

Who lost China? The fingerpointing begins

by Herbert Quinde

In 1979, U.S. decision-makers were caught totally by surprise as events unfolded in Iran. The Shah was overthrown, an unwashed mullah named Ruhollah Khomeini consolidated power and a mass following, eventually leading to the hostage taking of U.S. embassy personnel. The U.S. intelligence community, especially the CIA, was left looking like fools. The CIA assessment was that the Shah was firmly in power and there was no political opposition of consequence to worry about.

U.S. intelligence operatives scurried out of Teheran and eventually found themselves in the People's Republic of China, where they were allowed to establish radio and electronic listening posts to monitor Soviet activities—listening posts which previously had been situated in Iran. Back home, Congress and the media opened an angry public debate: Who lost Iran?

By mid-June of this year, the CIA bureaucracy began to have that queasy feeling of *déjà vu*. The fingerpointing has started over who was responsible and why U.S. intelligence was “caught with its pants down,” in the words of one Defense Intelligence Agency source, as events exploded in China.

CIA's Webster on the hot seat

On June 19, the White House released a statement praising the CIA and Director of Central Intelligence William Webster for doing a good job in gathering intelligence on the upheaval in China.

White House spokesman Roman Popadiuk was forced to deny the contents of a news item in the June 26 issue of *U.S. News and World Report* which had just hit the stands. The short article said that President Bush had been appalled at the quality of U.S. intelligence out of China, and planned to replace Webster by the end of the year.

“The CIA is doing a superb job. There is no truth to that article. The President continues to support Director Webster,” Popadiuk said. Asked if he was speaking for higher-ups, Popadiuk said, “I speak on good authority.”

U.S. News reported that the worst example of U.S. intelligence from China was a report that 84-year-old Deng Xiaoping was so ill he had lapsed into a coma. That was a day before Deng emerged from seclusion and appeared on TV looking in good health.

Despite White House denials, it is quite credible that President Bush, a former director of the CIA himself, would be displeased at DCI Webster and the dismal quality of CIA information, as events developed in the P.R.C. The night before Deng reappeared praising the People's Liberation Army (PLA) for brutally crushing the pro-democracy demonstrators, the President held a press conference at the White House, his first performance before the entire press corps. He indicated that he did not think Deng, the “liberal reformer,” had ordered the crackdown, or at least no one knew for sure if Deng was actually in charge. The next morning, there was Deng on TV praising the PLA. Bush sure looked like he was “out of the loop” this time.

An administration official said U.S. intelligence never reported that Deng was in a coma, but that the story originated with a Yugoslav newspaper and was routinely relayed to Washington.

William Webster was probably not surprised at the malicious leak originating from a White House source, according to the *U.S. News* item. There was a clear concern by the CIA not to look like they were completely caught off guard. As events progressed prior to the crackdown in Tiananmen Square, media reports indicated that PLA units were rebelling against their commanders and fighting each other. Webster went out of his way to get the story out that the CIA “never subscribed to the theory” that there were factional divisions in the People's Liberation Army. He gave an exclusive interview to his hometown paper, the *St. Louis Post-Dispatch*, during the weekend of June 3-4, elaborating that the CIA never thought there was real evidence suggesting that PLA soldiers were prepared to turn on other soldiers in their ranks. The *Washington Times* which allegedly is often used by the CIA to plant stories, carried the same Webster interview, hyping the Agency's intelligence prowess.

Effect on intelligence capabilities

But the CIA is not off the hook. Their troubles have just begun. Investigative journalists from major publications in the nation's capital are presently hard at work to find out just how compromised joint U.S.-Chinese intelligence operations are, as the Bamboo Curtain comes crashing down. For example, how much of U.S. “national technical means” (radio and electronic listening posts) have been lost? Rumors are circulating that Congress is interested in looking at the CIA's most recent National Intelligence Estimate on China. According to sources, the NIE generally advises continuing to play the “China card” and characterizes Deng, the now acknowledged “Butcher of Beijing” as a “liberal reformer.”

Lest someone be left with the impression that the CIA has been unfairly singled out, witness the admissions from the Defense Intelligence Agency. The state of U.S. intelligence on China is reflected in the fact that the most current publicly available strategic analysis prepared by DIA on China is at least five years old.