

Beijing pivoting toward Moscow

by Linda de Hoyos

According to New York attorney Jerome Cohen, who specializes in negotiating joint ventures with the People's Republic of China, the massacre at Tiananmen Square and quashing of the "reformist" faction of the Beijing leadership will not make it more difficult for American business to invest in the P.R.C. In fact, Cohen told the *Journal of Commerce*, doing business with Beijing is even easier than it was before, since the Chinese are more willing to be cooperative. Cohen is a partner of the powerful firm Paul, Weiss, Rifkind, Wharton, and Garrison, which represents Henry Kissinger, who, on behalf of Kissinger Associates' lucrative profits from China dealings, has publicly and vigorously opposed any sanctions against the P.R.C.

What has been suppressed amid the pro-Beijing hype are the rapidly developing relations between the P.R.C. and the Soviet Union. Despite the humiliation suffered by both Deng Xiaoping and Mikhail Gorbachov during the latter's visit to Beijing in May, relations between the two superpowers have proceeded apace, especially since the Tiananmen massacre and Vice Premier Yao Yilin's declaration that China could easily turn to the Soviet Union, if the West were to employ economic sanctions against the Beijing leadership. Already, the hostile Sino-Soviet relationship that allegedly spawned Kissinger's China card in the first place, appears to have vanished.

A major step forward in relations between Moscow and Beijing was made during the July 21-27 visit of Chinese Vice Premier Tian Jiyun to Moscow for the fourth meeting of the Soviet-Chinese Commission for Economic, Trade, and Scientific-Technological Cooperation. Tian met with Soviet Premier Nikolai Ryzhkov and Vice Premier Yuri Maslyukov, with the result being a "green light in all directions," according to Tian. Discussed were not only economic deals involving textiles and light industrial production, but "a long-term program of cooperation in trade, economics, science, and technology for the period ending in the year 2000," according to *Pravda* July 23. The program includes the launching of joint ventures and the building of factories and plants on a turn-key basis.

In addition, Tian told the Soviet press, "We also reviewed the question of possible recruitment of Chinese workers for the construction of turn-key sociocultural and everyday projects and enterprises in the Soviet Union, particularly in the Far East." In other words, the Chinese will be selling ultra-cheap labor to Moscow.

"The greater future" for Sino-Soviet cooperation, the Chinese press reported July 27, is "in scientific and technological fields, including nuclear energy and space navigation"—that is, fields that possess a direct military application. And on July 22, Tian was taken to a Soviet space control center, where he met the Soviet Minister of General Machine Building and the chief engineer of space technology. Tian was thoroughly briefed, according to Soviet reports beamed into China in Mandarin, on Soviet present and future plans for space exploration, and there was agreement that the two sides would begin negotiations on cooperation in space navigation.

In other words, Beijing is now seeking from the Soviets the same kind of military-related cooperation it has so bountifully received from the United States.

A new border

Although the Soviet Union is only the P.R.C.'s sixth-largest trading partner, trade has increased at an exponential rate over the last two years. Chinese trade with the U.S.S.R. has risen 12.2% in exports and 62.9% in imports over last year. Since 1986, the year Gorbachov issued his Vladivostok opening to China, 40 projects have been contracted, and another 300 are presently under negotiation. Overall trade is expected to increase by 20% in 1988, according to TASS July 20.

Much of this trade is concentrated in the northern tier of Chinese provinces. The Sino-Soviet border, once the scene of armed clashes, is becoming a brisk trade zone. Inner Mongolian trade with Russia, for example, has more than doubled in the last year. And on any given day, a Soviet delegation will be visiting a Chinese northern province for negotiations on opening up border trade and joint ventures.

On July 10, the port of Harbin in the Heilongjiang province was opened to the Soviets, as well as the lesser ports of Jiamusi and Fujin. Heihe prefecture in the same province—part of Manchuria, on which the Russians had a hold in the past—has opened a microwave communications service with Soviet Amur on the other side of the Heilongjiang River. The purpose is to increase the number of communications channels from 3 to 30, so that the two areas can communicate directly.

On July 15, a Soviet railway delegation arrived in Beijing for negotiations on the full linking of the Siberian and Chinese railway systems at the Alashan Pass in Xinjiang province. The project, being carried out jointly, is to be completed by 1990.

It is not yet known what U.S. intelligence agencies believe the impact of the integration of China's northern provinces and the Soviet Union might be for the United States. China's north, and specifically Xinkiang, house sensitive U.S. listening posts on the Soviet Union—one of the reasons given by the Bush administration as to why the U.S.-China so-called "special relationship" must not be broken.