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Chapter 3. Political elites at the centre: North America

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THE WHITE HOUSE

When Donald Trump occupied the Oval Office in February 2017, the US government's attitude towards China began to change, although more slowly than might have been expected given Trump's red-hot rhetoric on the campaign trail. Throughout much of his first year in office, the administration was hedging its bets. One of the new president's first acts was to can the Trans-Pacific Partnership, a trade agreement between twelve Pacific-rim nations that would have served as a counterweight to China's increasing economic dominance. Powerful voices in the White House, people with deep China connections, were urging a conciliatory approach.

Wilbur Ross, the new commerce secretary, had extensive investments in China, and one of his companies was partnered with a state-owned Chinese corporation (under pressure, Ross appears to have divested in 2019). While in China in 2017 he talked up a partnership between Goldman Sachs and the state-owned investment fund China Investment Corp, to provide up to \$5 billion to buy into US manufacturers, including sensitive assets.

Trump's director of the National Economic Council, Gary Cohn, had been president of Goldman Sachs, which was heavily involved with Chinese banks, giving Cohn a personal stake in their success. Among his financial interests in China before his appointment was a multimillion-dollar stake in a huge Party-controlled bank, the Industrial and Commercial Bank of China, which he helped to buy assets in the US. The bank is reported to be the largest commercial tenant in Trump Tower. Having worked at furthering US-China trade and investment links, Cohn also has deep connections with Chinese financial and political elites.

Trump's treasury secretary, Steven Mnuchin, had also once worked for Goldman Sachs and held stocks in the company, worth several million dollars, which he divested soon after taking office. Mnuchin quickly became the leading China dove in the White House, working to head off or derail moves to impose tariffs and other sanctions.

Donald Trump's own family had high hopes of enriching themselves in China. When Trump appointed his son-in-law, Jared Kushner, as White House senior adviser, Kushner held substantial investments in Blackstone, an investment company owned by Trump's friend Stephen Schwarzman which was heavily invested in China. In 2018 it was reported that Kushner's real estate company was being investigated over a scheme to lure Chinese investors to buy into apartment towers with the promise of obtaining visas to live in the United States.

Ivanka Trump, the president's daughter, owns valuable trademarks in China, some of which were granted after her father won office. She was executive vice president of Trump Hotels, which planned to build some twenty to thirty hotels in China.

Initially, President Trump referred often to his ‘great friend’ Xi Jinping, but in 2018 the atmosphere in Washington D.C. turned sour. ‘Constructive engagement’ was replaced with an adversarial approach. The structures of influence the CCP had built proved impotent, but not for want of trying. In March 2019 the journal *Mother Jones* broke a tawdry story about a Chinese-American Trump donor named Cindy Yang, who operated brothels in Florida. She was reported to be arranging visas for rich Chinese, and working hard to get close to Trump, without much success. She did, however, get the president’s sister, Elizabeth Trump-Grau, to participate in an event at the Mar-a-Lago resort. Yang was active in CCP united front organisations, notably the Florida branch of the China Council for the Promotion of Peaceful National Reunification. She also held a position on the National Committee of the Asian American Republican Party. Known as the ‘Asian GOP’, its aim, according to executive director Cliff Zhonggang Li, was to ‘promote Chinese-American political participation’, words that signal engagement in the CCP’s huaren canzheng work (literally, ‘ethnic Chinese participation in politics’, explained in chapter seven).

There have been more sophisticated and effective programs to influence America’s first families. During the 2016 presidential primaries, Jeb Bush looked like a better bet than Donald Trump. One of the stand-out donors to Jeb’s campaign was a Singapore-based Chinese couple named Gordon Tang and Huaidan Chen, owners of a property development company in California. They had previously attracted attention for their links to Gary Locke, the former Washington state governor who was appointed US ambassador to China by Obama. In 2013, while Locke was ambassador, Huaidan Chen bought his home in Bethesda, Maryland for \$1.68 million. (Ethics experts said it was a clear conflict of interest.) After Locke left office, they began paying him as an adviser to their company.

Although Gordon Tang and Huaidan Chen’s \$1.3 million donation to Jeb Bush’s election campaign did not pay off, they had appointed his brother, Neil Bush, as non-executive chairman of their company SingHaiyi as early as 2013. The Bush family’s China friendship began in 1974, when George H.W. Bush served as de facto ambassador in Beijing. He would later say, ‘I know how China works,’ and was deeply respected in China as ‘an old friend’, a rarely bestowed honorific reserved for world figures who have rendered great help to China. (Henry Kissinger and former head of the International Olympic Committee, Juan Antonio Samaranch, have received the same honour.) As president in 1989 Bush worked hard to smooth relations after the June massacre in Tiananmen Square, sending a secret delegation to Beijing in early July, just a month after the bloody crackdown.

Today the Bush legacy is carried on by Neil, the former president’s third son. He chairs the George H.W. Bush China-U.S. Relations Foundation, which among other activities staged a major conference in Washington D.C. in October 2018 in conjunction with the important united front body, the Chinese People’s Association for Friendship with Foreign Countries.⁵⁵ The CPAFFC works with the Bush foundation to promote closer ties between the two countries and ‘to create a more peaceful and prosperous future’.

The problem is that the CPAFFC, commonly abbreviated in Chinese as *youxie* (‘friendship association’), is an official organisation masquerading as an NGO. It is an agency of the Chinese People’s Political Consultative Conference, a top-level advisory body that forms an integral part of the CCP’s united front work. Its task is to win friends under the banner of people-to-people diplomacy. Friendship, or *youyi*, writes Anne-Marie Brady, ‘is a term that has come to be closely associated with foreigners and the CCP’s system of structures and strategies for dealing with them’. Winning foreign friends through the activities of organisations like the CPAFFC is

integral to the CCP's system of exerting influence abroad. For example, in May 2019 Xinhua reported the signing of a memorandum of understanding between the CPAFFC and a think tank in Ireland, AsiaMatters, to promote people-to-people exchanges and cooperation. At the ceremony, Ireland's foreign minister and deputy prime minister, Simon Coveney, said the deepening relationship would help Ireland reach out to the European Union so as to advance China's interests in the EU.

In June 2019 the *People's Daily* enthusiastically reported Neil Bush opining that the United States was using trade barriers 'as a political weapon to bully' China. While China is becoming more mature, said Bush, US democracy is flawed and politicians are 'brainwashing' Americans into seeing China as a problem. The role of his organisation, he explained, is to help Americans see the truth about China. In an interview with the state broadcaster CGTN, he gushed about 'the natural kindness and gift giving of the Chinese people', unwittingly revealing the tactics used to groom him.

A month later Neil Bush was in Hong Kong giving the keynote speech at a conference organised by Tung Chee-hwa, former Hong Kong chief executive and top united front operative. Bush blamed 'anti-China' sentiment in the US for the tension between the two powers, telling the audience that the US should not meddle in China's affairs, that CCP leaders are motivated by concern for the people, and that 'US-style democracy' is not suited to China. Bush developed these themes in another sycophantic interview on CGTN in October, where he said that Americans would change their view of China if they could only see 'the rise of the freedom people are enjoying' there. His words so closely echoed those generated by the CCP's Propaganda Department they could have been written by it.