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Introduction

Objectives of the Study

The analysis presented here is part of a study undertaken to provide supporting materials for operational officials and analysts of the U.S. government concerned with interpreting and managing relations with the People's Republic of China (PRC). The primary objective of this project has been to analyze the way Chinese officials manage political negotiations by drawing on the official record and the experiences of U.S. officials who have dealt with PRC counterparts during the phase of Sino-American relations in which both governments tried to break out of two decades of confrontation to normalize the relationship.

This study is summarized in a briefing analysis designed to provide information for senior officials of the U.S. government prior to their first negotiating encounters with Chinese counterparts (Solomon, 1985). These two volumes provide an analytical assessment of one of the most interesting episodes in America's post-World War II foreign relations: the effort to move from a long period of political rivalry and military confrontation with the PRC—"Red China" or "Communist China," as it was termed

during the 1950s and 1960s—to a relationship in which the two countries could eliminate the hostility of the Cold War era, manage continuing differences over the future of Taiwan in a non-confrontational manner, and cooperate in limited measure in dealing with shared international political and security problems, primarily the military threat to both countries from the Soviet Union.

Sources of Data: Memoranda of Conversation, Interviews, and Memoirs

The primary source of data upon which this analysis is based is the official record of negotiating exchanges between senior U.S. officials and their PRC counterparts—the memoranda of conversation, or “memcons,” which are the basic documentary record of intergovernmental negotiations. A secondary source is the reporting cables by which State Department negotiators document the results of negotiations conducted in the field under formal instructions.

Because the paper record gives only a partial sense of the negotiating experience, the author also conducted interviews with more than thirty senior American officials who had negotiated with Chinese counterparts during the years covered in this study—beginning with officials of the Nixon administration and running through officials of the Carter and Reagan administrations. These officials had managed the negotiations on normalization and the August 17, 1982, Joint Communiqué on the issue of American arms sales to Taiwan.

To gain a comparative perspective on Chinese negotiating practices, the author also interviewed six officials from agencies other than the Department of State who conducted negotiations with PRC officials during the past twelve years, and several U.S. businessmen who have had considerable experience in commercial negotiations with PRC state trading organizations. In addition, the author drew heavily on insights into Chinese commercial negotiating practices contained in a RAND study based on intensive interviews with American, Japanese, and Hong Kong businessmen that was carried out, in part, to provide a basis of

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comparison between political and commercial negotiating practices (see Pye, 1982).

It should also be mentioned that the author of this study participated directly in political negotiations with the Chinese during his tenure as a staff member of the National Security Council (NSC) between 1971 and 1976. This experience and his subsequent involvement in China policy matters as a RAND consultant to the NSC and the Departments of Defense and State provided direct exposure to Chinese negotiating practices and to the official record, as well as personal familiarity with the senior American officials interviewed for this project.

In addition, selected secondary source materials and studies—historical analyses of pre-Communist Chinese negotiating practices, and memoirs of the senior U.S. officials who conducted negotiations with PRC counterparts during the 1960s, 1970s, and 1980s—provided further information and insights into the manner in which Chinese officials seek to manage the negotiating process.

Chinese Negotiating Behavior: Distinctive, but Not Unique; Purposeful, if Not Fully Planned

Henry Kissinger: *Many visitors have come to this beautiful, and to us, mysterious land. . . .*

Zhou Enlai (interrupting): *You will not find it mysterious. When you have become familiar with it, it will not be as mysterious as before.*¹

This study was undertaken, in part, to demystify dealings with a country that has long been viewed in the West as mysterious and esoteric. The sense of mystery surrounding China reflects, in part, the distance that Chinese officials have tried to maintain since imperial times between their country and often-threatening foreign “barbarians”; it also reflects the significant differences in culture and language that continue to separate East from West, as well as the great chasm of ideology and history that further divided the

1. Zhou-Kissinger, July 9, 1971. Excerpts from the official negotiating exchanges are referenced in this volume by the officials involved and the date of the exchange. Chinese given and place names are spelled in the *pinyin* system of Romanization, adopted by the PRC as its official system in 1979.

PRC and the United States during the post-Korean War decades when the two countries confronted each other as enemies.

From today's perspective, it is perhaps difficult to recall the sense of the unknown that surrounded the inception of the Sino-American normalization dialogue in 1971. Henry Kissinger's remark to Zhou Enlai about the mysteriousness of his country (quoted above), made during their first encounter, evokes only a bit of the flavor of the national security adviser's secret trip to a country with which the United States had had almost no direct dealings since 1949. Yet Zhou's retort to Kissinger—that familiarity would demystify China in the eyes of yet another generation of somewhat awed foreigners—has proved to be accurate. The negotiating record of the period covered by this study reveals patterns of behavior and a Chinese approach to managing negotiations that are both comprehensible and, in surprising measure, predictable. As we will describe throughout this study, the negotiating behavior of PRC officials is consistent, and despite their occasional efforts to present an obscure or deceptive face to the outside world, their actions are readily interpretable (at least in hindsight).

One of the objectives of this project is to forearm U.S. negotiating officials and analysts of the PRC political scene with a sense of how the Chinese manage the negotiating process that will enable U.S. negotiators to interpret with greater accuracy the often subtle political signals that are part of that process.

It is also important at the outset to make two fundamental interpretive points which, for the sake of presentational brevity, will not be repeated endlessly throughout this report. First, despite the distinctive quality or "flavor" of dealings with the Chinese, many—if not most—of their negotiating practices are not unique. Many of the facilitating maneuvers and pressure tactics PRC negotiators use are also encountered in dealings with other countries, although the particular style or intensity may be different elsewhere. In short, there is much that is universal in the negotiating process; and the Chinese, for all that is distinctive about their culture, have not developed a unique approach to conducting negotiations.

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Yet most of the American officials interviewed for this study did say that the Chinese conducted negotiations in a distinctive manner. Kissinger was impressed with the “principled stand” Chinese officials assumed at the outset of his dealings with them, and with their sense of the importance of the credibility of their word, which led them to “eschew the petty maneuvers that characterized . . . negotiations with other communists” (Kissinger, 1979, p. 744). From his first negotiating session with PRC Vice Foreign Minister Huang Hua in the summer of 1971, Kissinger learned that the Chinese preferred not to negotiate by beginning with an initially exaggerated position from which they moved only slowly in “salami-slicing” fashion; rather, they preferred “to determine as well as possible [at the outset] the nature of a reasonable solution, get there in one jump, and then stick to that position” (Kissinger, 1979, p. 753). As Kissinger recalled in his memoirs:

Huang Hua . . . suggested that we put aside the drafting and each tell the other frankly what his needs were. . . . We spent two hours on this [and after some further delay] . . . Huang Hua presented a draft . . . so close to our needs that we could accept it with a change of only one word. (Kissinger, 1979, p. 752)²

Kissinger said he so preferred this style of negotiating that he subsequently sought to use it in his dealings with other governments:

The strategy of getting in one jump to a defensible position defines the irreducible position unambiguously: it is easier to defend than the cumulative impact over a long period of a series of marginal moves in which process always threatens to dominate substance. (Kissinger, 1979, p. 752)

The second basic interpretive point is that while the Chinese conduct negotiations in a purposeful and meticulously planned manner, they are not always in control of the process and often “feel their way” in situations they do not fully understand. The analysis reported here may, upon occasion, make it appear as if the Chinese are almost superhuman in their ability to plan and manipulate a negotiating situation. The record does not show this to be the case, although the analytical process, by its

2. See also Kissinger's nostalgic recollection of his first encounter with PRC negotiators in the summer of 1971, expressed during a dinner with Vice Foreign Minister Qiao Guanhua on November 13, 1972 (Kissinger, 1979).

very nature, extracts from a more complex reality the patterns of behavior that comprise the Chinese approach to negotiating. There *are* distinct and repetitive patterns in Chinese negotiating behavior, and American negotiators should draw confidence from the fact that their PRC counterparts will conduct negotiations in a relatively predictable manner, one that has been dealt with effectively by other U.S. officials in pursuit of American policy objectives.

China's Response to the West: Three Sources of PRC Negotiating Style

The American experience in dealing with the Chinese over a century and a half—since presidential envoy Caleb Cushing negotiated the Treaty of Nanking in 1844—indicates that Chinese negotiating behavior has evolved over time and in changing circumstances in response to two major sources of pressure: (1) the impact of the Western countries that established, by threat and use of force, the treaty port system that endured into the mid-twentieth century; and (2) the Marxist-Leninist experience absorbed by the Chinese political elite through both Kuomintang and (certainly more intensely) Communist dealings with the Soviet Union and the International Communist Movement.³

American students of China's nineteenth-century attempts to adjust to Western pressures have documented the Qing Dynasty's efforts to learn enough Western law and negotiating practice to turn the intrusive foreigners' sources of power back on them in the service of protecting the integrity of the traditional imperial system.⁴ Beginning in the 1860s, both Manchu and Han officials reluctantly began to translate Western books, sought ways of absorbing foreign military technology to strengthen the

3. This complex history, well documented in the academic literature, will not be reviewed here. It should be remembered, however, that not only did the Chinese Communist party have extensive dealings with the Soviet Union—where many of its leading cadre were trained—but the Kuomintang or Nationalists did as well. Both Chiang Kai shek and his son Chiang Ching-kuo had periods of training in the USSR.

4. See, in particular, Eastman (1967), Hsu (1960), and Fairbank and Teng (1954).

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dynasty's defenses, and began to send students abroad to learn Western ways.

This process of adapting to a wider world continues today, in China's current efforts to modernize itself, to tap the sources of wealth and power that enabled the West to intrude upon the Middle Kingdom—yet without compromising the essence of China's own culture and social imperatives. Once again, China is sending a generation of students abroad to learn foreign languages, science, and management techniques; and Chinese diplomats are gradually adapting to foreign conventions—as symbolized by PRC officials shedding the Mao suits they wore at the beginning of the normalization process and adopting contemporary Western attire.

The second major source of foreign influence on Beijing's diplomatic practice was the Chinese Communist party's six decades of contact with other socialist states and parties—particularly the Soviet Union. America's post-1949 dealings with Communist China were with a country closely allied to the USSR and a political elite strongly influenced by the Marxist-Leninist style of diplomacy practiced by Moscow's envoys.⁵ The writings of the American negotiators who faced Chinese counterparts at Panmunjom, Geneva, and Warsaw during the 1950s and 1960s reveal a frustrating experience closely akin to that endured by other U.S. officials in negotiating encounters with Soviet diplomats. Beijing's use of "adversarial" negotiating techniques was vividly described by one of the participants in the Warsaw ambassadorial exchanges (and provides so striking a contrast to Kissinger's experience with many of these same officials a decade later that it is hard to believe the two men are describing the same country):

Across the table, the Chinese Communist negotiator sits cold and taut as a steel spring, sternly unapproachable, suspicious, impenetrable, a rigidly disciplined agent reading his lines with mechanical precision. He is able, persistent, imperturbable—and frustratingly

5. A particularly useful historical review of Soviet negotiating practice is U.S. House Committee on Foreign Affairs (1979).

predictable in style. Negotiation with him is an ordeal, for he makes it so. (Young, 1968, p. 338)

The Chinese evidently had learned from Moscow the use of the negotiating process as a weapon in the revolutionary struggle. The memoirs of Admiral Turner Joy; Ambassadors Arthur Dean, U. Alexis Johnson, and Jacob Beam; and the others who conducted negotiations in the 1950s with the Chinese Communists (a number of whom, including Zhou Enlai, Ye Jianying, Huang Hua, Zhang Wenjin, Pu Shouchang, and Ji Chaozhu, were also our primary counterparts in the normalization process) recount a suspiciousness, a use of invective, an inclination to struggle tenaciously over the formulation of an agenda, skillful use of the mass media to build pressures on an adversary government, and other combative tactics that seem right out of Moscow's playbook.

Perhaps the most vivid account of the use of negotiations as an extension of revolutionary warfare is contained in Mao Zedong's description of the Chinese Communist party's strategy for dealing with the Kuomintang on the eve of the final phase of the Civil War:

How to give "tit-for-tat" [literally, to struggle at opposed spearpoints] depends on the situation. Sometimes not going to negotiations is tit-for-tat; and sometimes going for negotiations is also tit-for-tat. We were right not to before, also right this time . . . for we exploded the rumor spread by the Kuomintang that the Communist Party did not want peace and unity. . . . They were totally unprepared, and we had to make all the proposals. As a result of the negotiations, the Kuomintang has accepted the general policy of peace and unity. That's fine. If the Kuomintang launches civil war again, it will put itself in the wrong in the eyes of the whole nation and the whole world, and we shall have all the more reason to smash its attacks by a war of self-defense. (Mao, 1965, p. 56)

A third, and possibly the most enduring, influence on PRC negotiating behavior is China's own cultural tradition and historical experience. The Western diplomats who first encountered officials of the Qing Dynasty described a highly ritualized negotiating process derived from the old tribute system in which the foreign emissary was escorted to the Chinese capital by specially designated officials, subjected to exquisite hospitality and plied with gifts (even as his physical movements were highly restricted),

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and then subjected to alternations of pressure and accommodation. As one historian of this period described it:

The mistrust with which the barbarians were viewed crystallized into a policy of segregation and of constant watchfulness and precaution when they had to be admitted into China. . . . Envoys were escorted . . . over an assigned route to and from Peking . . . lest they make trouble or become too wise. They were not allowed to roam about freely in the streets without first securing permission from the proper Chinese authority, who would then specially guard the streets they were to pass through. Westerners who came to China for trade were carefully quarantined in . . . the city of Canton. (Hsu, 1960, p. 10)

This pattern of diplomatic practices was still evident in the way Kissinger was treated during his first negotiating encounters with PRC officials and in the isolation of the foreign business community in Canton until the late 1970s.

There is also an underlying dynamic to the contemporary Chinese negotiating process that seems to tap the fundamental roots of China's cultural pattern: an effort to draw the foreign negotiator into a personal relationship, establish ties of friendship, and then subject him to all the blandishments and pressures that are basic to the Chinese social order. While one sees certain elements of Western and Soviet political practice in contemporary PRC management of the negotiating process, the Chinese instinctively seek to enmesh the foreign negotiator in the same web of attractions and pressures that operate in their own society and political system.

The foreign observer can see in curious combination the contemporary workings of these three sources of influence on PRC political negotiating style. On the one hand, most American diplomats have been impressed by the straightforward, nonideological manner in which they can discuss issues with their PRC counterparts. The rhetoric of Marxism-Leninism never enters into the official dialogue. Yet we know well from the official press that the Chinese discuss policy issues among themselves in classic Marxist-Leninist fashion—imputing to foreign adversaries motives and objectives that are basic to the rhetoric of the Communist movement. At the same time, political polemics are often conducted in the Chinese press in the terms of historical analogies,

as if the figures of ancient dynasties are still relevant to China's contemporary circumstances (see Libenthal, 1977). It is this essential core of "Chineseness" that gives negotiating encounters with the PRC their distinctive character.

Phases in the Evolution of U.S.-PRC Relations

If there is an enduring "Chineseness" to PRC negotiating behavior, there is also an evident variability in the way Chinese Communist authorities have conducted their relations with the United States. As noted earlier, the American negotiators who dealt with PRC officials during the 1950s and 1960s experienced a very different negotiating process from that faced by the officials who attempted to normalize U.S.-PRC relations during the 1970s. This variability in style is presumably based on the highly context-dependent quality of Chinese social behavior, which has been noted by anthropologists and other analysts of the Chinese tradition,⁶ as well as on China's continuing effort to learn and adapt to unfamiliar foreign ways. For purposes of this study, it is perhaps sufficient to note that there are significant differences in style and emotional mood associated with the various time phases in the Sino-American relationship.

In the broadest terms, we can identify four distinct periods in America's dealings with the Chinese Communists. The initial period of official contact began in the late 1930s and ran through World War II and the subsequent civil war years, when the Chinese Communists were an insurgent political and military movement seeking American support for their efforts during the "War of Resistance" to harass Japan's occupation forces in China (and, in the process, to undercut U.S. support for the Nationalist government of Chiang Kai-shek). During this period, official contact was first established through the Communist mission in the Nationalist wartime capital of Chungking (headed by Zhou Enlai), then developed via the U.S. Army's Dixie Mission to the Communist headquarters at Yanan, and later maintained through the

6. On this aspect of Chinese social behavior, see Weakland (1950) and Whyte (1974).

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mediation mission of General George C. Marshall, who tried to prevent the outbreak of full-scale civil war between the Nationalists and the Communists in late 1945 and early 1946.

The second period, from 1949 to 1969, began with the Communist victory in the civil war and the concurrent breakdown in official U.S.-PRC contacts, followed by the turn to confrontation during the Korean War and the near-fruitless series of negotiations conducted between the two governments over the ensuing two decades—at Panmunjom in 1953, at the Geneva Conference on Indochina in 1954 (when Secretary of State John Foster Dulles refused to shake hands with Zhou Enlai), at the subsequent ambassadorial talks at Geneva (from 1955 to 1957, during which one agreement—a prisoner exchange—was negotiated), and at the Warsaw talks, which continued without result until early 1970, when both sides, in the first moves toward the normalization dialogue of the 1970s, agreed to establish direct, high-level political contacts.

The third phase, the normalization effort, formally began with the 135th and 136th Warsaw talks in January and February 1970 and came to world attention after the announcement of National Security Adviser Henry Kissinger's secret visit to Beijing in July 1971. This phase continued through subsequent public Kissinger trips to China and the visits of President Nixon in 1972 and President Ford in late 1975, and concluded with the establishment of diplomatic relations at the end of 1978, after six months of quiet negotiations conducted in Beijing by U.S. Liaison Office Chief Leonard Woodcock.

The fourth phase, while not representing as sharp a break in pattern as did the changes between the earlier periods, began in January 1979 with mutual diplomatic recognition and the exchange of ambassadors and includes the full institutionalization of the U.S.-PRC relationship (the signing of various treaties and formal trade agreements, the evolution of a legal infrastructure for management of trade and cultural exchanges, etc.). This period also includes the political negotiations conducted during 1981 and 1982 to establish ground rules for handling the issue of American arms sales to Taiwan.

The study reported here focuses on the third and fourth periods in the relationship. It describes the pattern of negotiating behavior in circumstances where the Chinese Communist authorities had decided that their interests would be served by constructing a positive relationship with the United States.⁷

⁷ An interesting question, which we do not attempt to answer in this analysis, is how useful the insights about PRC negotiating behavior gained from the normalization record might be if the relationship should, at some future time, deteriorate into a new period of confrontation.