

A VIEW FROM THE UNITED STATES

## ‘Patriotic’ Scoundrels: Neo-Cons’ War on Clinton’s China Policy

by William Jones and Marsha Freeman

For a decade before the events of Sept. 11, 2001, that gaggle of neo-conservatives who have become popularly known as the “chicken-hawks” of the Iraq war, tried to put in place a President whom they could manipulate to impose their utopian New World Order as an American global empire. As statesman and pre-Presidential candidate Lyndon LaRouche has said, Sept. 11 was their Reichstag Fire. But they had already spent a decade attempting to unseat President William Jefferson Clinton for his intent to change the rules by which “balance of power” geopolitical games are played. President Clinton’s attempts to change the U.S. relationships with Russia and China became the target of a concerted effort by these Cold War neanderthals, who, with the demise of the Soviet Union, needed a new enemy image to impose their empire. This required that they unseat a President who was opposed to their nefarious schemes.

In the aftermath of Sept. 11, this same crew has conducted a coup against President George W. Bush, attempting to force him into numerous warlike ventures which would destroy the credibility and the moral stature of the United States. President Bush now faces mobilized popular pressure to clean house of the chicken-hawks around him—including the leader of this pack, his own Vice President Dick Cheney. A re-examination of the agenda of that ugly cabal is now timely, and their insane policy toward China throws a spotlight on it.

### Into the Maelstrom

China policy was not high on the agenda of the early Clinton Administration, but the White House did decide to try to avoid the annual China-bashing debates in Congress,

over human rights, which occurred when the issue of granting Most Favored Nation (MFN) status to China came up. Clinton came to an agreement in 1993 with liberal Democrats such as Rep. Nancy Pelosi (D-Calif.) and Senate Majority Leader George Mitchell (D-Me.)—who were leading the human rights pack in the MFN debate—that the President would issue an Executive Order placing certain demands on China in the area of human rights, hoping thereby to bring the issue under Executive Branch control and avoid the usual congressional grandstanding.

But not everybody was happy about this compromise. Treasury Secretary Lloyd Bentsen and Commerce Secretary Ron Brown both felt that rather than getting on the bully pulpit about human rights and using economic sanctions as a “big stick,” economic diplomacy would prove more profitable in establishing a comprehensive relationship with China and in improving the material, social, and political conditions of life of the Chinese people.

At Warren Christopher’s State Department, however, the human rights lobby was in the saddle. Christopher had been in charge of the Clinton election campaign. Indeed, it was he who had encouraged Clinton to select Al Gore as his Vice-Presidential candidate. For Gore and Christopher, the “human rights agenda” was paramount, outweighing any other considerations of strategic or economic interest. That crew would be a ball-and-chain on the advancement of the Clinton agenda as it developed.

When Christopher sent John Shattuck, the Assistant Secretary of State for Human Rights, to China in February 1994, the first thing Shattuck did was to hold a private meeting in



*President Bill Clinton's efforts to establish a strategic partnership with China during his two terms in office were undermined at every turn by the same gaggle of chicken-hawks that has led President Bush into war. Here, Presidents Clinton and Jiang Zemin toast U.S.-China relations in Beijing, June 1998.*

Beijing with China's most prominent dissident, Wei Jingsheng. Shattuck, a former top official in Amnesty International and the American Civil Liberties Union, was named to this post largely because of his agitational work as a "human rights activist." His attitude to China was well known and far from friendly.

In his meeting with Wei Jingsheng, Shattuck seems to have been "off the reservation," not even informing his boss prior to the meeting. Although neither Shattuck nor any other American official admitted to leaking word of the visit, Wei Jingsheng certainly did. Chinese Foreign Minister Qian Qishen was caught by surprise when, at a press conference after the Shattuck visit, he was asked about the Shattuck-Wei meeting. The resulting uproar in Beijing sent U.S.-China relations into a tailspin.

Far from promoting human rights, the Shattuck-Wei meeting led to Wei's arrest and a crackdown on dissidents, a development that could have been foreseen by any intelligent observer. But even more alarming matters would soon force a rethinking of U.S. China policy.

### **North Korea Showdown**

In March 1993, North Korean leader Kim Il-sung announced that North Korea would withdraw from the Nuclear

Non-Proliferation Treaty (NPT) rather than submit to inspections that might reveal how much nuclear material it had already produced. It was also suspected that even though the North Koreans had signed the NPT, and thus were subject to International Atomic Energy Agency (IAEA) inspections, they had nevertheless surreptitiously unloaded fuel rods from their nuclear reactor, and had perhaps reprocessed some of the plutonium for weapons use. A North Korea crisis was in the making.

A number of the people at the Pentagon, led by Deputy Secretary of Defense William Perry, felt that the North Korean crisis could not be dealt with as long as the United States had no effective working relationship with China and its military leadership. During the Carter Administration, Perry had pioneered an effort to establish a working relationship with the People's Liberation Army (PLA). The ties established by Perry at that time, he would later be able to call upon during the Clinton Administration to help deal with the elusive North Korean leadership. By July 1993, Perry was pressing the White House to deal more amicably with China.

Others in the Administration also felt that the confrontations with China were beneficial neither for U.S.-China relations nor the U.S. economy. Representatives from both the Treasury and the Commerce Departments were becoming quite concerned about the net effects of the policy guidelines laid out by the State Department's Human Rights office. There was considerable pressure on the President to scrap his Executive Order on human rights. Indeed, there was a growing consensus that holding a strategic and economic relationship hostage to a propagandistic "human rights agenda" would be utter folly—and probably the worst way to influence change on human rights questions. When the Clinton Executive Order expired in May, Clinton did not renew it.

In February 1994, after the sudden death of Defense Secretary Les Aspin, Clinton appointed Perry to take his place. Perry then went to Beijing to discuss North Korea with Chinese officials. At the United Nations, Japan and South Korea had joined with the United States in threatening to impose economic sanctions if North Korea went ahead with its nuclear weapons program. In an unprecedented move, China, just two weeks after Clinton had extended MFN status, indicated that it also might go along with a UN resolution imposing sanctions against Pyongyang.

At the same time, contingency plans were being updated by the U.S. military for a possible strike on the North Korean reactor site, as well as for defending against what would inevitably follow—a North Korean attack against U.S. and South Korean forces. The United States was on the brink of war, Perry later said. While he was updating the President on the status of contingency plans, a call was received from former President Jimmy Carter, who had been invited to Pyongyang by Kim Il-sung, and who had gone with the blessing of the Clinton national security team. Carter informed the President that the North Korean leader was willing to negotiate directly

with the United States over the nuclear program. By October 1994, a team under Ambassador Robert Galluci had successfully negotiated an agreement with North Korea which effectively froze its plutonium reactor program.

Perry quickly tried to build on the gains made by these developments during his trip to Beijing in October. He proposed a U.S.-China Defense Conversion Commission. While Perry was averse to selling weapons and providing military technology to the PLA, he did feel that the United States could be of some assistance to Chinese military enterprises in producing and selling products for civilian use. Since the launching of the economic reforms in China, this had become the major source of funding for the PLA's expenses.

While the Perry "engagement policy" always met with resistance from the Gore human rights crowd, Ron Brown's Commerce Department supported it. Brown was prepared to assist in technology transfers, so urgently needed by the rapidly expanding Chinese economy to help increase its industrial productivity. In August 1994, Brown led a major business delegation to China, representing 24 U.S. companies in telecommunications, transportation, and power generation. In a press conference in Beijing on Aug. 30, Brown indicated the orientation: "We are trying to provide leadership in commercial diplomacy. Our national security is inextricably tied to our economic security. By bringing American and Chinese firms together, and by pursuing the course of commercial diplomacy, we seek to set the stage for a new era of cooperation, growth, and progress." The delegation, Brown explained, "consists principally of U.S. exporters of all kinds, including of high technology, who produce things like heavy capital goods in the United States—which create jobs—and which we want the Chinese to buy." The Clinton Administration "has junked a 12-year tradition of *laissez-faire* government," Brown announced.

### Chicken-Hawks Strike Back

Already at this early stage, the opposition to any rapprochement with China was busy in a number of policy shops in the Pentagon and on Capitol Hill. An alliance—some conservative members of Congress and congressional staffers; think-tank fellows from such Republican strongholds as the American Enterprise Institute, the Heritage Foundation, and the Cato Institute; and some U.S. military intelligence officers—united in the view that a rising China represented great risks to America's vital interests. This loose grouping was called by one of their more outspoken members, William Triplett II, the "Blue Team." (In the traditional Pentagon wargame scenario, the enemy was traditionally the Red Team and the "good guys" were the Blue Team.)

This grouping brought together some Joe McCarthy-era anti-Beijing "China Lobby" types, hard-line intelligence operatives, and a handful of "old hands" at Dick Cheney's Defense Department such as Lewis Libby and Paul Wolfowitz. Many old anti-Soviet Kremlinologists, such as aging utopian RAND analyst Andrew Marshall, who had spent their careers

studying the now-defunct Soviet Union, were given new life in devising a new "enemy image" out of a modernizing China. In October 1994, when Perry invited Chinese Gen. Xu Huizi to the Pentagon—the first visit by a Chinese general since the government's 1989 crackdown in Tiananmen Square—Marshall was demonstratively conducting wargames out of his Pentagon Office of Net Assessments "to see how we would fare against a resurgent Chinese military 25 years hence," according to Marshall associate Bill Triplett.

Also key was a group around Nicholas Eftimiades, who had spent his career in the CIA and Defense Intelligence Agency profiling a "hostile China." The group, including Triplett and his soulmate Edward Timperlake, with their connections to elements of the intelligence community—in particular, the Office of Naval Intelligence—would play a major role in the next few years as propagandists "exposing" Perry and U.S. President Bill Clinton as Chinese agents!

After a tour of duty in Vietnam, Triplett had functioned as a low-level intelligence operative in the Far East, taking part in American intelligence operations against the Chinese authorities in Tibet and colluding with some of the leftist "Free Tibet" groups running around Washington. He was the former chief Republican counsel on Jesse Helms' Senate Foreign Relations Committee. The walls of his Capitol Hill office were plastered with maps of China indicating Chinese military and naval bases and Chinese military deployments. According to associates, Triplett was "obsessed" with China.

The Blue Team conducted their own China policy from Capitol Hill, attempting to attach Taiwan and other "riders" to State and Defense Department authorization bills. This crew would be instrumental in passing the Taiwan Security Enhancement Act in 1999, which strengthened U.S. military ties with Taiwan. They also stopped Perry's U.S.-China Defense Conversion Commission dead in its tracks, first freezing its funding and then getting Congress to scrap it altogether. Their hostility to the Clinton Administration was expressed by Triplett: "They have subverted American policy to the point that we're unable to reach a consensus on how to deal with the China threat."

Clinton's appointment of Perry as Secretary of Defense in 1994 was a red flag for this anti-China grouping. In 1991, before joining the Clinton Administration, Perry had headed up a task force appointed by the National Academy of Sciences to examine the utility of the Coordinating Committee for East-West Trade Policy (COCOM) agreements, a Cold War arrangement which had been instituted to prevent the transfer of sensitive technologies to the Soviet Union. The task force report to the National Academy of Sciences, entitled "Finding Common Ground: U.S. Export Controls in a Changing Environment," was co-authored jointly with Perry's associates Ashton Carter and Michael Wallerstein.

The Perry task force recommended the dismantling of the COCOM agreements. With the demise of the Soviet Union, such restrictions were not only anachronistic, but self-defeating, the task force concluded. The issue now was to establish



*In this photograph of his second inauguration in January 1997, President Clinton is flanked by two of the major figures who worked to destabilize his China policy: Vice President Al Gore, to the left of the President, and House Speaker Newt Gingrich, next to Gore.*

a firm and lasting relationship with nations in Eastern Europe, including Russia. Trade, even in the areas of high-tech products, should be encouraged, not restricted, to facilitate their economic development.

With regard to China, the report, while more cautious, indicated that as a more amiable relationship developed, it should also encompass a greater willingness to conduct trade with China on a broader basis, including the high-tech products for which a country like the United States would be of most value to a developing nation like China. "But it is also in the interests of the United States to nurture a deeper and more cooperative relationship with the current Chinese regime," the report read, "including further efforts to convince China to participate more fully in the major nonproliferation regimes. Ultimately, establishing a certain degree of symmetry between the export control regime for China and the new rules that are under development for the democratizing East European countries and the [former] Soviet Union may be desirable."

Early in his Administration, President Bill Clinton did indeed abolish the COCOM restrictions, "One reason I ran for President," Clinton said, "was to tailor export controls to the reality of a post-Cold War world." But for the members of the Blue Team, such a thought was anathema.

The "national security considerations" were really only the tip of the iceberg for these characters. The real motivations were more sinister. The policy they endorsed can best be characterized as "technological apartheid." This was stated most forcefully by Henry Kissinger—the man who brought

Andy Marshall to Washington in 1973—in his National Security Memorandum 200 (NSM-200) of 1974, which targetted economic and population growth in Third World countries as a national security danger to the United States. This view was expressed most succinctly by Ed Timperlake, a minor neo-con figure, who told *EIR* that "U.S. policy must be to keep us up, and them down." This was the doctrine that later became enshrined in the Dick Cheney 2003 National Security Strategy Doctrine.

Perry brought a group of his closest collaborators into the Pentagon, some with extensive knowledge of and contact with the Chinese military. This group included John Lewis as a member of the Defense Policy Board, advisors to the Secretary of Defense. Lewis, a colleague from Stanford University's Center for International Security and Arms Control, had authored two books: one, the most authoritative book on the Chinese nuclear bomb program, and another

on the Chinese missile program. Lewis had extensive business and other contacts in China and might have become a valuable player in building a better relationship with China's military. But as one Clinton Administration official commented, for the chicken-hawks, "anyone who had distinguished themselves as a China scholar was automatically suspect."

The chicken-hawks launched a veritable witch-hunt targeting Lewis' business contacts with China, ultimately forcing him to resign from the Defense Policy Board. Another assistant to Perry who was placed in charge of the Pentagon's China-Mongolia desk, Col. Karl Eikenberry—a highly decorated army officer and also a China scholar—was subject to a neo-con rumor campaign by the Blue Team, questioning his loyalty, because of his refusal to join in their China-bashing. Eikenberry is now a major general and has been responsible for security at the U.S. Embassy in Kabul.

The neo-cons' real target, however, was the President. Already in the Spring of 1994, Lyndon LaRouche had authorized the publication of a pamphlet entitled *Assault on the Presidency*, in which he warned of the operations against the President, in what were then the early stages of fraudulent investigation of allegedly illegal Whitewater land deals of the Clintons in Arkansas.

## **Enter the Taiwan Lobby**

Just as the North Korean situation seemed to be brought somewhat under control, a new incident, this time fomented by Taiwan's President Lee Tung-hui, helped throw a monkey-



*Commerce Secretary Ron Brown represented an anti-laissez-faire policy perspective in the Clinton Administration, and described the government's promotion of trade in high-technology goods with China as "commercial diplomacy." This memorial statue of Brown, who died in an airplane crash in April 1996, graces the Commerce Department.*

wrench into the burgeoning U.S.-China relationship. Lee Tung-hui, a strong proponent of Taiwan independence, who was up for re-election, touched down at Hickham Air Force Base in Honolulu on his way to Central America and thence to the inauguration of Nelson Mandela. Lee was told by the State Department, in accordance with U.S. policy, that he would not be able to stay overnight in Honolulu, but was cordially invited to a reception in a transit lounge at the Air Force base.

But Lee remained on his plane until embarkation, cold-shouldering the reception, one of a succession of events in which he, probably with the encouragement of his supporters on Capitol Hill, attempted to challenge the "One China" policy of the United States. Two months earlier, Lee had conducted a barnstorming series of "vacation diplomacy" visits to numerous countries in Southeast Asia, in a blatant challenge to Beijing.

By the Summer of 1994, Taiwan had already begun to beef up its muscle in Washington. It signed a three-year, \$4.5 million contract with a Washington firm, Cassidy & Associates, which included former Carter Administration press spokesman Jody Powell. In November, the election of a Republican-dominated Congress gave Lee a needed boost. Sens. Frank Murkowski (R-Ak.) and Hank Brown (R-Colo.) had written a letter to Lee inviting him to come back to the United States. At the beginning of 1995, the new House Speaker, Newt Gingrich (R-Ga.), also endorsed the idea of a visit by the President of Taiwan. Gingrich, always a bit unstable, went so far as to support the idea of re-admitting Taiwan to the United Nations!

By May 1995, the move to invite Lee had gained momentum, and he used the pretext of a class reunion at Cornell University, his *alma mater*, to request a visa. Gingrich and

his minions went to work; the House voted 396-0 for a non-binding resolution calling on the Administration to permit Lee to visit the United States; a similar vote in the Senate passed 97-1. Under fire from Congress and under advisement by two members of the Democratic Leadership Council—Sens. Chuck Robb (D-Va.) and Joseph Lieberman (D-Conn.), with whom he had been discussing Taiwan policy—the President consented to issue a visa to Lee, but on the condition that he would not use the opportunity to make a political statement.

When Lee touched down in Los Angeles on June 7, 1995, hundreds of supporters had been organized to greet him. When his plane landed in Syracuse, a gaggle of Taiwan independence supporters were on hand to greet him, including Sen. Jesse Helms (R-N.C.), the chairman of the Senate Foreign Relations Committee, Murkowski, and Sen. Al D'Amato (R-N.Y.). Helms greeted Lee with a rousing, "Mr. President: today, Syracuse; very soon, I hope, the capital of the U.S. in Washington, D.C." Lee's address also clearly violated the agreed terms of his visit. "The people of the Republic of China on Taiwan are determined to play a peaceful and constructive role among the family of nations," he said. "We are here to stay."

The reaction from Beijing was instantaneous. It postponed a series of high-level meetings between Chinese and U.S. officials and canceled scheduled talks on nuclear energy and the control of missile technology. On June 17, China recalled its ambassador from Washington, and delayed giving formal acceptance to the newly appointed U.S. Ambassador to China, James Sasser. Then on July 19, the Chinese army announced that it was holding a week-long series of military exercises in the East China Sea north of Taiwan, which would include live-firing exercises.

The chicken-hawks were overjoyed. Michael Pillsbury, who had been working in Andy Marshall's Office of Net Assessment, was churning out scenarios about how the Chinese military modernization was becoming a threat to the United States. Kenneth Timmerman, writing in the *American Spectator*, was graphically portraying underhanded business transactions between Secretary Perry and industrial concerns run by the Chinese military, describing Perry's Defense Conversion initiative as a means of helping Chinese military modernization. The *American Spectator* would later become a main conduit for the charges that the Chinese had financed President Clinton's 1996 re-election campaign.

In the Summer 1995 run-up to Taiwan's elections, in which incumbent President Lee Tung-hui was actively courting the small pro-independence crowd in Taiwan, China conducted a series of military exercises in Fujian province across from Taiwan. And on the diplomatic front, Chinese officials were warning that the Taiwan issue could become a major cause of confrontation with the United States. The Clinton Administration response was twofold. At the end of 1995, they sent the aircraft carrier *Nimitz* through the Taiwan Strait, accompanied by a cruiser, a destroyer, a frigate, and two support ships—giving the formal excuse of bad weather condi-



*Defense Secretary William Perry had worked for 20 years to establish constructive U.S. relations with the Chinese People's Liberation Army. Prior to a meeting at the Pentagon with Gen. Chi Haotian on Dec. 9, 1996, Perry presented the General with a model of a B-2 Liberator bomber.*

tions. But at the same time, Chinese Foreign Ministry official Li Zhaoxing was assured by Clinton Administration officials that there were to be no visits by Taiwan officials during 1996.

### **Getting Things On Track**

By mid-1995, China was garnering more attention from the Administration. In August 1995, Christopher met with the Chinese Foreign Minister in Brunei and handed him a letter from President Clinton, in which he asserted that the United States would adhere to the "One China" policy, would oppose efforts by Taiwan to declare independence, and would not support Taiwan's admission to the UN—a position that was later characterized as the "three no's."

The other factor making itself felt on the Clinton Administration was the growing importance of American economist and former Democratic Presidential candidate Lyndon LaRouche. While LaRouche had suffered unjust imprisonment on the basis of a fraudulent government operation conducted in connivance with the George Herbert Walker Bush Administration in order to "shut his mouth," his political influence in Washington had continued, in fact, to grow. Leading political figures from around the world, including from former Soviet-bloc countries, came to the nation's capital to protest the imprisonment of the noted American political figure. With the election of President Clinton and LaRouche's freedom on parole in January 1994, the "LaRouche factor" began to play an important role in the formulation of Administration policy.

By 1996, it was also becoming clear to the Administration that the international financial system was fatally flawed.

LaRouche's hammering on this issue in dozens of memos and articles, was beginning to resonate in Administration circles. Treasury Secretary Robert Rubin and Clinton were beginning to moot the need for a "new financial architecture" to replace the failing, debt-ridden post-Bretton Woods system. Any attempt to revamp the international system would, however, also require the active collaboration of the other major economic powers, particularly Russia and China.

In March 1996, National Security Advisor Tony Lake began a series of discussions with his counterpart, Liu Huaqiu, in Williamsburg, Virginia. "That sprang from the fact," NSC spokesman David Johnson explained, "that the President decided earlier this year that the United States needed to place its relationship with China on a firmer, more strategic footing and one which was based on articulated interests." Nevertheless, commented one Clinton official with responsibility for China policy, "there was still strategic distrust" in the relationship.

With the looming Taiwan elections in March 1996, China again conducted military operations in Fujian Province. On March 8, they fired missiles into waters off Taiwan, this time using their more advanced solid-fuel M9 missiles. The Taiwan stock market began to fall, and people on the island lined up at banks to change their money into dollars. At the White House there was a flurry of crisis meetings, which included the entire Clinton foreign policy team: Christopher, Lake, CIA Director John Deutch, Perry, and Chairman of the Joint Chiefs of Staff John Shalikashvili. Nobody knew exactly what Chinese intentions were. But there was general agreement on some U.S. show of force, to send a signal to the Taiwanese that the United States was not abandoning them. At the same time, Administration officials quietly made it very clear to Taiwan's representatives in New York that they ought not use the deployment for any provocation which might further aggravate the situation.

Perry wanted to send two carrier battle groups through the Taiwan Strait as a demonstration, but both Shalikashvili and Pacific Command chief Adm. Joseph Prueher thought this too provocative. It was decided that two aircraft carrier battle groups would be sent to the area, although they avoided putting any ships in the Taiwan Strait. While the Chinese continued their maneuvers without let-up, both sides began slowly to "talk down" what had been a rather close encounter.

### **Re-Election Brings More Confident President**

President Clinton's second term brought more consistency to his China policy. His Republican opponents were intent on bringing the President down, long before Clinton was elected to his second term in 1996. And the initial pretext



*The visit of Chinese President Jiang Zemin to Washington in October 1997 helped solidify military-to-military cooperation. In this photograph, Chinese sailors look at the USS Arizona Memorial at Pearl Harbor, Hawaii, in March 1997. Their ship continued on to San Diego, for the first-ever visit by a Chinese Navy ship to the U.S. mainland.*

they intended to use, before they “discovered” Monica Lewinsky, was the issue of national security, especially as it related to China policy.

As Clinton advisor Ken Lieberthal, the Senior Director on the NSC for China affairs, told *EIR*, in Clinton’s second term, “The President was more confident now. He became a believer in his own ability to affect the actions of others. But, at the same time, it became a part of the conservative mantra that the Chinese had ‘bought’ the President during the election.”

On June 19, 1997, in an obvious diplomatic gesture toward the United States, China released human rights activist Harry Wu, expelling him from the country. Just a few days earlier, in response to a question from Tom Brokaw on MSNBC, President Clinton had expressed a more determined view on China. “I think how Russia and China define their own greatness in the next 20 years will have a lot to do with how the 21st Century comes out,” Clinton said. “And I want them both to define their greatness in terms of the positive achievements of their people, their winning and peaceful cooperation on economic and cultural and athletics fields and their willingness to cooperate with us to fight our common enemies—terrorism and proliferation of dangerous weapons and environmental destruction and diseases sweeping the globe. We need great countries working together if we’re going to make the 21st Century what it ought to be.”

Before the November 1996 election, Tony Lake had traveled to Beijing and met with all the top Chinese leaders, including President Jiang Zemin. On his return to the United States, Lake explained Administration policy in an interview with the *Los Angeles Times*, contrasting the Clinton Adminis-

tration view with that of the Blue Team chicken-hawks. The one view, Lake said, “that I call the 21st-Century view, is that as nations get closer and closer together economically, the penalties of conflict and the benefits of cooperation are much larger than they were before. . . . The great powers, specifically including China . . . are increasingly playing by rules that govern their economic and diplomatic relationships in ways that work for their mutual benefit. This contrasts with what I call the 19th-Century view, of great powers in a state of permanent rivalry in which one works against the interests of the other.”

During his visit, Lake had announced that the United States would receive President Jiang Zemin on a state visit to Washington and that President Clinton was prepared to make a state visit to China in return. In the Summer of 1996, the Administration had also succeeded in getting legislation through the House of Representatives to extend Most Favored Nation status for another year.

During the second Clinton Administration, Treasury and Commerce did the heavy lifting on China policy. Treasury’s Robert Rubin and Commerce Secretary Ron Brown, who had both been highly critical of the Christopher State Department’s in-your-face policy on human rights with China, felt that more progress could be made if trade and investment became a mainstay of the relationship, in which U.S. firms would be more heavily involved in China’s economic future and exchanges between the two nations could engender a greater trust as to the intentions of the other. (The tragic death of Ron Brown in April 1996 on one of his many missions in the service of his “economic diplomacy,” this time in the war-torn Balkans, was a serious loss for that policy.) The new National Security Advisor, Sandy Berger, was even more adamant on this issue than his predecessor had been. And Undersecretary of Commerce William Reinsch referred to President Kennedy in his formulation of the policy in an interview with *EIR*’s Marsha Freeman on June 16, 1999: “One of President Kennedy’s theories about these things was that the way to reach better relationships was to build bridges. You start out building cultural and economic bridges because those are the easiest ones to build. Each time you build a bridge, you increase the stake in the relationship and you increase the cost of disrupting the relationship. Each little bridge that you build, even the smallest, becomes one more thing that binds us together and gives us incentives to work on our differences peacefully, rather than become adversaries. That’s what we’ve been trying to do with the Chinese.”

And some headway had been made in that direction. In October 1996, the Chinese Minister in charge of the State Science and Technology Commission, Song Jian, signed an agreement in Washington continuing the cooperation be-

tween China and the United States in the area of science and technology. The agreements dealt particularly with health, forestry, the environment, and energy production.

In addition, there were seven annexes to the main agreement, signed with the corresponding departments of the U.S. government: with the Environmental Protection Agency (EPA); with the Department of Transportation; with the Interior Department, in surveying, geological research, and mapping; and four separate agreements with the Department of Energy, dealing with fossil fuel technologies, high-energy physics, nuclear physics and magnetic fusion, and the exchange of scientific information. This “economic diplomacy” was viewed, according to one former Clinton Administration official involved in China policy, as a means of engaging China in the areas of high technology not of military importance, but rather of a “dual use” nature, to show goodwill in helping China develop its economy.

The importance of the China economic agreements was underlined in January 1997, when *EIR* published a report entitled *The Eurasian Land-Bridge: The “New Silk Road”—Locomotive for Worldwide Economic Development*. The report presented the concept developed by LaRouche, on how the linking of the Eurasian rail network—then being finalized in cooperative agreements among Europe, Russia, and China—would provide the basis for a renewal of broad land-based trade and commerce throughout that most populous area of the world. The railroads, LaRouche argued, would become “corridors of development” for the countries of Eurasia and could provide the basis for international economic recovery.

The *EIR* report was presented at a Washington seminar in April 1997 addressed by Lyndon LaRouche and his wife, Helga Zepp-LaRouche, a co-author of the report, who had led a delegation to a Chinese government-sponsored conference on the topic in May 1996. Copies of the report were disseminated widely among Clinton Administration officials, as well as on Capitol Hill, and the ideas of LaRouche were widely discussed with Administration officials, to the point that the “New Silk Road” became a by-word in discussions on the topic in the nation’s capital.

The Administration was also dusting off a 1985 agreement on cooperation in the area of nuclear energy, which had been worked out during the Reagan Administration, but had been bushwacked by Blue Team cohorts on Capitol Hill.

In December 1996, Secretary of Defense Perry invited Chinese Defense Minister Gen. Chi Haotian to a visit at the Pentagon. Speaking in a joint availability with the Chinese General, Perry said: “These visits will serve a very useful function as confidence-building measures. They will allow our two militaries to gain better understanding and respect for each other. This is very important to prevent either side from taking actions based on misunderstanding or miscalculations. The importance of better understanding was emphasized by the tensions which have existed in the Western Pacific for the last two years. In fact, these tensions caused this return visit

to be postponed twice. Now [that] we are together, we have an obligation to make the most of this opportunity.” Chi also met with President Clinton.

The Chi visit, predictably, stirred up a hornet’s nest. House Speaker Gingrich staged a boycott with House Republicans when General Chi came to visit Capitol Hill. When Chi spoke at the National Defense University in Washington, one of the officers, probably in a pre-arranged operation, asked Chi about Tiananmen Square. General Chi replied that no one had been killed on the square itself. This was then immediately played by the *Washington Times* and other neo-conservative outlets as a “denial” by Chi that anyone had been killed during the Tiananmen uprising. Human rights honcho Rep. Chris Smith (R-N.J.) accused the Clinton Administration of “aggressive appeasement” of China.

### **Before Monica, There Was ‘Chinagate’**

When the *American Spectator* first launched the Paula Jones sex scandal against Clinton, there was also well under way a second wave of scandal-mongering involving “Asian money” into the 1996 Clinton Presidential campaign. This later was embellished to become an issue of Chinese “influence-peddling.” Although it was widely known that the most influential foreign lobby in Washington is the Israeli, followed closely by the Taiwan lobby, now suddenly there was a new star on the horizon, and it was red. With the Cold War fast disappearing, the Blue Team was quick to create a new “enemy image,” without which it would quickly lose its political raison d’être—and perhaps most of its funding.

The new Defense Secretary, William Cohen, had his own ideas about reforming the Defense Department, and the more anachronistic operations in the Pentagon, such as Andy Marshall’s China-bashing Office of Net Assessments, were under the gun. Marshall had already received his “walking papers” from Cohen, in a not-so-subtle transfer from the Pentagon to the National Defense University. It was only with the direct intervention of Marshall’s political patrons, including former defense secretaries Don Rumsfeld and Dick Cheney, that the 79-year-old Marshall succeeded in retaining his Pentagon shop.

But the real target of “Chinagate” was Bill Clinton. Unable to unseat him by the election-process, the chicken-hawks were going to resort to scandal. The gameplan of the scandal-mongering would be twofold: On the one hand, they would conjure up a campaign finance scandal, in which Chinese “influence-peddling” would be the target. Simultaneously, there would be a targetting of precisely those high-tech agreements which China and the United States regarded as of great importance for the development of a viable economic relationship.

Commerce Secretary Ron Brown had also been the chairman of the Democratic National Committee (DNC), from which post he had helped launch Clinton into the Presidency in 1992; therefore, there were attempts to link Brown’s name to these scandals, even though responsibility for campaign

fundraising now lay with South Carolina's Don Fowler.

The scandal centered, in particular, around John Huang and Charlie Trie. Huang was an acting Assistant Secretary of Commerce, who had worked directly under Charles Meissner at International Economic Policy, who was killed in the plane crash with Brown. There, Huang dealt primarily with Asia and China affairs, according to his own account. By early 1995, he was asked to go over to the DNC under Fowler to help with the fundraising for the 1996 campaign. Trie was a restaurant owner in Little Rock, Arkansas, with extensive business ties both in the United States and China. His relations to the President went back to Clinton's days as governor, when he would take his repast at Trie's restaurant.

Another individual targeted was Johnny Chung, a businessman from southern California, who was accused of being a "facilitator" with the Clinton White House for COSCO, the China Ocean Shipping Company. One of the gimmicks used in the chicken-hawks' campaign, was to target COSCO as a PLA front. They attempted to prevent it from setting up business in Long Beach, California. Never before had such a long string of Asian names received so much publicity in the U.S. media. But they wouldn't be the last. The racist overtones of this McCarthyite scare campaign would reach their height when it came to the attack on a Taiwan-born researcher at Los Alamos National Lab, Dr. Wen Ho Lee. The hyping of the scandals in conservative mouthpieces such as the *American Spectator* and the *Washington Times*, combined with a flurry of activity by Blue Team honchos on the Hill, led to a demand for investigations to buttress Special Prosecutor Kenneth Starr's floundering Whitewater investigation.

There were also attempts to tie the campaign finance stories to Clinton national security policy. Perry, who would soon leave the Department of Defense, was portrayed in a particularly nasty piece in the *American Spectator* in April 1996, entitled "Peking Pentagon," as selling out U.S. military secrets to the Chinese. Later, in 1998, Triplett and Timperlake would publish the first of their rag-tag book-length "exposés" of the Clinton White House, entitled *The Year of the Rat*, with a cover picture of President Clinton on his first visit to Beijing reviewing the Chinese troops. The Regnery publishing company, which published the Triplett-Timperlake nickel-detective novels, had also played an active role during the 1950s in targeting alleged "Communist subversion" in the U.S. State Department.

But despite the McCarthyite atmosphere reigning in Washington, the Clinton Administration proceeded apace with its China policy. By the beginning of 1997, it was preparing for the visit to Washington of President Jiang Zemin.

Ironically, the visit would coincide with the first major blowout of the international financial system, the "Asia financial crisis." Shortly before the visit, Lyndon LaRouche, at a Washington seminar on Oct. 22, 1997, underlined its importance. It was, LaRouche stressed, "an attempt to reach a partnership between the leading military power of the world, and the largest nation of the world, a partnership on which the

survival of civilization depends." LaRouche underlined the importance of the Eurasian Land-Bridge, the export to China of those dual-use machine-tool technologies that it so desperately needs to sustain its economic growth, and the need to create a new, viable international financial system.

The President made a tremendous blunder, however, in relying on his Vice President in a matter as serious as China policy. The wreckage which Gore had caused in his major foreign policy area of interest, U.S.-Russian relations, ought to have warned the President. Nevertheless, Clinton had sent Gore on a visit to Beijing in the Spring of 1997. There he initially told the Chinese leaders that the scandal-mongering in Washington about Chinese influence-peddling was not going to affect the Administration's China policy. When that statement hit the press, Gore then back-pedaled, telling reporters that there would be "very serious" repercussions, if allegations about the Chinese regime's involvement were true, thus giving these rumors credibility.

In negotiations for the Washington summit, neither party succeeded in getting the breakthroughs that they wanted, at least not immediately. The United States wanted the release of some Chinese dissidents. This the Chinese were not quite prepared to do. The Chinese side wanted a public iteration of the "three no's" regarding Taiwan, but without the release of some more dissidents, this wasn't going to happen.

Nevertheless, the October 1997 summit was a major success for the Administration's policy. Clinton's comments at the final press conference, where he said that the United States had clear differences with China on human rights, helped fend off the awaited attacks by the China-bashers without offending his guest. Barring progress on other issues, the centerpiece for the summit would be the signing of the long-delayed agreement on nuclear energy. As one former Clinton Administration official put it, "There was now a notional agreement within the Administration to build toward a strategic partnership with China."

Two weeks after President Jiang left Washington, China released Wei Jingsheng, who was allowed to go to the United States. Shortly after that, they released the other major Tiananmen-era dissident in prison, Wang Jun.

The successful summit also provided an opportunity for moving forward on the "new financial architecture." The "Asian financial crisis" had been weathered largely thanks to the Chinese commitment not to devalue their currency, the renminbi. In April 1998, the Group of 22 nations came to Washington to discuss the issue of this "new architecture" with Treasury Secretary Rubin as the host of the meeting. But already at this point, the combined opposition of the New York and London banks to anything that "monkeyed" with their "free market system" was beginning to block any ambitions by the government for substantive change.

Asked by *EIR* that April about the possibilities of a "New Bretton Woods system," Treasury Secretary Rubin was non-committal: "I don't know what a New Bretton Woods is. I don't know quite what that means. I think it was enormously

important to the success of the global economy for the past 50 years.” But as to the then-ongoing discussion of finance ministers, Rubin said, “Probably when all is said and done, the changes would not, in their totality, be as far-reaching as the original Bretton Woods.”

In September 1998, President Clinton spoke to the New York Council on Foreign Relations. He again called for financial reform, but—meeting opposition from the international financial community—he was starting to waffle. The President broached a “new financial architecture,” but whittled down to the dimensions deemed feasible by international bankers: He spoke generally about bringing more countries into the World Trade Organization, greater “transparency” on financial markets, more free trade—all under the umbrella of the omnipotent International Monetary Fund conditionalities.

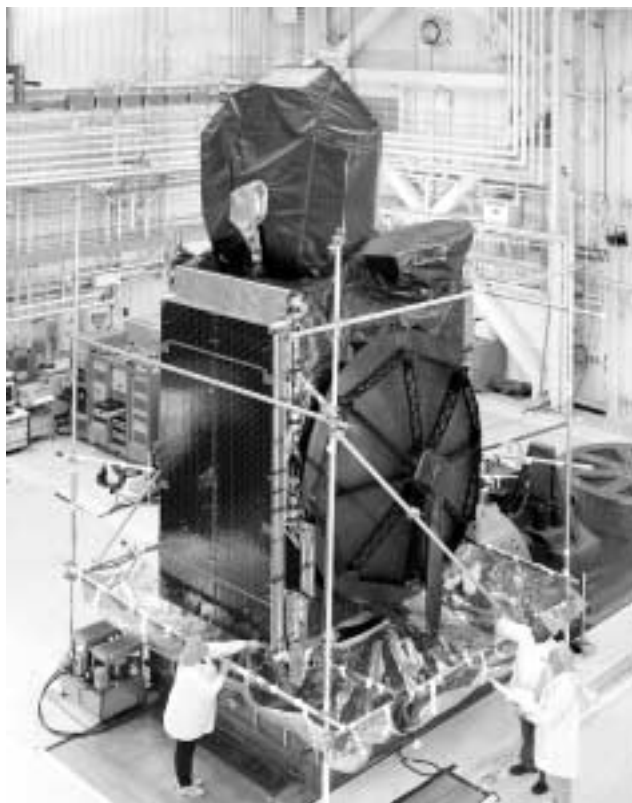
### The Chinese Rocket Hoax

In the Spring of 1998, the White House was in the midst of preparations for President Clinton’s scheduled trip to China in June of that year. The anti-China lobby was busily preparing a political assault to sour the meeting between the two Presidents, by deflecting attention to a new Clinton-China scandal, and away from the engagement policy with China that President Clinton had been developing.

On March 31, U.S. Ambassador to China James Sasser reported to the Asia Society that the Embassy in Beijing had been hosting American religious leaders, arms negotiators, and Administration officials in order to “return to normalcy in the way we engage one another.” Sasser thanked the Chinese for helping to solve the recent “Asia financial crisis,” and complimented their plan to invest \$1 trillion in infrastructure projects over the following few years.

In preparation for President Clinton’s trip, on March 18 *Washington Times* China-hawk and neo-con leaker Bill Gertz penned an article alleging that a classified memorandum indicated the Administration was considering proposing a “missile deal” with China during the summit. He was referring to the use of Chinese rockets to launch American-built commercial communications satellites. Actually, it was President Ronald Reagan who, in 1988, gave a green light to granting export licenses to U.S. companies for satellite launches, and in 1989, the first Bush Administration signed an agreement to allow nine such launches through 1994.

After the 1989 bloodshed in Tiananmen Square, a Presidential waiver was required to nullify the sanctions imposed on China by Congress. Nine such waivers were signed by President Bush, and seven by President Clinton. Before the June 1998 Clinton-Jiang summit, the Administration was considering removing the sanctions that had been imposed in 1989, to allow China to launch U.S.-built commercial satellites under a blanket Presidential waiver, eliminating the case-by-case approval then required. The Administration was also considering increased civilian space cooperation with China, which had been discussed by a team from the National Aeronautics and Space Administration during a visit to Beijing.



*Loral and Hughes engineers investigated the failure of the Long March rockets that carried their satellites in order to be able to obtain insurance for future launches. Commercial communications satellites, such as this Boeing-built Galaxy 3C, can cost \$200 million.*

The memorandum proposed that, in return, China formally join the Missile Technology Control Regime.

One week later, Frank Gaffney’s Center for Security Policy issued an hysterical press release, stating that Congress must investigate a litany of charges against the Clinton Administration on “national security” grounds. These centered around increased trade with China, and the fact that leading aerospace companies had helped the Chinese investigate failures in their Long March rocket launchers, supposedly illegally transferring technology to Communist China’s missile program. This so-called security breach had taken place in 1996, and had been under investigation by the FBI.

But few people take Frank Gaffney seriously, so it fell to the *New York Times* to make such charges seem credible. On April 4, a *Times* front-page story reported that two satellite manufacturers were suspected of having provided “space expertise that significantly advanced Beijing’s ballistic missile program.” On April 13, *New York Times* writer Jeff Gerth accused the Clinton Administration of throwing national security to the wind by granting a waiver for an export license to the Loral Company, allowing the launch of one of its commercial communications satellites aboard a Chinese rocket while an FBI investigation into earlier technology-sharing



*No credible evidence was ever presented to the congressional investigating committee that China had obtained information from American engineers that increased the capability of its missiles. Chinese rockets were seen on display in November 2002, at the China International Aviation and Aerospace Exposition in Zhuhai, China.*

incidents was still under way. The reason for such a scandalous act, it was proposed, was that Loral's founder and chairman, Bernard Schwartz, was a large contributor to the Democratic Party, and this waiver was a political pay-back.

Within a week, Iran-Contra liar Oliver North penned an op-ed in the *Washington Times*, saying that it was "too bad [Special Prosecutor] Starr won't be able to include this Clinton-China caper within the scope of his investigation," revealing that the true intent of the China accusations was not national security, but getting rid of the President.

On May 18, Loral responded to the allegations, stating that when a Loral satellite was lost on the Long March in 1996, the U.S. satellite insurance company was unwilling to insure Loral's future Chinese launches unless non-Chinese engineers concluded that the problems with the launcher had been solved. The Chinese determined that the problem was with a defective solder joint, a low-tech matter, with which a committee of U.S. engineers concurred. Loral stated that the only issue involved was that the committee of engineers presented its conclusions to the Chinese before consulting with State Department authorities—fundamentally, a breach of procedure. (Years later, when this case was finally resolved, Loral was levied a fine, solely for this procedural misstep.)

According to a Loral representative at that time, the company recognized that "there are some people who think we shouldn't have any trade with China at all." He cautioned, concerning the accusations in the press: "Remember, your information is from the *New York Times*."

On May 14, *New York Times* reporter Gerth wrote an article centering on sensational leaks from the Justice Department that money given by Johnny Chung, a former Democratic Party fundraiser, to the party, had come from a top

Chinese military official through his daughter, who was an executive of China Aerospace Company. On the basis of these *New York Times* "revelations," House Speaker Gingrich called on the President to cancel his June trip to China. White House spokesman Mike McCurry foolishly dismissed the brouhaha saying, "After the dust settles . . . and some reason comes back to prevail in the halls of Congress, we'll move on, get on with the relationship."

Congress lost no time in applying its own "expertise" in rocket science to the blossoming scandal. But testimony by witnesses, from the standpoint of the China-hawks, was disappointing. On May 21, before the Senate Governmental Affairs Committee, John Pike, security expert for the Federation of American Scientists, ridiculed the proceedings as a "kangaroo court" and a new McCarthyism aimed at the President. He stated that while it is possible that some technical information did pass to the Chinese, "there is no 'secret ingredient' to American rocketry that could produce startling breakthroughs for the Chinese." As to whether American technical information improved Chinese ICBMs, Pike said, "There is no indication that this has in fact happened, there is little reason to anticipate that it will happen, and even less reason for American concern, should it happen."

Undeterred, within a month of the *New York Times*' "revelations," Gingrich called for the establishment of a congressional committee to investigate the charges that the Clinton Administration's "liberal" trade policies, fuelled by political payoffs, had transferred advanced technology to China that could damage the national security of the United States. On June 18, the House passed Resolution 463, authorizing a Select Committee to investigate a "range of issues" relating to technology transfer to China. Rep. Christopher Cox (R-Calif.) was appointed the chair of the House Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China. Senate Majority Leader Trent Lott (R-Miss.) set up a companion, though less publicized, committee in the Senate.

But the Republican-controlled Congress was not waiting for evidence to begin legislatively dismantling the Clinton Administration's policy of constructive engagement with China. On May 20, the House approved four measures designed to limit satellite and high-technology exports to China. It also passed a non-binding "sense of the Congress" resolution, urging President Clinton not to enter into any new agreements with China involving space or missile technology during his upcoming June summit in Beijing. The resolution stated categorically that the granting of a waiver to Loral Space and Communications earlier in the year, was "not in the national interests of the United States."

By July 14, Senator Lott, impatient with the slow pace of the investigation and requests by some Senators that there be some deliberation on the matter, delivered an "interim report," stating that 13 Senate hearings had been held, by four committees, hearing 32 witnesses. Ignoring what most of the witnesses had testified to, Lott simply asserted that "China

has received military benefit from U.S. satellite exports.” This had been contradicted in Senate hearings by the Undersecretary of Defense, the Director of the Defense Technology Security Administration, and the Principal Deputy Undersecretary of Defense for Policy. Even Senate Intelligence Committee Chairman Richard Shelby (R-Ala.) found this hard to take, stating, “I have not made any preliminary judgment as to where we are at this time. We’ve only had six hearings.”

Throughout the Summer of 1998, more than two dozen hearings were held, and as the hearings droned on, the press, and probably some of the Congress, realized there was no treason against the United States to be found.

By October, the Cox Committee had held 26 closed-door briefings and additional public hearings without turning up any convincing evidence that national security had been compromised through the launch of U.S. satellites on Chinese rockets. The Committee therefore decided to expand the scope of its investigation, or fishing expedition, to include supercomputer and precision machine-tool exports to China—both of which were readily available to the Chinese from non-U.S. vendors. This move would open the door for a potentially much bigger scandal, which would come along to save the China-hawks’ day.

## The Nuclear Spy Hoax

According to his own account of events, Notra Trulock, former director of intelligence at the Department of Energy, said that the Cox Committee hearings finally gave him the opportunity to present to Congress charges he had been investigating—probes which had been thwarted by the DOE and the FBI for lack of evidence—that China had obtained classified nuclear weapons intelligence through Chinese-American spies in the DOE’s nuclear weapons laboratories.

On Sept. 1, Trulock met with the Cox Committee staff in a closed session to discuss high-performance computers. According to Dan Storber and Ian Hoffman in their book *A Convenient Spy*, Trulock talked about how China might use high-performance commercial computers to build advanced nuclear weapons. As the authors were told by a Committee staffer, Trulock dropped a bombshell, saying these computers would be especially helpful when combined with the secrets on nuclear weapons design China had stolen from Los Alamos and Lawrence Livermore Laboratories!

On Nov. 12, Trulock was invited back to Capitol Hill to peddle his sensational story to the Committee members themselves. Trulock worked closely with the Cox Committee’s staff director Dean McGrath, in bringing this issue to the forefront. McGrath now serves as Dick Cheney’s chief Legal Counsel, fending off the calls for investigating Cheney’s role in the Iraqi weapons of mass destruction (WMD) hoax. Another of Cheney’s hatchet-men, his chief of staff Lewis Libby, was also a key player in the Cox Committee witch-hunt. It was Libby who was the main figure in the Vice President’s office in putting political “spin” on the phony

information given to the Congress about Iraqi WMD.

The Congressmen were floored by Trulock’s testimony. Trulock later described the reaction of Rep. Norm Dicks (D-Wash.), the ranking Democrat on the Committee, as “apoplectic.” The anti-China lobby had what it had aimed for. As Rep. John Spratt (D-S.C.) later stated: “The Cox Committee had been cranked up expecting to find some significant lapse of security in the satellite launches. Instead, we went into the Fall with a ho-hum set of findings that weren’t going to alarm anybody. And then Notra Trulock comes along with a story of nuclear espionage.” Trulock came back for one more hearing before the Cox Committee on Dec. 16, 1998, as it was preparing the final version of its report.

The Cox Committee completed its report on Jan. 1, 1999. Five months of wrangling with the White House ensued, over how much of its more than 1,000-page tome could be released to the public. The Administration was well aware that the previous year’s satellite scandal had been upstaged by charges of nuclear weapons espionage, which was now by far the most potentially damaging aspect of the report. According to various sources, the White House decided to start to leak part of the Committee’s findings, fed to it by Trulock, before the official release, to try to blunt the propaganda impact.

Using cartoon-like cloak-and-dagger and guilt-by-association methods of evidence gathering, Trulock had decided that at least one of the Asian-born scientists working at the weapons laboratories had spied for the People’s Republic of China. While some evidence of relatively minor infractions had been uncovered, China watchers had convinced themselves that the designs for the American W70 enhanced radiation warhead, or neutron bomb, and the W88 advanced nuclear warhead had been stolen by the Chinese. Their evidence consisted of the fact that the Chinese had tested similar weapons, and the assumption that Chinese scientists could never have developed the technology on their own.

The hair-raising descriptions of the importance of these weapons led to the highly exaggerated claim that the Chinese had stolen the “crown jewels” of America’s nuclear arsenal. If the charges were to be believed, as the Cox Committee claimed—that the Chinese were planning to aggressively take over Taiwan, and also aim its new arsenal at the United States—then these “stolen secrets” were a matter of the highest breach of national security.

While the White House and the Republican-controlled Congress wrangled over how much of the Cox report could be declassified, juicy leaks started to appear. On Feb. 17, Walter Pincus revealed in the *Washington Post* that the U.S. weapons labs had Chinese spies, making the Cox Committee accusation public for the first time. The timing was not accidental.

On Jan. 12, President Clinton had sent to Congress the formal certifications and report required by law to implement the U.S.-China Agreement for Peaceful Nuclear Cooperation, which had languished since it was signed in 1985. The President’s action followed talks he held with China’s leader Jiang



*Dr. Wen Ho Lee's family, co-workers at Los Alamos Lab, and Asian-American organizations carried out a campaign to have the computer scientist, accused of passing nuclear weapons secrets to China, released from prison. An unprecedented protest was also made by the nation's scientific establishment.*

Zemin in Washington the previous October, when President Clinton had announced that he would certify that China had met, or was in the process of meeting, non-proliferation concerns. A few weeks later, Commerce Secretary William Daley was scheduled to visit China to discuss the bids of U.S. companies to build commercial nuclear power plants in China. And in April, Chinese Prime Minister Zhu Rongji was scheduled to make a state visit to Washington.

On March 6, 1999, Jeff Gerth and James Risen wrote an article in the *New York Times* quoting "unnamed Administration officials" stating that espionage by China, believed to have occurred in the mid-1980s, would lead to a "leap" in its development of miniaturized bombs, using secrets stolen from Los Alamos.

"At the dawn of the Atomic Age, a Soviet spy ring that included Julius Rosenberg had stolen the first nuclear secrets out of Los Alamos," Gerth and Risen wrote. "Now, at the end of the Cold War, the Chinese seemed to have succeeded in penetrating the same weapons lab." The article stated that the FBI had been investigating an unnamed Chinese-American computer scientist at Los Alamos, and complained that the Bureau had dragged its feet, evidenced by the fact that there had been no arrests. But after "prodding from Congress, and the Secretary of Energy," the reporters stated, government officials finally administered a lie detector test to the "main suspect," which he failed. (This was later shown to be a lie.)

The *Times* article referred to the testimony the previous Fall to a closed Cox Committee session by Trulock—who had come to the meeting armed with his bachelor's degree in political science. Accusations that the Administration had

covered up this national security scandal were countered by National Security Council official Gary Samore, who had been dealing with the Chinese on non-proliferation issues. Samore told the *Times* that the NSC did not accept the Energy Department's conclusion that Chinese advances in nuclear technology stemmed from the theft of U.S. secrets. (Two weeks later, the *Times* would brag that it was its article that got the "nuclear spy" Wen Ho Lee fired.)

Senator Lott immediately called for hearings, and for sanctions against the Administration's China policy. Soon after, it was revealed that the computer scientist who was accused of giving away America's nuclear "crown jewels" was one Wen Ho Lee. On March 10, Energy Secretary Bill Richardson announced that Dr. Lee had been fired. He also announced that more than

1,000 laboratory scientists who handle classified material would be given polygraph tests. This policy would, over time, result in the exodus of Asian-American scientists from the weapons lab, demoralization among all of the nuclear scientists, and a fall-off in foreign scientists coming to the United States—creating a real threat to national security.

The Administration initiated two investigations of its own into the Cox Committee's accusations. An independent panel convened by CIA Director George Tenet, headed by Adm. David Jeremiah (ret.), confirmed what the CIA had earlier concluded—that Trulock's conclusions about Chinese access to nuclear secrets were uncertain. It also pointed out that China traditionally has had a nuclear *deterrent*, not an offensive strategy. The review by the President's Foreign Intelligence Advisory Board, led by former Sen. Warren Rudman (R-N.H.), concluded that there was no hard evidence that Wen Ho Lee, or anyone else at Los Alamos, was the source of any classified information obtained by China.

As the furor grew, Chinese Prime Minister Zhu Rongji, after a meeting with President Clinton on April 8, was asked to respond to the allegations that China stole nuclear secrets from U.S. weapons laboratories. "As a senior engineer, I've been in charge of the industry in China for more than 40 years," Zhu explained. "and I have never known any of our most advanced technology came from the United States." More broadly, the Prime Minister said that "technology development, or technologies, are the common heritage, or common property, of mankind, and in scientific inventions, actually all roads lead to Rome." He named some of the scientists who have led China's space and nuclear programs, and said

that although many studied abroad, what they brought back to China was not secrets, but their brains.

Meanwhile, the FBI was threatening Wen Ho Lee that he would end up like the 1950s nuclear spies, the Rosenbergs—that is, electrocuted—and an hysterical press and Congress carried out one of the most disgraceful, deceitful, politically motivated witch-hunts in American history. After the release of the Cox report in May 1999, new rounds of hearings were held in Congress, and daily news media leaks fuelled the fantastic allegations. At the same time, bits of interesting information also surfaced, which quickly began to discredit the entire case against Dr. Lee. This included the fact that alleged nuclear spy Dr. Lee's wife Sylvia was an "informational asset" of the FBI, reporting to the Bureau on the activities of Chinese scientists who came to visit the United States. And that Wen Ho Lee was originally from Taiwan, not "Communist China," and would have no "ethnic" reason to spy for the People's Republic of China.

It also became public that the Lees were *requested by Los Alamos* to make trips to China, and that every one they made was approved by the Lab. In addition, an undercover sting operation run by the FBI in 1998 to try to get Dr. Lee to spy for China, was met with a rebuff. It began to look less and less as though this Asian-American computer scientist was "a bigger threat to national security than the Rosenbergs."

Over the Spring and Summer, while Notra Trulock became the star witness for the prosecution, the nation's most eminent scientists mobilized a counter-attack.

Nuclear physicist Edward Teller, the elder statesman of nuclear weapons design, wrote in a commentary in the May 14, 1999 *New York Times*, that even if there were Chinese spying, this case should not be compared to that of Klaus Fuchs and the Soviet Union 50 years ago. Chinese scientists, Dr. Teller stated, "have had 50 years to consider the possibilities that we kept secret." What most disturbed Teller was that on March 15, Senator Shelby had asked the DOE to suspend parts of an exchange program involving more than 20,000 foreign scientists. "At present," Dr. Teller wrote, "the proposed remedy is more security. . . . Let us remember that past military successes have been accomplished by remarkable people from abroad, for instance, Enrico Fermi. I claim that our continuing security is acquired by new knowledge, rather than by conserving old knowledge."

On May 25, the much-anticipated 700-page declassified version of the Cox Committee report was released to the press. Its conclusions were sweeping, categorical, and wholly without foundation. The first conclusion was that "the People's Republic of China has stolen design information on the United States' most advanced thermonuclear weapons." The second was that the "Committee judges that elements of the stolen information on U.S. thermonuclear warhead designs will as-



*On Sept. 13, 2000, with an apology from the judge, Dr. Wen Ho Lee was freed. Even the New York Times apologized in print for its role in the witch-hunt. In December 2000, Dr. Lee celebrated his 61st birthday with family and friends.*

sist the P.R.C. in building its next generation of mobile ICBMs." And the report went on from there.

At the press conference where the report was released, under Representative Cox's assurance that the Committee's conclusions were unanimous and bipartisan, Representative Spratt revealed that the Committee did not "have time" to actually consult with scientists who are experts in nuclear weapons science and technology! "We relied on a few witnesses out of necessity," Spratt complained. "We didn't substantiate their testimony with the experts at the national labs."

Spratt referenced a letter from former Los Alamos director Dr. Harold Agnew, who stated that no one could make a bomb from computer codes, such as those Wen Ho Lee had worked on. "We didn't have the opportunity to call witnesses like Dr. Agnew," Spratt stated.

On May 30, Dr. Agnew, director of the Los Alamos Laboratory from 1970 to 1979 when the W88 warhead had been developed, and Dr. Johnny Foster, who headed the Lawrence Livermore weapons laboratory from 1952 to 1965, responded to the Cox Committee report, and the sweeping claims of damage to national security that were being made on Capitol Hill. Both said that whatever the Chinese might have obtained through espionage, would only have added to what its scientists already knew. Dr. Agnew revealed that the original W88 design went back to the 1950s. "The Chinese physicists certainly have the brains to develop their own weapons," Dr. Agnew stated.

By June, the press was reporting that it was "unlikely" that Wen Ho Lee would face charges of spying. The *New York Times* even reported that there were no witnesses, there was no motive, and there was no evidence that Lee was "ideologically allied with Beijing." In September, Robert Vrooman, who headed counterintelligence at Los Alamos from 1987 to 1998, revealed that Notra Trulock's entire inquiry had been marred by a racist bias against Chinese-Americans. Vrooman also



*President Clinton reviewed Chinese troops during his June 1998 visit to Beijing. The President's attempt to engage China in a policy based on mutual self-interest and economic engagement was, at every step, sabotaged by adversaries who now advise President Bush.*

noted that one secret document describing the advanced W88 nuclear warhead had been mailed to 548 addresses in the government and the military!

But months of constant scare headlines had taken their toll, with the Clinton Administration defensively repeating that it had not dragged its feet on finding nuclear spies. On Dec. 10, 1999, Wen Ho Lee was indicted by a grand jury on 59 felony counts, including the charge that he had removed classified nuclear weapons data "with the intent to injure the United States and with the intent to secure an advantage for a foreign power." This was the first such indictment ever under the 1950s Atomic Energy Act.

In judicial hearings over the next eight months, Dr. Lee was refused bail, because government witnesses made fantastic claims that, were he free, the national security of the United States would be at risk. Dr. Lee was kept in solitary confinement. Even the usually apolitical scientific community wrote letter after letter protesting the conditions of his confinement.

Finally, on Aug. 24, 2000, Judge James Parker released Lee on \$1 million bail, and five days later, ordered the government to turn over thousands of pages of classified materials to him, so he could determine if Lee had been unfairly singled out for prosecution because he is a Chinese-American, as was being charged by the defense. By then Judge Parker knew that the Justice Department would rather drop the bogus charges than turn over the classified information, which would have exposed its show trial for what it was.

On Sept. 13, with the government's concurrence, Judge

Parker accepted Dr. Lee's plea of guilty to one count of mishandling sensitive data, dropped the other 58 counts against him, and made an extraordinary public statement of apology to Dr. Lee. One newspaper cartoon showed Dr. Lee and his lawyer standing in front of Judge Parker. The judge is saying: "Of the 59 charges, we're dropping all but one: making the federal government look like idiots."

"Dr. Lee," Judge Parker stated, "I tell you with great sadness that I feel I was led astray last December by the Executive Branch of our government through its Department of Justice, its Federal Bureau of Investigation, and by its United States Attorney for the District of New Mexico." He scored the leadership of the Departments of Energy and Justice as responsible, and concluded, "They did not embarrass me alone. They have embarrassed our entire nation and each of us who is a citizen of it."

### **Just Barely Holding On**

Despite all of the attempts to wreck his China diplomacy, in 1998 President Clinton visited Beijing, spending an unprecedented nine days in China. On June 12, he invited a group of Chinese reporters in to speak with him at the White House on the eve of his trip. "I think we should be partners for stability and security in Asia," President Clinton told them. "The Chinese recently led our five-party talks on the situation in South Asia as a result of the nuclear testing by India and Pakistan. That's just one example. The work we're doing together to promote peace on the Korean Peninsula is another. The work

we're doing together to try to promote stability and to restore growth to the economies of Asia is another."

President Clinton's June 1998 visit to Beijing was, however, coming under fire from the chicken-hawks. They warned him not to agree to a formal ceremony at Tiananmen Square, with Gingrich getting the House to pass a resolution to that effect. Unable to change the site of the official reception, the President did get an agreement to give a speech to students at Beijing University, which was televised live to Chinese audiences. The Chinese went one step further, and allowed the Clinton-Jiang press conference to also be televised live.

Speaking to the students at the university, Clinton underlined his vision for China's future role in the world: "For all the grandeur of your history, I believe your greatest days are still ahead. Against great odds in the 20th Century China has not only survived, it is moving forward dramatically. Other ancient cultures failed because they failed to change. China has constantly proven the capacity to change and grow. Now, you must re-imagine China again for a new century, and your generation must be at the heart of China's regeneration. The new century is upon us. All our sights are turned toward the future. Now your country has known more millennia than the United States has known centuries. Today, however, China is as young as any nation on Earth. This new century can be the dawn of a new China, proud of your ancient greatness, proud of what you are doing, prouder still of the tomorrows to come. It can be a time when the world again looks to China for the vigor of its culture, the freshness of its thinking, the elevation of human dignity that is apparent in its works. It can be a time when the oldest of nations helps to make a new world."

Later, speaking in a roundtable discussion with local residents in Beijing on June 30, the President for the first time made public his commitment to the "three no's."

But despite the major gains, Clinton's China policy was unraveling. While the President would survive the impeachment, the public spectacle became a continual distraction, making it difficult for him to stay engaged in China policy. There was no cooperation whatsoever from the Republican side with regard to China or any other matter by that point. As one former Clinton Administration official put it: "The conservatives attacked and attempted to undermine everything that the President did on this front. It made it very difficult to formulate policy."

Two months after President Clinton's visit to China, the chicken-hawks issued a statement, under the rubric of the Project for a New American Century, effectively calling for an end to the "One China" policy. "Efforts by the Clinton Administration to pressure Taipei to cede its sovereignty and to adopt Beijing's understanding of 'One China' are dangers and directly at odds with American strategic interests, past U.S. policy, and American democratic ideals," the statement said. The time for strategic and moral "ambiguity" is past.

"We urge the administration and leaders to make a clear statement of America's commitment to the people of Taiwan." Among the signators of the statement were John Bolton, Robert Kagan, Paul Wolfowitz, James Woolsey, Elliott Abrams, and William Kristol.

The end phase also found President Clinton much too preoccupied in a near-suicidal attempt to assist Al Gore in his bid for the Presidential nomination. When Clinton was unable to attend the Asia-Pacific Economic Cooperation (APEC) summit in Kuala Lumpur, Malaysia, in November 1998, he sent Gore, who, at a dinner for the APEC Business Summit, issued a clarion call for anti-government "democracy" movements in the APEC nations, including the host country of the summit, Malaysia, after which he demonstratively walked out of the dinner. Less damage to the reputation of the United States in Asia would have been done if no one had been sent at all.

Then, in 1999, during the military actions against Belgrade, NATO forces bombed the Chinese Embassy in the city. Although the Administration claimed that the bombing had been due to "faulty intelligence," the strong suspicion remained that somebody somewhere in the chain-of-command really wanted this to happen and, in all likelihood, it was perpetrated by the same people who wanted Clinton's China policy to fail. As LaRouche warned in a statement on June 25, 1999, "The situation is now rapidly developing, in which President Clinton's failure to concede that the bombing of China's Belgrade Embassy was no accident, is becoming a crucial element in a pattern of developments now leading in the direction of potential nuclear war among great powers and others."

Clinton's silence on the issue allowed the bitterness to fester. "In 1999, it all fell apart," as one Clinton official with responsibility for China policy put it. As another said, "China fatigue was setting in." The Embassy bombing was perhaps the last nail in the coffin for the Clinton China policy. A chill set in, which in spite of Clinton's success in getting Congress to give China Permanent Normal Trade Status in the last part of his Administration, never entirely disappeared, and was exacerbated by the new Bush Administration's announcement that China was now a "competitor" to the United States.

The Clinton Administration tried to change the rules of the game as the world entered the new century, away from geopolitics toward what LaRouche characterized as a "community of nations" orientation. The chicken-hawks had their own gameplan, as we have seen it develop after Sept. 11, in their drive toward imperial-style wars in Afghanistan, Iraq, and, if given the chance, many other places of the world.

If the Bush Administration comes to its senses and embarks on a policy for pulling the United States and the world out of the worst financial crisis in history, it will have to throw all of these neo-con vultures out of government service. If it fails to do so, they will come back to destroy him in the same way they attempted to do with his immediate predecessor.