

WHEN THE BERLIN Wall collapsed in late 1989, taking the Warsaw Pact with it, China was in the international doghouse because of the Tiananmen massacre. China's leaders warned Western countries that they needed China's friendship more than they appreciated, so with the Gulf crisis came an opportunity for China to recoup some lost international stature. By supporting American-led actions in the UN Security Council, China regained access to World Bank loans, saw an end to European Community sanctions, and went ahead, more or less unhindered, with secret trials of the democracy activists.

The "new world order" is, however, not entirely to Beijing's liking.

In the first place, the end of the Cold War has dissolved the "strategic triangle" within which Beijing has routinely manoeuvred. China is used to leaning towards one superpower or another in order to assure her own security and evade capture by any one bloc. While the Bush administration has been extraordinarily sensitive to Beijing – for the sake of maintaining close ties, the US has sidestepped its own policies stemming from the events of 4 June – China's role in the current Middle East crisis has been marginal.

Beijing has a few interests in the region. Not only did it supply arms to Iraq (as well as to Iran, Saudi Arabia and now Syria), but in recent years, Iraq was the principal purchaser of Chinese construction labour for its military and civilian infrastructure. China lost billions of dollars in hard currency because of the sanctions imposed on Iraq, and is now unlikely to recover debts dating back to the Iran-Iraq war. However, Beijing's most important misgivings stem from the strategic implications that flow from the war.

BEIJING MAY HAVE OBTAINED CONCESSIONS IN RETURN FOR ITS SUPPORT IN the UN and abstention on the all-important resolution 678, but it did not gain in the long run. Beijing clearly preferred a peaceful "Arab" solution to the crisis, and while urging Iraq to withdraw from Kuwait, it continued to express this preference even after the coalition assault began in January. Now China faces the alarming prospect of a "Pax Americana" – a triumphant United States as sole superpower overshadowing any distinctive "Third World" perspective in world affairs.

Chinese foreign minister Qian Qichen, during a recent visit to Europe, emphasized China's self-styled role as "the world's largest developing country," and analyzed the Gulf crisis in terms of the North-South problems which the Cold War had obscured. Deng Xiaoping has publicly blamed the US for the disturbances at Tiananmen. He reportedly exclaimed, "we did nothing at all to you, and look what you did to us." In his mind, a Pax Americana will inevitably put even greater pressure on China's political system.

As vindication of their own steadfast opposition to the democracy activists, he and his colleagues seized upon Mikhail Gorbachev's rightward shift in domestic policy. As one Communist Party document put it, "the violent unrest and evolution of some socialist countries further proves that the decisions and measures taken in our country to suppress the counter-revolutionary rebellion in 1989 were totally correct."

With Gorbachev placing limits on reform, they see him as a more reliable ally in the strategic competition. China has offered the Soviet Union a large commodity loan valued at one billion Swiss Francs. This deal sends desperately needed Chinese foodstuffs and consumer goods to the Soviets. In return, the USSR is ready to sell China Sukhoi-27

BEIJING SAILS INTO ADVERSE WINDS

*Beijing's aging leadership is not pleased
with the United States' triumph in
the Persian Gulf.*

BY JEREMY PALTIEL

fighter aircraft. In addition to upgrading defence capabilities, the sale symbolically challenges the Americans, who, after Tiananmen, suspended an earlier agreement to provide advanced avionics for Chinese military aircraft.

A steady stream of high-ranking Soviet officials has visited Beijing in recent months. In February, Gorbachev dispatched Deputy General-Secretary of the Communist Party, Vladimir Ivashko to Beijing. The General Secretary of the Chinese Communist Party, Jiang Zemin, visited Moscow in return. Chinese Premier Li Peng expressed his "sincerest hopes" for the

stable development of the USSR in another meeting with a Politburo member, and finally on 1 April, Soviet Foreign Minister Bessmertnykh announced, with some satisfaction, that Sino-Soviet relations were now "completely normalized." To underscore this new degree of cooperation, in early May, Dimitry Yazov made the first visit in nearly thirty years of a Soviet Minister of Defence to the People's Republic.

China's recent refusal to cooperate with Hong Kong over building a new airport, and a truculent attitude towards American concerns over China's massive trade surplus, signal a hardened attitude towards the West. According to Mao Zedong's theory of contradictions, the US now represents the greater threat to Chinese interests, a perspective which would make a united-front strategy with the Soviets appropriate. Efforts at rapprochement with Moscow can also be seen as an attempt by China to preserve the socialist "community of nations."

THE OVERWHELMING DOMESTIC DIFFICULTIES CONFRONTING THE USSR, and China's own latent instability, could well make these moves irrelevant. China faces not only an ascendant US, but also the rising strength of Japan. While Chinese policymakers might hope that US-Japan trade frictions will preoccupy the two economic giants to China's advantage, they must be concerned about Japanese efforts to establish Asia as its own sphere of economic influence. For this reason, even the prospect of a smaller Soviet Union or a revived Russia will not derail improvements in Sino-Russian relations.

Under former External Affairs Minister Joe Clark, Canada cautiously accepted a longstanding Soviet initiative for creating an Asia-Pacific security system – a project towards which the US is lukewarm at best. Exploratory talks on the issue were held in Victoria in April. The Japanese have made it clear that they want no part of such an arrangement, and Soviet "new thinking" has yet to find favour in Tokyo. Gorbachev's long-anticipated visit to Japan in April, ended without agreement over outstanding territorial disputes. China was not displeased by this eventuality, since it will remain a privileged locus for Japanese investment, while retaining a pivotal political and security role between the Soviet Union and Japan.

Opposition to hegemony is a cornerstone of Chinese foreign policy. When the sovereignty of Kuwait was at issue, China was cooperative at the UN. However, the prospect of a new American pre-eminence alarms her much more. Mao Zedong preferred chaos over order, and the aging rulers in the Forbidden City will reject the "new world order" also. From where they sit, a divided world still provides the best security for China and for themselves. □