

Statement to U.S. Senate Subcommittee on East Asia, the Pacific, and International Cybersecurity Policy

“American Leadership in the Asia-Pacific, Part 4: The View from Beijing”

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Chairman Gardner and Ranking Member Markey,

Thank you for the opportunity to testify in your series of hearings on American leadership in the Asia Pacific. I understand today’s subject is Part 4, “The View from Beijing.” Your letter of invitation raised seven specific questions. When I was a Senate staffer for the Budget Committee, the Labor and Human Resources Committee and the Foreign Relations Committee, I noticed Senators appreciated not only short answers but also information that would be relevant to legislation or possible initiatives. In that spirit, I address your seven questions first, then I want to provide you with some background reading that supports my answers, not for today but for your next long flight overseas – a new view of the declassified evidence of “how we got here” in terms of today’s US-China relationship. My thesis in *The Hundred-Year Marathon* is while Americans have the illusion we have been managing China’s rise, the truth is the other way around - China has been doing a much better job of managing America’s decline. I agree with both Henry Kissinger and Professor Graham Allison’s effusive praise of the assessment of China by former Singapore Prime Minister Lee Kuan Yew. Allison wrote, “The rise of China is the issue about which Lee undoubtedly knows more than any other outside observer or analyst.” However, both Allison and Kissinger do not pay sufficient attention in my view to the implications for us of Lee Kuan Yew’s most important finding. Lee wrote, “It is China’s intention to be the greatest power in the world....” Of course, we should never overestimate China’s power or ability to surpass us, but more and more of allies are saying quietly, “that the way to bet.” My book advocates 12 steps for a new strategy toward China, which I will not elaborate today. I have read the testimony of your three prior hearings and largely agree with your earlier witnesses on both the economic side and the security issues. As well, Chairman Corker held an insightful hearing on how to improve security cooperation with both General Charles Hooper, head of DSCA and a mandarin-speaker who served twice in Beijing, as well as State Department witnesses on the difficulty of coordinating State and Defense when so many senior positions are still vacant.

Your first four questions concern China’s intentions in the Asia Pacific, what is President Xi Jinping’s vision, what are the main takeaways from the recent 19<sup>th</sup> Party Congress, and how does the Chinese leadership view the United States and its role in the region.

The answer to all four questions is, in one word, “continuity.” China’s leaders are continuing to implement a largely secret set of policy decisions made about 40 years ago. The Chinese leadership abandoned its earlier strategies of first allying with the Soviet Union in the 1950s and then going it alone in the 1960s. Some of their policy ideas were uniquely Chinese, especially about the slow pace they would follow, and others were derived from their deep relationship with the World Bank beginning in the 1970s. In the 1980s, the World Bank opened its largest office in the world in Beijing. China’s leaders sought and followed advice from World Bank and IMF officials, and from many Nobel prize winners in economics, and even from Goldman Sachs, as told in detail in former Treasury Secretary Hank Paulson’s book *Dealing with China: An Insider Unmasks the New Economic Superpower*. They set up a national policy which has been correctly labeled mercantilist and even predatory. Many have criticized them, and an innovative report from ITIF called the *World Mercantilist Index* has consistently scored China to be Number One. China’s response has been ignoring this criticism and to imply that reforms are coming – someday. Some Chinese authors cite American history in the century from 1820 to 1920 as their model for government-assisted growth through these predatory practices.

Your second set of three questions focuses on US policy, asking specifically how US-China policy should take into account China’s intentions, whether the Obama Administration’s Asia pivot or rebalance policy succeeded in deterring Chinese destabilizing activities, what policy the Trump Administration should pursue to improve US policy toward the Asia Pacific and China, and how to assess President Trump’s recent visit to the region. I thought the President’s Asia trip was a success, particularly in its focus on multi-lateral and alliance relationships with ASEAN, APEC and our military allies in Japan, South Korea and the Philippines. He laid an excellent foundation for his future visits to the region.

I would also answer your three questions about US policy with just one word, “innovation.” My own advice to the Trump Administration as a transition adviser has been simple. We need a holistic approach led by the President himself who alone can coordinate the Defense Department, USTR, Commerce, Treasury, and important elements in the State Department in designing new strategies to deal with the issues of trade, security cooperation, and multilateral coordination.

In my view, it is way too soon to judge whether the Trump Administration will have the leverage to significantly change Chinese predatory practices, a concern that has been publicly raised by USTR Ambassador Bob Lighthizer. My view has been that we need to press the Chinese toward reforms by working with our allies, not alone. We also need to be aware of our allies inside China who have been frustrated or even punished for their advocacy of real reforms. Cato Institute has honored an economic reformer named Mao Yushi, but it was not widely reported. Too few know the specific reforms advocated by the late Liu Xiaobo whose writings were made available in a book by Professor Andy Nathan of Columbia.

There are specific policy areas where a holistic strategy should be designed. I recommend that the State Department take the lead in advising the President on how to coordinate the

timing and implementation of all the components that a new strategy for the Indo-Pacific will need. Many do not include all these components, and many areas too often go uncoordinated such as the democracy promotion funds at USAID and State, and the Asia program of the National Endowment for Democracy. Pacific Command is not just a DoD combatant command, but often offers ideas in overall strategy, civil aspects of security cooperation, and the rule of law.

In the long term, one of first challenges is Congress should require the State Department's Bureau of Intelligence and Research [together with the entire IC and DoD] to present to the Congress a genuine assessment of the US-China military balance, [to include future technology issues]. An outline of how to assess this balance has been suggested in an alarming Rand report called *The US-China Military Scorecard, 1996-2017*. The current annual DoD report to Congress that has been required since 2000 under the NDAA does not directly compare the military "scorecard" of the US and China, yet many textbooks teach us that the underlying military balance has a decisive impact on our diplomacy and on deterrence.

We do not want our allies to doubt that the Indo-Pacific military balance favors us in the long term. Andy Marshall at the DoD Office of Net Assessment studied this issue at the initial direction of Henry Kissinger in 1973. One of his findings was that perceptions of a declining military balance can be as important as a real decline. We took many initiatives based on Andy Marshall's insights largely about the Soviet Union. Congress needs to request similar studies of the future military and technological balance with China. The trend may be against us if the forecasts are correct Chinese economic growth in PPP has already surpassed us.

The second set of State-Department led policies must include specific steps in the fields of trade and technology protection that fall to many different departments and agencies:

- 1] more lawsuits at the WTO,
- 2] comprehensive CFIUS reform,
- 3] a mechanism through which we can coordinate restrictions on Chinese investment with our European allies, and
- 4] a large increase in federally funded R&D to return to the level of three decades ago,
- 5] publishing a list of Chinese companies engaged in IP theft and unfair trade practices to inform potential litigants to of possible legal targets,
- 6] measures to provide US companies and US government regulators a better understanding of Chinese state-owned entities in the US,
- 7] amendment of the Foreign Sovereign Immunities Act to and the Economic Espionage Act to protect ourselves, and

8] developing comprehensive responses [particularly with India] to China's Belt and Road Initiative and [with the European Union] to the new "Made in China 2025" plan.

9] an inventory of the official programs and activities we undertake to assist China's growth.

10] intelligence efforts reduce industrial espionage and cyber theft.

All of these steps face a challenge. Americans tend to assume falsely that we have been in charge of relations with an essentially benign and economically inferior China. One of the great lessons of history Americans have been taught over the years is that President Richard Nixon and Henry Kissinger took a brilliant strategic initiative to "open" a backward, internally-focused China. But what if China has been more successful in taking initiatives against us – from the start?

In a little-noticed sentence in his book *On China* published in 2011, Dr. Kissinger has correctly changed the dramatic narrative of a unilateral American diplomatic initiative. Instead, he revealed new Chinese materials and admitted there was a "parallel" effort inside China to "open" America. Indeed, he lists five times when he and Nixon actually turned down the earliest Chinese initiatives. My book *The Hundred-Year Marathon* presents even more evidence. I was permitted by the CIA, the FBI and the Defense Department to use both new American declassified documents and new Chinese materials to show that the foundation of US-China relations is very different from what has been taught in earlier historical accounts. This new history has been well-received – *The Hundred-Year Marathon* was a # 1 national best seller and translated into Japanese, Korean, and two different Chinese editions in both Taiwan and China. One reaction to this newly history is that the prospects for future US-Chinese cooperation are much greater than most had assumed. Conversely, the prospects for a US-China war are more remote. Strangely, there are at least six American or British books about the growing likelihood of an American war with China. There are none about the likelihood of a "G-2" style era of strategic cooperating with China. The books are all useful, with dramatic titles like *The Coming Conflict With China*, *The Coming China Wars*, *The Next Great War*, *China's Coming War with Asia*, and my personal favorite by Graham Allison, *Destined For War: Can America and China Escape the Thucydides Trap?*

My own view is that President Trump is on the right track to pursue strategic cooperation with China. He has even acknowledged in his own books and speeches a deep admiration for how smart Chinese strategy has been.

But the problem of complacency threatens us. Too many believe China will not be a challenge because it will collapse long before surpassing us. Others claim we have been in charge of China since 1969 and that China has no strategy, but is merely muddling through. Is this true?

How Did We Get Here? *The Hundred-Year Marathon since 1969:*

Nixon and Kissinger have admitted that in their first months in office, their focus was on improving relations with the Soviet Union. They had no desire to provoke the Soviets' ire by dallying with China. Indeed, in many ways, it was not Nixon who went to China, but China that went to Nixon. In the case of each American president, Beijing's strategy seems to have been a product of brilliant improvisation—constant tactical shifts combined with shrewd assessments of the internal differences among the main players in Washington debates. In their assessment of *shi vis-à-vis* the United States, China's leaders benefited from something considered to be of critical importance during the Warring States period: a well-placed spy in the enemy's ranks.

A forty-year employee of the CIA, Larry Wu-Tai Chin, was accused in 1985 of engaging in decades of espionage on behalf of China. Chin was accused of providing countless classified U.S. documents regarding China to the Chinese government, charges to which Chin pled guilty in 1986. While confessing to a judge, Chin declared that he acted as he did to promote reconciliation between the United States and China. Shortly thereafter, he was found by a guard asphyxiated in his prison cell. Larry Chin seemed to admit to the judge he revealed our planning and weaknesses to the Chinese government so Beijing could have been highly effective in getting all it wanted.<sup>1</sup>

America, in contrast, has not had similarly placed informants to provide direct insight into Chinese strategic thinking. Because we also lack access to internal Chinese policy documents, this chapter attempts to unearth the motivations of China's leaders during the time of renewed relations with the United States through the end of the Reagan administration by examining U.S. accounts of what appeared to be driving China, as well as another open-source information that has emerged since.

Unlike the United States, China has not released, nor is it likely to ever release, official internal records showing how Chinese leaders were able to obtain essentially all of the major economic, military, and diplomatic-political assistance it sought from the last eight U.S. presidents, from Richard Nixon through Barack Obama. However, there do appear to be consistent strategic approaches followed by Beijing that have been acknowledged in general terms in interviews of and articles by Chinese scholars. The nine elements of Chinese strategy (introduced in chapter 2) help us to better make sense of China's past and prospective actions. The use of deception, *shi*, patience, and avoiding encirclement by the Soviet Union are all apparent. In particular, the nine key elements of Chinese strategy have guided China throughout its decades-long campaign to obtain support from the United States to increase China's strength.

There is wide agreement that in the late 1960s, with their outsize ambitions exposed to the Soviets, with whom they were on the brink of military confrontation, China sought out a new benefactor. For ideas about how to make America a friend—or, to be more precise, a temporary ally—Mao turned to the military rather than to his diplomats.

Many Americans discounted the influence of China's hawks. They were surprised to learn that the military secretly designed China's opening to America. In the spring of 1969, Mao

summoned four hawkish army marshals who wanted to end China's decade of passivity and instead to stand up to the threat of the Soviet Union—Chen Yi, Nie Rongzhen, Xu Xiangqian, and Ye Jianying.<sup>2</sup> These marshals summed up the American strategy toward the Soviet Union and China in a Chinese proverb of “sitting on top of the mountain to watch a fight between two tigers.”<sup>3</sup> In other words, they believed America was waiting for one Communist country to devour the other, and they thought in terms of ancient lessons from the Warring States period.

In May 1969, Mao asked them for further recommendations. According to Kissinger, the marshals' private secretary recorded that the group discussed “whether, from a strategic perspective, China should play the American card in case of a large-scale Soviet attack on China.”<sup>4</sup> Marshal Chen Yi suggested that the group study the example of Stalin's nonaggression pact with Hitler in 1939.

Another marshal, Ye Jianying, cited the “Red Cliff strategy” pursued by Zhuge Liang, the southern commandeer who outwitted Cao Cao: “We can consult the example of Zhuge Liang's strategic guiding principle, when the three states of Wei, Shu, and Wu confronted each other: ‘Ally with Wu in the east to oppose Wei in the north.’”<sup>5</sup> In the marshals' view, America feared a Soviet conquest of China: “The last thing the U.S. imperialists are willing to see is a victory by the Soviet revisionists in a Sino-Soviet war, as this would [allow the Soviets] to build up a big empire more powerful than the American empire in resources and manpower.”<sup>6</sup>

Chen Yi pointed out that the new president, Richard Nixon, seemed eager “to win over China.” He proposed what he called “wild ideas” to elevate the United States–China dialogue to the ministerial level, or even higher.<sup>7</sup> Most revolutionary, according to Kissinger, was Chen Yi's proposal that the People's Republic drop its long-held precondition that Taiwan be returned to mainland China.<sup>8</sup>

Foreign Minister [and retired general] Chen Yi argued:

“First, when the meetings in Warsaw [the ambassadorial talks] are resumed, we may take the initiative in proposing to hold Sino-American talks at the ministerial or even higher levels, so that basic and related problems in Sino-American relations can be solved....

Second, a Sino-American meeting at higher levels holds strategic significance. We should not raise any prerequisite.... The Taiwan question can be gradually solved by talks at higher levels. Furthermore, we may discuss with the Americans other questions of strategic significance.”<sup>9</sup>

China still called the United States its enemy, describing a possible visit by Nixon as an instance of China “utilizing contradictions, dividing up enemies, and enhancing ourselves.”<sup>10</sup> In other words, the United States was merely a useful tool for China, not a long-term ally. Operating on this principle, Beijing sent a secret message to Nixon and Kissinger: since President Nixon had already visited Belgrade and Bucharest—capitals of other Communist countries—he would also be welcome in Beijing.<sup>11</sup> The message contained no hint of trust or future cooperation.

China has not released internal documents to substantiate the reasons for the decision to reach out to America, but several Chinese generals have told me that Mao's subtle approach to the Nixon administration was a striking example of identifying and harnessing shi, with some telling me that there was one moment that caused Mao to redouble his efforts: a major battle at the border of Xinjiang in northwestern China on August 28, 1969. Beijing mobilized Chinese military units along China's borders. By then, Kissinger concludes, resuming contact with the United States had become a "strategic necessity." At the United Nations in New York, I heard the Soviet version of their attack and quickly passed it to Peter and Agent Smith to inform the contentious NSC debate about the risks of reaching out to China.

In 1969, Mao was able to assess correctly the shi that was driving China out of the Soviet orbit and toward a new alliance with the West. Mao had taken two actions to accelerate this shift. The first was his invitation of Nixon to Beijing. The second was to test two massive hydrogen bombs without warning within days of each other near the Soviet border. The act served both as a show of force and as a signal to America that China sought to move away from the Soviet orbit.

Realizing the Americans still weren't quite getting the message, Mao did something on October 1, 1970, quite unusual for the committed and anti-Western Communist: he invited the well-known American journalist and author Edgar Snow to stand with him on the Tiananmen reviewing stage, and arranged for a photograph of both of them to be taken for all of China to see. Mao gave his guest a message: President Nixon was welcome to visit China. This was an astonishing invitation—the latest of several overtures by the Chinese government. Kissinger admits that Washington still did not get the message, or at the very least did not appreciate its sincerity. The U.S. government was too preoccupied with its own interests and strategies to care about China's. Thus the history of normalized Sino-American relations started off with a myth. Nixon did not first reach out to China; instead, China, in the person of Mao, first reached out to Nixon. The Americans just didn't realize it. Nor did Washington yet know that Chinese documents called America the enemy and likened it to Hitler.

As Nixon and Kissinger considered their grand strategic approach to China, I was playing a much smaller role in this drama. In the autumn of 1969, my interlocutors within the intelligence agencies, Peter and Agent Smith, requested that I brief Kissinger's staff about the information I had gathered while working as an intelligence asset at the United Nations. In my meetings with Kissinger's top advisers, I detected a sharp split on China. Two National Security Council staffers, John Holdridge and Helmut Sonnenfeldt, wrote memos that seemed to favor an overture, with neither fearing a Soviet overreaction.<sup>12</sup> But two others, Roger Morris and Bill Hyland, were opposed.<sup>13</sup> Morris and Hyland feared that any U.S.-China alliance would needlessly provoke Moscow and severely damage the administration's emerging policy of détente with the Soviet Union. Four senior American ambassadors had already met in person with Nixon to warn him that Moscow would respond to any U.S. opening to China by halting movement toward détente and arms control. These clashing memos help to explain why Nixon and Kissinger delayed the opening to China by two years. They had to be prodded by China, and

by my own reports from the Soviets at the United Nations that Moscow would not call off détente and actually expected America to accept China's deceptive offers of an alignment. Shevchenko and Kutovoy had said exactly this to me.

My evidence seemed to play a modest role in breaking this deadlock. I relayed what I had gathered so far: that the Sino-Soviet split was in fact genuine and that the Soviets expected us to open relations with the Chinese. I reported, and others verified, that senior diplomats such as Arkady Shevchenko already assumed that Nixon would improve relations with China to some degree. Their fear was only that he would go "too far" and establish military ties—something that was not then on the table. I was a strong—and, I hoped, persuasive—advocate for a Sino-American alliance. Kissinger even sent me a thank-you note later.

But there were additional factors at work that persuaded Kissinger and ultimately President Nixon to move toward Beijing. While Kissinger was still attempting to discern Chinese intentions, Senator Ted Kennedy was seeking to visit China. The Chinese even mentioned this possibility to Kissinger during his secret trip to Beijing in July 1971, consistent with Warring States concepts about manipulating hawks and doves. Nixon reacted as anticipated and instructed Kissinger to ask the Chinese to invite no other U.S. political figure to visit China before Nixon. Nixon believed, with good reason, that Kennedy was attempting to steal his thunder and become the first American politician to travel to Beijing.<sup>14</sup> Raising the possibility in public speeches of renewed relations with Communist China, Kennedy was putting together what looked to be a foreign policy platform for the 1972 presidential election.<sup>15</sup>

Another factor was China's involvement in the Vietnam War. Beginning in the 1950s, China had been supplying North Vietnam with weapons, supplies, and military advice. China had recently reduced military aid to North Vietnam and had even drastically reduced Soviet shipments through China, which further persuaded the Nixon administration to side with the pro-China camp.

The Americans would receive reassurance on this front during Nixon's visit to Beijing when Mao told the president that he was eager to remove any threat from China to the United States: "At the present time, the question of aggression from the United States or aggression from China is relatively small; that is, it could be said that this is not a major issue, because the present situation is one in which a state of war does not exist between our two countries. You want to withdraw some of your troops back on your soil; ours do not go abroad."<sup>16</sup>

Kissinger asserts that this sentence indicating that Chinese troops would not go abroad reduced the U.S. concern that China would intervene in Vietnam, as it had done in Korea in 1950.<sup>17</sup> Mao correctly recognized that this fear featured prominently in American thinking and wanted to induce complacency.

In July 1971, Kissinger made his historic secret visit to China, the first tangible realization of Mao's long-held plans. The Chinese were coy about the Soviet threat that had driven them to



reach out to the Americans. Foreign Minister Zhou Enlai referred only obliquely to “our northern neighbor” and “the other superpower.” Nor did the Chinese side initiate any further discussion on the issue of the Soviet threat.<sup>18</sup> Were they really so terrified of an attack?

During Kissinger’s subsequent trip to Beijing, in October, Zhou placed the Soviet Union on a list of six key issues on the substantive agenda, although he listed it last. After the Chinese declared that they were not opposed to improvements in American-Soviet relations, Kissinger concluded that they were displaying bravado and concealing their fear of the Soviet threat.<sup>19</sup> Kissinger warned Zhou of Moscow’s “desire to free itself in Europe so it can concentrate on other areas.”<sup>20</sup> “Other areas” meant the People’s Republic of China.

But there were glimpses even then that the Chinese saw the United States not as an ally but as an obstacle. Referring to the United States, Zhou offered a hint of how the Chinese really felt about their new prospective friend.

“America is the ba,” Zhou told Kissinger’s interpreter, Ambassador Ji Zhaozhu of China’s Foreign Ministry, repeating a term that would be frequently used by Chairman Mao and his successor, Deng Xiaoping.

U.S. government officials who understand Mandarin—a small but growing group—have long known that many Chinese and English terms cannot be fully translated between the two languages. Choices must often be made by the interpreters about what each side really means. Kissinger’s translator told Kissinger that Zhou’s statement meant, “America is the leader.” This seemed to be an innocuous remark, and when taken in the context of the Cold War even a compliment. But that is not what the word ba means in Mandarin—at least that is not its full context.

Ba has a specific historical meaning from China’s Warring States period, where the ba provided military order to the known world and used force to wipe out its rivals, until the ba itself was brought down by force. The ba is more accurately translated as “tyrant.” In the Warring States period, there were at least five different ba. They rose and fell, as each new national challenger outfoxed the old ba in a contest of wits lasting decades or even a hundred years. One wonders how U.S. policy toward China might have shifted had Kissinger been told that day that the Chinese saw Americans not as leaders, but as wrongdoers and tyrants. To this day we still have to sort out and live with the consequences of that key mistranslation.

Some years later, I had the privilege of talking to Ambassador Ji Chaozhu. He omitted any discussion of how he translated the concept of ba to Kissinger in his otherwise chatty memoir *The Man on Mao’s Right*, which provides a rare insider’s account of how China’s Foreign Ministry viewed the opening to the United States. I asked if the word “leader” he used in English had originally been the Chinese word ba.

“Did you tell Dr. Kissinger what a ba was?” I asked.

“No,” he replied.

“Why?”

“It would have upset him.”

If Kissinger had realized what Zhou meant by *ba*—if he had realized how China really viewed the United States—the Nixon administration might not have been so generous with China. Instead, the administration soon made numerous offers of covert military assistance to China<sup>21</sup>—all based on the false assumption that it was building a permanent, cooperative relationship with China, rather than being united for only a few years by the flux of *shi*. Perhaps if U.S. analysts had gained access to views of the anti-American hawks, China’s perception of America as a tyrannical *ba* would have alerted Washington. A RAND study in 1977 warned of evidence since 1968 that there was a strong anti-American group within the Chinese leadership that used proverbs such as America can “never put down a butcher’s knife and turn into a Buddha.”<sup>22</sup>

Two months after Zhou’s conversation with Kissinger, with Nixon’s visit just around the corner, Kissinger made the first of many covert offers to the Chinese. Unbeknownst to a public that would have been shocked to see the United States aiding and abetting the People’s Liberation Army, Kissinger gave China detailed classified information about Indian troop movements against Pakistan,<sup>23</sup> as well as America’s “approval of Chinese support for Pakistan, including diversionary troop movements.”<sup>24</sup> In return, Kissinger asked for Chinese troop movements on the Indian border to distract India from its efforts to invade and then dismember eastern Pakistan. China’s troops did not move, but that did not dampen American expectations.

In January 1972, Nixon authorized Kissinger’s deputy Alexander Haig to make another covert offer to China. Heading an advance team to China just a month before Nixon’s historic visit, Haig promised substantial cooperation with China against the Soviet Union. Haig told Zhou that during the crisis between India and Pakistan, the United States would attempt to “neutralize” Soviet threats along China’s borders and “deter threats against [China].” As far as covert deals go, these first two offers by Kissinger and Haig were tactical. But they represented a sharp turn after two decades of a complete American embargo on China. And, most significantly, they were a sign of larger offers to come.

China played its role to perfection once Mao sat face-to-face with Nixon in February 1972. Mao assumed the same role with the Americans that he had early on with the Soviets—portraying China as a harmless, vulnerable supplicant desperate for aid and protection. “They are concerned about me?” Mao once asked, referring to the Americans. “That is like the cat weeping over the dead mouse!”<sup>25</sup> Mao even put the Americans on the defensive by claiming that they were standing on China’s shoulders to get at Moscow.

Years later, Kissinger reflected on the palpable uncertainty he perceived when coordinating with Chinese officials: Was America’s commitment to “anti-hegemony” a ruse, and once China let its guard down, would Washington and Moscow collude in Beijing’s destruction? Was the West deceiving China, or was the West deceiving itself? In either case, the practical consequence could be to push the “ill waters of the Soviet Union” eastward toward China.<sup>26</sup> To

counter these possible perceptions, Nixon promised Mao that the United States would oppose any Soviet “aggressive action” against China.<sup>27</sup> He stated that if China “took measures to protect its security,” his administration would “oppose any effort of others to interfere with the PRC.”<sup>28</sup>

On the same day Nixon met other leaders in Beijing, Kissinger briefed Marshal Ye Jianying, the vice chairman of the military commission, and Qiao Guanhua, the vice minister of foreign affairs, about the deployment of Soviet forces along the Sino-Soviet border. As Yale Professor Paul Bracken first pointed out in a 2012 book, *The Second Nuclear Age*, China was given nuclear targeting information in the briefing, which Marshal Ye considered “an indication of your wish to improve our relationship.”<sup>29</sup> Discussion during the briefing included details about Soviet ground forces, aircraft, missiles, and nuclear forces.<sup>30</sup> Winston Lord, Kissinger’s key aide on China, knew that the White House assumed that the Soviets might well “get to hear of” this exchange of information.<sup>31</sup> Indeed, Moscow soon did.<sup>32</sup>

Mao asserted that the United States and China should cooperate in dealing with the Soviet “bastard” and urged that Washington should work more closely with its allies, particularly to maintain NATO unity.<sup>33</sup> Mao also urged the United States to create an anti-Soviet axis that would include Europe, Turkey, Iran, Pakistan, and Japan.<sup>34</sup> A counter-encirclement of the Soviet hegemon was a classic Warring States approach. What the Americans missed was that it was not a permanent Chinese policy preference, but only expedient cooperation among two Warring States. Mao’s calculations in 1972 were not clarified until the Chinese released a memoir two decades later.<sup>35</sup>

This played well with Kissinger, who told Nixon “with the exception of the UK, the PRC might well be the closest to us in its global perceptions.”<sup>36</sup> There seemed to be little suspicion of China’s strategy.

Yet the Chinese remained suspicious of the United States. They did not share Kissinger’s view that the Shanghai Communiqué, the document of understanding that was signed at the end of the summit, suggested that “a tacit alliance to block Soviet expansionism in Asia was coming into being.”<sup>37</sup> The communiqué stated: “Neither [the United States nor China] should seek hegemony in the Asia-Pacific region, and each is opposed to efforts by any other country or group of countries to establish such hegemony; and neither is prepared to negotiate on behalf of any third party or to enter into agreements or understandings with the other directed at other states.

If the Nixon administration wanted a quasi alliance with China, China’s message seemed to be that the Americans needed to offer more. Thus the Nixon administration’s next covert offer of support came in a February 1973 meeting in Beijing. It also included an explicit security promise, based on finding a way that the United States and China could cooperate that would at best deter Moscow and at least get the Soviets’ attention. Kissinger told the Chinese that Nixon wanted “enough of a relationship with [China] so that it is plausible that an attack on [China] involves a substantial American interest.”<sup>38</sup> This is the concept of a symbolic trip wire,

as used in U.S. troop deployments in South Korea and previously in West Germany to demonstrate that the United States has a “substantial national interest” in a given contingency. Kissinger was not promising a permanent deployment of U.S. troops to China’s northern border, but he wanted something that would make a splash. This is what Mao’s generals had proposed he seek from Nixon in 1969: a conspicuous gesture to Moscow.

Kissinger even provided a timeline for this strategy. “The period of greatest danger” for China, he told Huang Hua, China’s ambassador to the United Nations, would be in the period from 1974 to 1976, when the Soviet Union would have completed the “pacification” of the West through détente and disarmament, the shifting of its military forces, and the development of its offensive nuclear capabilities. Kissinger wanted the trip wire in place by then.

The next covert offer—the fourth since Nixon’s first meeting with Mao and the sixth since Kissinger’s first trip to China—promised to offer China any deal America offered to the Soviet Union. In the run-up to the summit meeting between Nixon and Soviet leader Leonid Brezhnev in June 1973, Kissinger reaffirmed that “anything we are prepared to do with the Soviet Union, we are prepared to do with the People’s Republic.”<sup>39</sup> In fact, the United States was willing to offer China deals even better than those made with the Soviets: “We may be prepared,” said Kissinger, “to do things with the People’s Republic that we are not prepared to do with the Soviet Union.”<sup>40</sup>

At about this time, Nixon sent a note stating “in no case will the United States participate in a joint move together with the Soviet Union under [the Prevention of Nuclear War] agreement with respect to conflicts ... where the PRC is a party.”<sup>41</sup> At the same time, he decided to circumvent U.S. law and regulations by providing technology to China through the British.<sup>42</sup>

The seventh covert offer was the most sensitive one, and would not be revealed for three decades, even to the CIA. It grew out of an internal debate I witnessed in October 1973 about whether to back up America’s vague promises to Beijing and do something tangible to strengthen China, or to stay at the level of mere words and gestures. The United States could establish a “more concrete security understanding” with the Chinese, or instead merely promise significant progress in the diplomatic normalization of bilateral relations.<sup>43</sup> There was a strong case for each option.

That year, I was working at the RAND Corporation, where as a China expert I had been given top-secret access to Kissinger’s conversations with Chinese leaders by Richard Moorsteen, a RAND colleague close to Kissinger. Andy Marshall and Fred Iklé had hired me at RAND, the latter of whom soon left RAND after Nixon appointed him director of the Arms Control and Disarmament Agency. Iklé invited me to see him at his agency’s offices several times in 1973 to discuss my analysis of China, and to draft a proposal to Kissinger of secret cooperation of intelligence and warning technology.

I shared Iklé's support for tangible U.S. covert cooperation with China. Though Iklé told Kissinger that a "formal relationship" (that is, a formal alliance) was not desirable, Washington could unilaterally provide help of a "technical nature." The United States could set up a "hotline" arrangement that would provide a cover for Washington to give Beijing secret early-warning information about Soviet military actions directed against China. "Given that a large portion of the Chinese strategic forces will continue to consist of bombers, hours of advance warning could be used by them to reduce the vulnerability of their forces significantly," Iklé and I wrote in one memo. "The fact that the hotline might enable us to transmit warning of a possible Soviet attack could be a powerful argument." We also advocated Washington's selling to Beijing hardware and technology to alert the Chinese if the Soviets were about to attack, and we supported providing America's superior high-resolution satellite images to heighten the accuracy of Chinese targeting of Soviet sites.<sup>44</sup> Kissinger agreed with our proposal. Only a few knew that he proposed tangible U.S. covert cooperation with China. On a trip to Beijing in November 1973, Kissinger told the Chinese that in the event of a Soviet attack the United States could supply "equipment and other services." America, Kissinger said, could help improve communications between Beijing and the various Chinese bomber bases "under some guise." He also offered to provide the technology for "certain kinds of radars" that the Chinese could build.<sup>45</sup> In other words, Kissinger secretly offered aid to the People's Liberation Army. He was proposing the beginnings of a military supply relationship, both in peacetime and in the event of a Soviet attack.

To my surprise, the Chinese initially balked at the seventh offer, asking for time to study the proposals before responding further.<sup>46</sup> They said that American cooperation with early warning would be "intelligence of great assistance," but this had to be done in a manner "so that no one feels we are allies." With a mentality straight out of the Warring States era of ruthlessness and shifting alliances, China's leaders were suspicious that Kissinger's offer was an attempt to embroil China in a war with Moscow.

The Chinese perhaps did not recognize the risk Nixon and Kissinger had taken to make this offer. Kissinger's closet adviser on China, Winston Lord, had argued strongly against this step in a memo to Kissinger, saying that it would potentially be unconstitutional (not to mention widely opposed) and would inflame the Russians. Kissinger had overruled Lord's objections, though Lord himself was a strong supporter of improving relations with China.

Sino-American relations went through their biggest improvement in the late 1970s, as Deng Xiaoping took on increasing power and became the public face for China's PR offensive with the United States. To Westerners, Deng was the ideal Chinese leader: a moderate, reform-minded man with a tranquil, grandfatherly demeanor. He was, in short, the kind of figure Westerners wanted to see.

But Deng was no docile grandfather. In private meetings within the Politburo, he raged at aides and advisers over China's lack of progress against the West. He believed that under Mao and his questionable "reform" practices, China had lost thirty years in its campaign to surpass the American ba.

Deng was enthusiastic about a partnership with the Americans, but for a key reason not meant for public consumption. He had rightly deduced that by following the Soviet economic model, China had backed the wrong horse and was now paying the price. Internal Chinese documents, which came into the hands of U.S. intelligence officials long after the fact, showed that Chinese leaders concluded that they had failed to extract all they could from their now-faltering Soviet alliance. Deng would not make the same mistake with the Americans. He saw that the real way for China to make progress in the Marathon was to obtain knowledge and skills from the United States. In other words, China would come from behind and win the Marathon by stealthily drawing most of its energy from the complacent American front-runner.

Within the Politburo, Deng was known for referencing a favorite admonition from the Warring States, *tao guang yang hui* (hide your ambitions and build your capability). Deng, too, sent opponents messages through seemingly oblique and harmless stories. During his first meeting with President Gerald Ford in December 1975, he referred to a story from the classic Chinese book *The Romance of the Three Kingdoms* to make what in retrospect was an important point, one completely lost on Ford. The story again involves Cao Cao, discussed in the previous chapter, considered in Chinese literature to be one of history's greatest tyrants. Cao Cao, in fact, probably best exemplifies the concept of a ba in ancient Chinese literature.

In the particular vignette Deng told Ford, Cao Cao defeats Liu Bei, a rival challenger, and remains the ba. After their war, the challenger offers to work for Cao Cao, but Cao Cao remains suspicious of Liu Bei's loyalty. Deng cited to President Ford Cao Cao's famous quote "Liu Bei is like an eagle, which when it is hungry will work for you, but when it is well fed, will fly away." Ostensibly, the "eagle" in Deng's story was the Soviet Union. American attempts to accommodate the Soviets, Deng warned, would fail. Once they had what they wanted, the Soviets, like Liu Bei, would pursue their own interests. What the Americans missed from that anecdote was that the same strategic sentiment held true for China. Once America built China into an equal, China would not remain an ally but would "fly away."

However, Deng tactfully decided not to tell the most famous story about Cao Cao and Liu Bei—for if he had done so, he would have divulged China's true aims in dealing with the Americans. Chinese hawks had not yet begun to write openly about the allegory contained in these ancient stories. We would need this key to decode Chinese strategic allusions. There was no sign that either Ford or Kissinger had any idea what Deng was talking about.

Entranced as they were by their new relationship with the Chinese, the Nixon and Ford administrations willingly satisfied many of China's immediate political objectives.

All these gifts—and more to come—were kept secret from the American public for at least thirty years. The United States not only cut off the CIA’s clandestine assistance program to the Dalai Lama—Public Enemy Number One to Communist China—but also canceled the U.S. Navy’s routine patrols through the Taiwan Strait, which had symbolized America’s commitment to Taiwan.<sup>48</sup> American policy became a series of initiatives to strengthen China against its adversaries.

In 1975, while still at RAND, I wrote an article for *Foreign Policy* magazine advocating military ties between the United States and China, to create a wedge against the Soviets. Richard Holbrooke, the once and future diplomat, was then serving as the magazine’s editor. He was a strong proponent of the article, labeling my idea a “blockbuster.” He shared my thoughts with other editors, leading to a long story in *Newsweek*, “Guns for Peking?” Other media outlets picked up the proposal, while the Soviet press attacked both the arguments I made in the proposal and me personally.<sup>49</sup> Chinese military officers at the United Nations had suggested the idea to me. So in 1973 I began four decades of conversations with China’s military hawks, hearing about lessons from Warring States to deal with the hegemon, which I then assumed would always mean the Soviet Union.

In early 1976, Ronald Reagan, running against President Ford for the Republican presidential nomination, read the article. (I had sent it to Reagan at Holbrooke’s behest.) In a handwritten note, the former California governor said he agreed with the idea of closer ties with the Chinese as a wedge against the Soviets. But he also cautioned me about the Chinese, and worried in particular about abandoning America’s democratic allies in Taiwan. After I met with Governor Reagan at his Pacific Palisades home—where he joked about being “sixty-four years old and unemployed”—he encouraged me to keep sending him material about China that he might use in speeches.

In 1978, relations with the United States moved toward normalization—that is, official American recognition of Communist China as the legitimate government of the Chinese people. That year, Deng focused immediately on what was at the top of his American wish list: science and technology. This was an example of the Warring States concept known as *wu wei*—or, having others do your work.<sup>50</sup> As he formulated a strategy in 1978, Deng understood, as he put it, that “technology is the number one productive force” for economic growth.<sup>51</sup> The only way China could pass the United States as an economic power, Deng believed, was through massive scientific and technological development. An essential shortcut would be to take what the Americans already had. Deng found a willing partner in that effort in a new American president, Jimmy Carter, who was eager to achieve the diplomatic coup of a formal Sino-American partnership.

In July 1978, President Carter sent to China the highest-level delegation of U.S. scientists ever to visit another country. Frank Press, Carter’s science adviser and a former MIT professor specializing in earthquake science, led the delegation. Press had been chairman of the U.S. Committee on Scholarly Communication with the People’s Republic of China from 1975 to 1977, and therefore took particular interest in scholarly exchanges with China. The Press

delegation received great attention from the Chinese. The People's Daily rarely published speeches by foreigners, but in this case it printed Press's banquet speech, which stressed the advantages of globalization. And Michel Oksenberg, a National Security Council official for China policy who would sit in on some fourteen meetings with Deng, said he never saw Deng more intellectually curious and more involved in articulating his vision about China's future than on this trip. Again playing the role of vulnerable supplicant, Deng spoke to Press's delegation about China's all but hopeless backwardness in science and technology and expressed his concerns about American constraints on high-tech exports to his country. In the past, Beijing kept tight control over the country's scientists going to the United States, limiting their numbers in fear that the scientists might defect. Press expected that they would likewise be cautious about expanding scientific exchanges with the West. So he was surprised when Deng proposed that the United States immediately accept seven hundred Chinese science students, with the larger goal of accepting tens of thousands more over the next few years. Deng was so intent on receiving a prompt answer that Press, considering this one of the most important breakthroughs in his career, telephoned President Carter, waking him at 3:00 a.m.

Like his adviser, Carter gave little thought to the implications of China's sudden intense interest in scientific exchanges, viewing it as merely a welcome sign of improved relations. In January 1979, Deng made his first and only visit to the United States, and he was a hit. President Carter feted him at a state dinner and, in a sign of the bipartisan flavor of U.S.-China policy, even invited the disgraced Richard Nixon to attend, the first time the former president had visited the White House since his resignation in August 1974. Deng spent thirteen days in the United States, touring Coca-Cola's headquarters, the Johnson Space Center in Houston, and even Disney World. In a sign of acceptance by the American popular media, Time magazine put Deng on its cover, twice. At the National Museum in Beijing, one can see displayed a photograph of Deng smiling beneath a ten-gallon hat he received in Texas, which became the symbol of his 1979 visit. It signaled to the U.S. public that he was good-humored, less like one of "those Communists" and more like "us." But it also proved a turning point for the Chinese and the Marathon. Deng obtained far more than had Mao. On January 31, 1979, during his visit to the United States, Deng and Fang Yi, director of the State Science and Technology Commission, signed agreements with the U.S. government to speed up scientific exchanges. That year, the first fifty Chinese students flew to America. In the first five years of exchanges, some nineteen thousand Chinese students would study at American universities, mainly in the physical sciences, health sciences, and engineering, and their numbers would continue to increase.<sup>52</sup> Carter and Deng also signed agreements on consular offices, trade, science, and technology—with the United States providing all sorts of scientific and technical knowledge to Chinese scientists in what would amount to the greatest outpouring of American scientific and technological expertise in history. The Chinese reached out to the U.S. National Academy of Sciences to send a series of delegations to China to initiate U.S.-China scientific exchanges in several fields China had selected. The Chinese strategy was to get the Americans to ensure their admission to all international organizations dealing with physics, atomic energy, astronautics, and other fields.



The Americans agreed, thus making an eighth offer to China. The Americans also agreed to engage in more covert military cooperation. President Carter provided China with intelligence support to aid China's war in Vietnam, to a degree that shocked even Henry Kissinger, as he described in his 2011 book *On China*. In tones suggesting that perhaps he'd created a monster by opening the door to ties with Beijing, Kissinger denounced Carter's "informal collusion" with what was "tantamount to overt military aggression" by Beijing—aid that "had the practical effect of indirectly assisting the remnants of the Khmer Rouge."<sup>53</sup> A visit to China by Secretary of Defense Harold Brown, Kissinger fumed, "marked a further step toward Sino-American cooperation unimaginable only a few years earlier."

The ninth offer, Presidential Directive 43, signed in 1978, established numerous programs to transfer American scientific and technological developments to China in the fields of education, energy, agriculture, space, geosciences, commerce, and public health.<sup>54</sup> The following year, the Carter administration granted China most-favored-nation status as a U.S. trading partner.

President Carter also authorized the establishment of signals intelligence collection sites in northwestern China in about 1979, as the CIA operative and future U.S. ambassador to China James Lilley described in his memoir, *China Hands*. "Part of the reason I was awarded a medal from the CIA was my work setting up the first CIA unit in Beijing," Lilley wrote. "Another contributing fact was my role in developing intelligence sharing with China.... It sounded like a far-fetched idea—the United States and China, who had been fighting each other through surrogates just a few years earlier in Vietnam, working together to collect strategic technical intelligence on the Soviet Union."<sup>55</sup>

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In 1978, I was serving as a professional staff member on the U.S. Senate Budget Committee, and I also worked as a consultant to the Defense Department, where I continued to read classified analyses on China and produced reports and analyses of my own. As Ronald Reagan mounted a second bid for the White House in 1980, I was appointed as one of his advisers, and I helped draft his first campaign speech on foreign policy. I expressed a view, common among his advisers, that the United States ought to help China to stave off the far greater Soviet threat. After Reagan won the election, I was named to the presidential transition team. I then advocated still more cooperation. An early ally in my efforts was Alexander Haig, who knew all about the earlier efforts with China under the Carter administration, and now as secretary of state visited Beijing and publicly offered to sell weapons to China, the next logical step.

National Security Decision Directive (NSDD) 11, signed by President Reagan in 1981, permitted the Pentagon to sell advanced air, ground, naval, and missile technology to the Chinese to transform the People's Liberation Army into a world-class fighting force. The following year, Reagan's NSDD 12 inaugurated nuclear cooperation and development between the United States and China, to expand China's military and civilian nuclear programs.

Reagan was deeply skeptical of his predecessor's policies toward China—a stance that led to a serious policy disagreement within the administration. Reagan saw China's underlying nature better than I did and better than most of the China experts who would populate his administration. On the surface, Reagan followed the Nixon-Ford-Carter line of building up China—"to help China modernize, on the grounds that a strong, secure, and stable China can be an increasing force for peace, both in Asia and in the world," in the words of Reagan's NSDD 140, issued in 1984. (Significantly, the NSC staff severely limited access to NSDD 140—only fifteen copies were produced—probably at least in part because it outlined the Reagan administration's controversial goal of strengthening China.)<sup>56</sup>

Reagan signed these secret directives to help build a strong China and even offered to sell arms to the Chinese and to reduce arms sales to Taiwan. But unlike his predecessors, Reagan added a caveat that should have been crucial. His directives stated that U.S. assistance to China was conditioned on China staying independent of the Soviet Union and liberalizing its authoritarian system. Unfortunately, his advisers largely ignored these preconditions, and for whatever reason so did he.

Additionally, the Reagan administration provided funding and training to newly established Chinese government-run institutes specializing in genetic engineering, automation, biotechnology, lasers, space technology, manned spaceflight, intelligent robotics, and more. Reagan even approved a Chinese military delegation visit to one of the crown jewels of national security, the Defense Advanced Research Projects Agency, the research agency that invented the Internet, cyber operations, and dozens of other high-tech programs.

During the Reagan presidency, America's covert military cooperation with China expanded to previously inconceivable levels. The United States secretly worked with China to provide military supplies to the anti-Soviet Afghan rebels, the Khmer Rouge, and the anti-Cuban forces in Angola. Our cooperation against the Vietnamese occupation of Cambodia—including the arming of fifty thousand anti-Vietnam guerrillas—was discussed in interviews by four of the CIA officers who revealed the details of this program in the book *The Cambodian Wars*.<sup>57</sup> There was a much larger secret that other CIA officers revealed in George Crile's book *Charlie Wilson's War*, the story of America's purchase of \$2 billion in weapons from China for the anti-Soviet Afghan rebels.<sup>58</sup> Kissinger's memoirs reveal that there was covert cooperation in Angola as well.<sup>59</sup>

Why did China seek to cooperate with the United States on these large-scale covert actions? We will definitively find out only when Beijing opens its archives or a very high-level defector arrives. One thing we know now is that Beijing wanted to use American power and technology to strengthen China for the long term. The key point seems to have been the perceived need to play strategic *wei qi*, to head off encirclement by the Soviet Union. No one saw this as an effort to make broader progress in the Marathon. China made itself seem weak and defensive to us, in need of protection.

In the tenth offer, U.S.-Chinese intelligence gathering along China's border with the Soviet Union—code-named the Chestnut program—was approved, according to the New York Times reporter Patrick Tyler. Later, during an August 1979 trip to China by Carter's vice president, Walter Mondale, the Pentagon and the CIA airlifted to China the Chestnut monitoring stations via military transport. Tellingly, Tyler reported, the Chinese asked the U.S. Air Force C-141 Starlifter at the Beijing airport to park beside a Soviet passenger jet so the Soviets would see the cooperation.<sup>60</sup>

According to Tyler, these monitoring stations could collect information about air traffic, radar signals from Soviet air defenses, and KGB communications, and they could also detect any change in the alert status of Soviet nuclear forces.<sup>61</sup> Thus China would have an increase in its warning time in the event of a Soviet attack. This was a huge advance in Chinese security in the months before the attempted encirclement that would begin with the Soviet-backed Vietnamese invasion of Cambodia and the Soviet invasion of Afghanistan in December 1979. Through their patience, the Chinese were getting more than what Kissinger, Iklé, and I had proposed six years earlier.

According to the requirements of shi, Beijing must have thought it needed America's help to break up the two "pincers" of the Soviet encirclement of China—in Afghanistan and Vietnam. The circumstances justified going farther than Mao had; Deng would accept significant aid from the hegemon.<sup>62</sup>

From 1982 through 1989, the Sino-American Cambodian program was run out of Bangkok, with the support of the Chinese, the Royal Thai Army, Singapore, and Malaysia. This constituted the eleventh offer of U.S. assistance to China. The covert cooperation was effectively masked for two decades because it was partly overt. USAID provided funds named for the program advocates, Representative Bill McCollum, a Republican from Florida, and Representative Stephen Solarz, a Democrat from New York, for nonlethal humanitarian assistance in Cambodia. Behind these two overt programs, Reagan ordered the CIA to provide covert assistance initially in 1982 for \$2 million a year, and that was raised as of 1986 to \$12 million, as Kenneth Conboy notes.<sup>63</sup> The program was commingled under a project the Thais called Project 328. China, Malaysia, Singapore, and Thailand also contributed weapons and funds. Singapore's prime minister Lee Kuan Yew even visited Bangkok to travel to the secret camp. I visited in 1985 and 1986, to be briefed by the CIA station chief, who had transferred to Bangkok after serving as head of the Far East Division at CIA headquarters. He considered the project "the only game in town," referring to the Cold War, with China joining up against the Soviets.<sup>64</sup>

Starting in the summer of 1984, two years after the program in Cambodia began, Chinese covert cooperation to drive the Soviets out of Afghanistan would become fifty times larger than its effort in Cambodia.

We did not understand shi and counter-encirclement at that time, and therefore no one thought the Chinese government would risk Soviet wrath by becoming a major arms supplier to America's efforts to aid the Afghan rebels. The discovery was made by a brilliant, Mandarin-

speaking CIA friend, Joe DeTrani.<sup>65</sup> This Chinese connection was a tightly held secret, and no more than ten people in the entire CIA were aware of the program, according to Tyler. The Chinese still do not acknowledge that they provided such arms. In his book *Charlie Wilson's War*, George Crile reports that the first order was for AK-47 assault rifles, machine guns, rocket-propelled antitank grenades, and land mines.<sup>66</sup>

In 1984, Representative Charlie Wilson had drummed up \$50 million to increase support for the rebels in Afghanistan. Crile reports that the CIA decided to spend \$38 million of it to buy weapons from the Chinese government. The *Washington Post* in 1990 quoted anonymous sources that said that the total value of weapons provided by China exceeded \$2 billion during the six years of Sino-American covert cooperation.

U.S.-Chinese clandestine cooperation reached its peak during the Reagan administration. Presidents Nixon and Ford had offered China intelligence about the Soviets. President Carter established the Chestnut eavesdropping project. But it was Reagan who treated China as a full strategic partner—albeit in secret.

The three main projects were clandestine aid to the anti-Soviet rebels in Afghanistan, Cambodia, and Angola. By now, I had been promoted to the civilian equivalent of a three-star general and made head of policy planning and covert action in the Pentagon, reporting to the official in charge of policy, Fred Iklé. Iklé and I were among the few who knew about Kissinger's 1973 offer to aid China and President Carter's Chestnut program. He and I were ready to test whether China was really willing to become a U.S. ally. The affirmative results would prejudice many senior U.S. officials to favor China for years to come.

My duty was to visit the leaders of the Afghan, Cambodian, and Angolan rebel groups in Islamabad, Bangkok, and southern Angola, respectively, to ascertain their plans and needs. I was also sent to obtain China's advice, approval, and support. We recommended that President Reagan sign National Security Decision Directive (NSDD) 166, which reflected that there was a chance that escalation in Afghanistan could provoke retaliation by the Soviets.<sup>67</sup> We needed China's assessment of the situation and, ideally, its support.

Two decades later, the journalist Steve Coll alleged that "the Chinese communists cleared huge profit margins on weapons they sold in deals negotiated by the CIA."<sup>68</sup> If the assertion is accurate that \$2 billion was spent on Chinese weapons for the anti-Soviet rebel groups, then China's purchase of more than \$500 million in American military equipment for itself seems relatively small.

The Chinese not only sold the weapons to us to give to the rebels, but also advised us how to conduct these covert operations. From their advice emerged a few lessons about Chinese strategy toward a declining hegemon, in this case the Soviet Union. First, the Chinese emphasized that we had to identify key Soviet vulnerabilities to exploit. One tactic, they explained, was to raise the cost of empire. When I first proposed the option of supplying Stinger anti-aircraft missiles to the Afghan and Angolan rebels, the Chinese were delighted at the high

costs that these weapons would impose, in the form of destroyed Soviet helicopters and jet fighters.

The second idea was to persuade others to do the fighting. This was of course a manifestation of the Warring States–era notion of *wu wei*.

The third concept was to attack the allies of the declining hegemon. The Cambodian rebels worked against the Soviets' Vietnamese puppets. The Angolan rebels expelled the Cubans, who had been flown to Angola in Soviet aircraft that might also have been shot down with Stingers, if they had been made available then. The United States, in cooperation with China, did all this, and more.

I asked the Chinese whether they thought it would be excessively provocative to take two additional steps: Should we supply and encourage Afghan rebels to conduct commando sabotage raids inside the Soviet Union (which had never been done during the Cold War)? And should we agree to the request to provide the Afghans with long-range sniper rifles, night-vision goggles, and maps with the locations of high-ranking Soviet officials serving in Afghanistan in support of what amounted to a targeted assassination program? My colleagues had been certain that the Chinese would draw the line at such actions. I had read enough Chinese history to guess that they would agree, but even I was taken aback at the ruthlessness of Beijing's ambition to bring down the Soviets when they answered affirmatively to the two questions.

Steve Coll wrote in his Pulitzer Prize–winning book *Ghost Wars* that it was the American side that declined these requests. He writes of “alarms” among the CIA’s lawyers that it was almost “outright assassination” and so the local CIA station chief “might end up in handcuffs.”<sup>69</sup> So the sniper rifles could be approved but not the maps and night-vision goggles. The commando raids inside Soviet territory, favored by the Chinese as a way to bring down the Russian hegemon, were soon curtailed as well, in spite of the Chinese recommendation to us that this would have a useful psychological shock effect on the declining hegemon.<sup>70</sup>

In 1985, the aid to the Chinese Marathon expanded to include American weapons, as the Reagan administration arranged for the sale of six major weapons systems to China for more than \$1 billion. This program aimed to strengthen China’s army, navy, and air force and even to help China expand its marine corps.<sup>71</sup> And in March 1986 the Reagan administration assisted China’s development of eight national research centers focused on genetic engineering, intelligent robotics, artificial intelligence, automation, biotechnology, lasers, supercomputers, space technology, and manned spaceflight.<sup>72</sup> Before long, the Chinese had made significant progress on more than ten thousand projects, all heavily dependent on Western assistance and all crucial to China’s Marathon strategy. The Reagan administration hoped it was countering Soviet power by giving a boost to the Chinese, and everyone—from Reagan on down—wanted to believe Beijing’s claims that China was moving toward greater liberalization.

China's strategy to break the Soviet encirclement with help from its fellow Warring State was succeeding. In 1989, the Soviets announced they would leave Afghanistan, and Vietnam soon withdrew from Cambodia. Now, would Washington and Beijing build on this foundation of trust and therefore become true allies forever? I thought so. But according to the Warring States' axioms, now would be the time for China to get back to dealing with the real hegemon, the United States.