Chan and James Soong from the People First Party (PFP). The probable goal was for the DPP to appear more moderate on cross-Strait relations than the party's pro-independence line has allowed. The assessment was due out, by my Taiwan government interlocutors' estimation, by mid-March at the latest. It has not yet appeared.[21]

A combination of factors other than the state of actual cross-Strait relations probably helps explain the delay in, if not the ultimate cancellation of, the release of the assessment. First, news distractions in Iraq and North Korea would steal the intended public attention from the DPP's policy initiative on cross-Strait relations.[22] If this proposal was indeed largely a public relations strategy, the public needed to be paying attention for it to have its desired effect. The fear of the spread of SARS on Taiwan also plays well into the hands of the DPP, a party that is traditionally much more cautious toward deepening contacts with the mainland than are its major rivals.

The nascent formation of a "pan-blue alliance" between Lian and Soong for the March 2004 presidential elections might have played a role in the delay, but perhaps only in the context of the factors noted above. Normally such an alliance, however fragile, might have led the DPP to hasten its push for a moderate policy on cross-Strait relations, so that it could compete for the votes in the center of the political spectrum. However, by the time there was a lull in news from the Persian Gulf sufficient to warrant publication of the assessment, the SARS epidemic had provided the DPP another angle with which it was likely more comfortable: reducing, rather than increasing, contacts with the mainland on the grounds of national security and health interests.[23] So, rather than push for the three links, President Chen was able to reduce the "mini-three links" between the Taiwan-controlled offshore islands and nearby Fujian Province on the mainland.[24]

Conclusion

The weeks leading up to and following the NPC certainly have been eventful ones. Some events, such as the war in Iraq, were fully predictable and were, in fact, predicted in Beijing. Others, such as the SARS outbreak, were surprises, but were initially handled in the unsurprising but always disturbing way in which closed, authoritarian regimes address such matters. It remains to be seen whether this crisis will challenge regime legitimacy directly—by making the regime appear unable or unwilling

to protect the health of its citizens—or indirectly, by undercutting the economic growth viewed as so vital to PRC domestic stability. On the other hand, the crisis and the embarrassment that has attended it may have caused a somewhat higher degree of transparency in Beijing (witness the CCP's unusual public disclosure of a submarine accident that killed 70 officers and sailors).[25] It has also led to some new flexibility on relations with Taiwan, even though the DPP government there has been less forthcoming on increasing ties with the mainland than many had expected and hoped before the war in Iraq and the SARS crisis.

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Notes

[1] The author is grateful to Michael Glosny for expert research assistance.
[2] One interlocutor with good connections in the Foreign Ministry covered all the bases mentioned here in his forecast for the congress, including the de facto roles of both Tang Jiaxuan and Wu Yi. Interview, Beijing, January 2003.
[3] Interview, Beijing, January 2003. For similar published reports on Chinese scholars' predictions about the likely catalytic effect of a quick U.S. victory in Iraq on North Korea's willingness to negotiate on the nuclear crisis, see Gady A. Epstein, "From Beijing, Stern Words for an Uneasy Ally," Baltimore *Sun*, March 28, 2003.
[4] For an unusually frank article by a PRC scholar pointing to the catalytic role played in diplomacy by increasing U.S. threats of force, beginning in February and carrying through the early stages of war in Iraq, see Shi Yinhong, "Crisis and Hope—North Korean Nuclear Issue against Backdrop of Iraq War," *Ta kung pao*, April 15, 2003, FBIS CPP-2003-0421-000045.
[5] See "Kawaguchi, Li to Discuss North Korea Issues in Talks," Tokyo *Kyodo*, April 6, 2003, FBIS JPP-2003-0406-000025, and "PRC FM Li Zhaoxing Holds Talks with ROK FM, Reiterates Stand on DPRK Nuclear Issue," Xinhua News Agency, April 10, 2003, FBIS CPP-2003-0410-000202.
[6] Shi Yinhong, "Crisis and Hope," and John Pomfret, "China Urges North Korean Dialogue," *Washington Post Foreign Service*, April 4, 2003, sec. A, p. 16.
[7] On Chinese oil cutoffs, see Howard French, "North Korea's Reaction on Iraq Is Subdued So Far," *New York Times*, April 2, 2003; also see Gady A. Epstein, "From Beijing, Stern Words." Epstein reports that Beijing threatened North Korea that it would lift its opposition to international sanctions if the North did not behave cooperatively. On sanctions and the rendering of PRC defense commitments to North Korea conditional on Pyongyang's behavior, see Leslie Fung, "China Washes Hands of N. Korea's Antics," *Straits Times*, April 5, 2003.
[8] China's active role in the talks was planned in advance; see David E. Sanger, "North Korea and U.S. Plan Talks in Beijing Next Week," *New York Times*, April 16, 2003, 1. For confirmation of the PRC's active role, see "Beijing Talks . . . The Details Emerge," *The Nelson Report*, April 25, 2003.
[9] Off-the-record discussions with a former U.S. State Department official.
[10] For the most thorough reports, see Glenn Kessler and John Pomfret, "North Korea's Threats a Dilemma for China; Ally's Nuclear Gamesmanship Rankles Beijing," *Washington Post*, April 26, 2003, and David E. Sanger, "North Korea Says It Now Possesses Nuclear Arsenal," *New York Times*, April 25, 2003.
[11] For positive U.S. statements behind the scenes, see "Beijing Talks." For China's positive spin, see "China Upbeat on N. Korea Nuclear Talks," *Straits Times*, April 25, 2003.
[12] Ching Cheong, "China Offers DPRK Guarantee from US Attack, but with Some Conditions," *Straits Times* (Internet version), May 3, 2003, FBIS SEP-2003-0503-0000019.
[13] David Lague, Susan Lawrence, and David Murphy, "The China Virus," *Far Eastern Economic Review*, April 10, 2003, 12–15; "China Wakes Up," *The Economist*, April 26–May 2, 2003, 18–19; and Laurie Garrett, "China's Epidemic Discord," *Newsday*, April 27, 2003.

[14] **"**China Wakes Up," and Joseph Kahn, "When Crises Strike, China's Leaders Adapt to Survive," *New York Times*, May 4, 2003.
[15] In a March 2003 off-the-record meeting, a U.S. scholar who had just visited several ASEAN capitals commented on frustration in those capitals about the PRC's handling of SARS. Although important breakthroughs in controlling SARS were made at an April 29 ASEAN meeting, some countries voiced frustration and caution about China's cooperation in defeating SARS; see Michael Vatikiotis, "ASEAN and China—United in Adversity," *Far Eastern Economic Review*, May 8, 2003.
[16] See "In Intensive Care," *The Economist*, April 26–May 2, 2003, 20.
[17] Joseph Kahn, "When Crises Strike."
[18] **"**China Wakes Up."
[19] John Pomfret, "Doctor Says Health Ministry Lied about Disease," *Washington Post Foreign Service***,** April 10, 2003, sec. A, p. 26. For a critical commentary on the CCP's handling of SARS from a Chinese Academy of Social Sciences researcher, see Tang Shiping, "China Looks for a SARS Silver Lining," *Asia Times*, April 22, 2003.
[20] Joseph Kahn and Kenneth Bradsher, "China Allows Health Group into Taiwan in SARS Fight," *New York Times*, May 4, 2003, 6. On May 6, 2003, the U.S. Senate unanimously passed a bill urging observer status for Taiwan in the WHO.
[21] Interviews with Taiwan government officials responsible for cross-Strait relations, January 2003.
[22] See, for example, "MAC Chief Apologizes for Delay in Releasing Evaluation Report," Taipei Central News Agency, March 17, 2003.
[23] For an excellent example of how the Republic of China (ROC) Government Information Office has spun the SARS crisis into discussions of issues such as the military threat from the mainland and Taiwan's diplomatic isolation from Beijing, see Cecillia Fanchiang, "Measures to Control SARS Paying Off," *Taiwan Journal*, April 18, 2003. On the formation of the pan-blue alliance, see "Joint KMT-PFP Presidential Ticket Announced; Hope to Improve PRC Relations," Agence France-Presse, April 18, 2003. For the fragility of the nascent pan-blue alliance, see Sandy Huang, "Miscommunication," *Taipei Times*, April 16, 2003, 3.
[24] See "Taiwan: MAC Announces Suspension of 'Mini Three Links,'" *China Post*, April 1, 2003, FBIS CPP-2003-0331-000198. The links between Matsu and the mainland apparently have been affected, but not those between Jinmen (Quemoy) and the mainland.
[25] Eric Eckholm, "China Said to Take 2 Weeks to Disclose Sub Disaster," *New York Times*, May 5, 2003, sec. A, p. 5.