CHINA’S HUMAN RIGHTS AND U.S.-CHINA ECONOMIC RELATIONS: INTEREST GROUP LOBBYING AND CHINA’S MFN TRADE STATUS

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Abstract

Foreign influence on U.S. foreign policy via transnational lobbying has generated much controversy in recent years. In light of the controversy, this article builds upon prior research by examining two indirect lobbying strategies—grass-roots mobilization vs. coalition-building—to determine which is more effective, and what factors contribute to the effectiveness of each strategy. The 1993/1994 debate in the U.S. on whether to extend China’s most-favored-nation (MFN) trade status—based on progress in its human rights record—permits a parallel analysis of these two lobbying efforts. Through analyses of primary and secondary sources, including U.S. government documents and interviews with officials, the article contends that the coalition-building strategy (often used by business-oriented groups) has fundamental advantages and tends to prevail over the grass-roots mobilization strategy (often utilized by non-business interests).

Keywords: Lobbying, Interest Groups, China, Human Rights, MFN Status, United States

1. Introduction

Transnational lobbying, especially that which is aimed at the United States, has become a focus of much attention and research in recent years (see Dusso, 2010; Holyoke, 2014; Ronnback, 2014; Sobbrio, 2011; Mathur, 2013). A primary reason is the growing interdependence among nations which has encouraged an increasing amount and intensity of transnational lobbying. Concern has stirred regarding foreign influence on U.S. policymaking. Since the United States is the leading actor on the world stage, much lobbying is focused on influencing U.S. policies.

Research in the United States has focused more on direct transnational lobbying, spurred in large part by countries’ attempts to influence U.S. policy using high-powered lobbyists, consulting firms, and former U.S. government officials (Holyoke, 2014; Ronnback, 2014). Relatively few studies, however, address indirect transnational lobbying approaches utilized by foreign actors, defined here as foreign states’ government and nongovernmental organizations (NGOs) (For exceptions, see Sobbrio, 2011; Chalmers, 2013). Two key indirect lobbying strategies—grass-roots mobilization and coalition-building—have been
utilized by foreign actors, but few studies have attempted to determine which strategy is more effective and why, which is the focus of this article.

The grass-roots mobilization approach attempts to rally mass support by such means as ethnicities and ideological solidarity—defined as unity behind a shared belief or goal—for influence and pressure (Schneider, 2014). In this article, grass-roots lobbying will refer to efforts to achieve ideological solidarity. The coalition-building approach emphasizes alliance formation via purchasing power with corporate constituents, plus mutual interests which entail lobbying by corporatizations of the target state (Mathur, 2013).

The relative effectiveness of grass-roots and coalition lobbying is examined here using two case studies of lobbying efforts seeking to influence the 1994 most-favored-nation (MFN) trade status decision by the United States on the People’s Republic of China. Focusing on this one decision permits parallel analysis of both indirect lobbying approaches, thereby providing an opportunity to gauge which is more effective and what factors contribute to the effectiveness of each approach.

The MFN debate in 1993/1994 was selected since this represented the first time that China’s MFN renewal status was made conditional. President Clinton’s 1993 executive order conditioned MFN renewal for China in 1994 on its human rights progress in certain areas; thus, circumstances seemed to favor the anti-MFN renewal, grass-roots lobby. In addition, China’s authoritarian regime and numerous human rights violations were widely criticized by both international human rights groups and the U.S. State Department in 1993. The State Department concluded in its annual human rights report that China “fell far short of internationally accepted norms” in 1993 (U.S. Department of State, 1993: 63). However, China also possessed the world’s fastest growing economy, the world’s largest potential consumer market, and purchasing power. The explosive growth in China’s economy in the 1990s helped explain the dramatic increase in both trade between China and the United States and U.S. direct investment in China. By 1994, the Clinton administration had named the Chinese economic area as one of the world’s ten “big emerging markets” (BEMs), and a study done by the World Bank in 1994 estimated that China’s exports to the United States would fall by at least 42 percent and perhaps by as much as 96 percent if China’s MFN status in the United States were discontinued. Thus, U.S. business and government actors became mobilizable assets—China’s coalition partners—lobbying for continuation of China’s MFN status out of mutual interest (Economic Report, 1995:241; World Bank, 1994:157).

Since a full or partial revocation of China’s MFN status by either President Clinton or Congress was quite possible in 1994—depending on China fulfilling certain human rights conditions—the stage was set in 1994 for intense and aggressive lobbying campaigns by two opposing camps: the anti-MFN renewal forces (human rights and other groups utilizing primarily a grass-roots strategy), and the pro-MFN renewal forces (China and its U.S. business and government coalition). This
confrontation was also set in place by Clinton’s two primary themes emphasized at the outset of his Administration: economic growth and greater attention to human rights abuses around the world—two seemingly incompatible goals with respect to China.

2. Theoretical Focus

Several research questions guide the analysis of these two indirect approaches of transnational lobbying:

- Which of the two types of transnational lobbying under consideration is more effective? (Here, “effective” is defined as the extent to which each lobby achieves its stated goals).
- Does one of the approaches involve fundamental advantages over the other?
- What elements contribute to, or diminish, the effectiveness of these lobbying strategies?

In exploring these questions, the following three propositions are advanced:

1) Despite intense lobbying efforts by noneconomic groups in a grass-roots campaign, the effectiveness of such efforts tends to diminish in relation to the greater scope and diversity of groups involved.

2) The effectiveness of the coalition-building approach by a foreign country increases in relation to the greater number and diversity of groups involved, which are bound together by mutual economic interests.

3) The ability of the coalition lobby to coopt the agenda of a grass-roots lobby contributes to greater effectiveness of the coalition-building approach.

3. Indirect Transnational Lobbying

In grass-roots transnational lobbying, an alliance with various actors in other countries with a common cause can help facilitate efforts such as research, lobbying, campaigning, and mobilizing of individuals/groups around the movement (Brysk, 1993:264). However, a natural trap into which grass-roots groups fall is cooptation of their agenda by an adversarial group. This occurs when grass-roots groups neither differentiate effectively nor defend their arguments, thereby allowing the adversarial lobby to control the focus of the debate and frame it in their terms (Weible, 2009:123).

In addition, alliances of a diverse array of groups can have difficulties with cohesion and in coordinating activities. Wide differences among individuals and groups concerning strategies and goals tend to render deeper and broader levels of cooperation very difficult, as occurred with the grass-roots lobby in the 1993/1994 MFN debate.

In coalition lobbying, effective influence by a foreign country appears to depend on certain conditions, including the formation of a coalition with organized domestic interest groups such as trade associations and/or multinational corporations. By providing adequate enticements for their cooperation and sufficient disincentives for noncooperation, a foreign nation can organize interest groups across national boundaries and encourage them to lobby for their own, as well as for the foreign state’s
interests. From this perspective, companies that have a vested interest in investment or trade with the foreign nation become mobilizable assets, seeking to avoid the adoption of trade restrictions by their own country and other market and supplier governments (Chalmers, 2013). In effect, sympathetic groups inside the target country are recruited to become one’s partners in their domestic policy debates, and are made to lobby for one’s cause not out of any altruism but rather as a result of their own self-interests. In addition, coalition lobbying can be effective if the foreign nation forms working relationships involving interdependence with important government agencies. Also, the lobbying strategy of mobilizing trans-governmental allies can be utilized in order to reinforce bureaucratic splits. Trans-governmental ties can exploit differences within the bureaucracy, since bureaucrats who disagree with their government’s negotiating position can help the exporter by arguing for bargaining concessions. Furthermore, coalitions with free-traders in the legislative branch can affect legislation or limit the executive branch’s freedom of action (Keohane, 1971:163).

Therefore, two primary factors appear to contribute to the effectiveness of coalition lobbying—first, a greater number and diversity of actors (both government and business) involved in the coalition; and second, the coalition lobby’s ability to coopt the agenda of an adversarial lobby.

4. The Grass-roots Lobby: Key Actors

The four main groups involved in the grass-roots lobby in the 1994 China MFN debate were international and U.S. human rights groups, the Chinese-American community, U.S. church groups, and U.S. organized labor. All four groups were bound by a general ideology of seeking improvement in human rights conditions in China, but each had varying strategies and goals concerning human rights improvement with regard to China’s MFN status. Although the groups undertook coordination efforts, the diversity of stances and goals hindered attempts at greater cohesion and coordination, decreasing the effectiveness of the anti-MFN renewal lobby.

4.1 Human Rights Groups

Human Rights Watch/Asia (HRW/Asia) led the battle among the rights groups to block renewal of China’s MFN status. In response to human rights violations by China, HRW/Asia advocated partial sanctions concerning China’s MFN status. Holly Burkhalter, Washington director of HRW, argued that instead of the 30 to 60 percent tariff increase that was believed to be inevitable with MFN revocation, the Administration could hike tariffs by 10 percent at the outset, with further increases if Beijing kept “dragging its feet” on human rights (Human Rights Watch, 1994:xxxvi; Burkhalter, 1994). Thus, HRW/Asia’s stance on the MFN issue was one of incremental tariff increases in relation to China’s progress on its human rights record. In addition, as the MFN deadline approached, HRW urged American companies with operations in China to adopt a voluntary code of conduct. This code was modeled roughly on the Sullivan Principles, a code of conduct initially adopted on a voluntary basis by U.S. companies doing business with South Africa’s apartheid regime (Burkhalter, 1994).
Neither Amnesty International (AI) nor Freedom House, two significant actors in the MFN debate, adopted a policy stance on China’s MFN status. The non-policy stance of these groups served to hinder deeper cooperation and coordination with other groups, including HRW/Asia, which did advocate specific policies regarding China’s MFN status. In addition, William F. Schulz, executive director of AI-USA, argued in April 1994 that “by focusing exclusively on MFN we tend to neglect longer-term strategies” (Kirschten, 1994:1921). In following this logic, the cohesion of the grassroots lobby was cast into doubt at a critical moment by an AI advertisement that appeared in the Washington Post just two days before President Clinton’s decision on May 26, 1994. The ad declared that “whether or not we renew MFN is not the issue.” James O’Dea, director of the Washington office of AI-USA, explained that “What we were saying was not that MFN [revocation] was right or wrong, but the issue is to have a long-term strategy that sets goals and sticks to them (Kirschten, 1994:1919).

However, AI’s advertisement tore at the cohesion of the anti-MFN renewal lobby, giving a perception of disorganization within the lobby and infuriating other human rights groups. Burkhalter acknowledged that the ad “made us look horribly disorganized,” and Dr. Hai Ching Zhao, president of an organization for Chinese nationals in the United States, said that “the ad was used against us” by opponents of the sanctions (Kirschten, 1994:1918). Confirming this sentiment, T. Kumar, Asia/Pacific Government Program Officer with AI-USA, stated that “pro-MFN groups used AI’s advertisement to say that AI is not against MFN (Kumar, 1996).

The primary Tibet human rights group involved in the grass-roots lobby was the International Campaign for Tibet (ICT). Rachel Lostumbo, Director of Government Relations for ICT in 1994, stated that ICT advocated for minimal conditions to be kept on China’s MFN status (Lostumbo, 1996). However, these conditions were not specifically delineated, representing a nonspecific policy stance; therefore, no unified voice could evolve among the human rights groups behind a specific policy, such as that advanced by HRW/Asia.

The difficulties in achieving cohesion and effective coordination in the anti-MFN renewal lobby was evident even within the human rights community itself. Such diversity in stances and strategies, which hampered deeper cohesion and coordination among the human rights groups, decreased the overall effectiveness of the grass-roots lobby.

4.2 Chinese-American Community

The anti-MFN groups and leaders in the Chinese community, like the human rights groups, advocated varying stances concerning China’s MFN status. Dr. Hai Ching Zhao was president until 1993 of the International Federation of Chinese Students and Scholars (IFCSS), an umbrella organization for dissident Chinese students and academics in America. In 1993, Zhao left the IFCSS to form the National Council on Chinese Affairs, which represents Chinese nationals who are not necessarily students. Zhao stated that both organizations
favored partial sanctions as opposed to revocation, since they still wanted trade with China, not a cutoff of its MFN status (Zhao, 1996).

In addition, Zhao and Fang Lizhi, a leading Chinese dissident, both argued in a *New York Times* op-ed piece that “Mr. Clinton should revoke most-favored-nation status for products made or sold by government-controlled enterprises, thereby pressing the regime for change. But he should not cancel them for the private sector, which needs incentives to grow” (Lizhi, 1994).

In contrast, Harry Wu, another leading Chinese dissident, argued in a *New York Times* op-ed piece that “America must help China’s brave and suffering millions by cutting off most-favored-nation treatment this year” (Wu, 1994:A23). Furthermore, Wei Jinsheng, one of China’s most prominent dissidents who was imprisoned in China until late 1997, stated in an interview in Beijing in spring 1994 that unless the Chinese government made a big improvement in its human rights situation, then China’s MFN status should not be continued (Cunningham, 1994).

Such differences among individuals and groups in the Chinese-American community inhibited coordination and unity both within the community and between the community and other groups in the grass-roots lobby. This lack of cohesion and unity hindered the impact and effectiveness of the lobby as a whole.

4.3 U.S. Church Groups

Among religious groups, the United States Catholic Conference (USCC) was the primary organization active in the 1994 debate on China’s MFN status. Along with the National Conference of Catholic Bishops (NCCB), the USCC is the top organization in the hierarchy of the Catholic Church in the United States. The USCC did support some kind of MFN conditioning on China’s MFN status; however, no specific policy was advocated (Quigley, 1996). Thus, the nonspecific policy stance of the USCC hindered greater coordination with other lobby members advocating specific policies.

4.4 U.S. Organized Labor

Organized labor groups were among the most active and vocal participants throughout the MFN debate, calling for full revocation of China’s MFN status. Although labor groups were motivated by a potential loss of American jobs to China and Chinese imports, labor couched its concern partly in terms of human rights considerations. The AFL-CIO, which represented 14 million workers in America in 1994, led labor groups in their efforts to achieve revocation of China’s MFN status. The AFL-CIO added much “muscle” to the anti-MFN renewal lobby through their numbers and political contributions; however, the AFL-CIO’s inflexible position of full revocation hampered deeper cohesion and coordination efforts with most other groups in the grass-roots lobby. In addition, although the AFL-CIO’s position was recognized in early 1994 as a non-viable policy by many policy-makers and members of the lobby itself, the AFL-CIO persisted in its MFN revocation policy as opposed to backing partial
sanctions in line with other coalition members (Manegold, 1994).

5. The Grass-roots Lobby: Coordination Efforts

While a variety of groups with differing goals and agendas constituted the grass-roots lobby, there was a certain degree of coordination among these organizations. Elaine Finkle, a lawyer, had served as an informal coordinator of the anti-MFN renewal lobby since 1990. Finkle stated that she “saw it [MFN] as a vehicle and realized if anything was to be done, coordination was needed,” and she went to Rep. Nancy Pelosi (D-California) for assistance. Pelosi has led the movement in Congress to condition or revoke China’s MFN status since 1989. The loose coalition stayed in place under Finkle’s coordination efforts, and leading up the 1994 MFN decision, meetings were being held every four to six weeks “…to examine what bills were coming up, and what they wanted to see happen” (Finkle, 1996). The groups involved in the coordination efforts included those mentioned above as well as a variety of others, with HRW/Asia and the Chinese dissident groups being the most active.

Other coordination efforts included a “counter hearing” convened by human rights groups in April in response to an earlier forum held by the Council on Foreign Relations in March. The public hearing, which involved most of the anti-MFN renewal groups mentioned above, intended to convey the message to President Clinton that China had not made significant human rights progress overall, a condition required by Clinton’s 1993 executive order for the renewal of China’s MFN status. In addition, just days before Clinton made his decision on China’s MFN status, ten human rights groups and pro-democracy organizations held a press conference on China’s lack of progress on human rights (Press Conference, 1994).

Despite coordination efforts by the anti-MFN renewal lobby, their efforts were limited to heightening awareness about China’s poor human rights record. Because of its diverse membership and goals, no consensus about policy could be developed by the coalition. Therefore, no unified voice could be fashioned behind any specific policy beyond the general notion that China’s human rights violations were atrocious and deserving of greater attention by U.S. policymakers (Qi, 2005).

Congressional votes were taken in August on two pieces of legislation concerning revocation of China’s MFN status after Clinton’s May 26th decision. Rep. Pelosi sponsored a “targeted sanctions” bill (HR 4590), which denied low tariff rates for some $5 billion worth of goods made by state-owned enterprises in China, particularly those controlled by the Chinese Army. However, Pelosi’s bill was defeated by a vote of 158-270. Another House bill (HJ RES 373), defeated by a vote of 75 to 356, would have revoked MFN status for all Chinese products (Congress Lets Renewal, 1994:137). The rejection of both bills, along with Clinton’s earlier decision to delink human rights from China’s MFN status, reveals the ineffectiveness of the grass-roots lobby. In addition, based on the above examination of the primary grass-roots groups, the lack of unity,
cohesion and substantive coordination contributed to the unsuccessful lobbying campaign.

According to Mike Jendrzejczyk, Washington Director of HRW/Asia, the differences in positions among the anti-MFN renewal groups did not hinder the effort, but rather “staked out the various positions on the range of issues…helping to frame various policies,” such as how conditions were to be imposed. For instance, Jendrzejczyk argued that the labor position on revocation served to make limited sanctions a more attractive option (Jendrzejczyk, 1996). However, the firm position of organized labor distracted from a more plausible set of limited sanctions, since the MFN debate ended up becoming primarily centered around the effects of two “either-or” policies—MFN revocation or MFN renewal.

In addition, Finkle stated the business code of conduct, primarily a HRW/Asia initiative along with some assistance from the ICT, was a source of division within the lobby. Although the code was “considered a good thing” by the USCC, it was opposed by the AFL-CIO and the Chinese dissident community, who thought the code would do no good. In addition, the ICT eventually found the code of conduct to be ineffective, and Nancy Pelosi expressed disappointment in the code, viewing it as useless (Quigley, 1996; Finkle, 1996; Bartholomew, 1996).

Thus, the lobby as a whole neither acted with a unified voice nor restricted its demands to a few consistent issues. In terms of facilitating a more effective and organized human rights lobby in the future, Anne Huiskes, a Legislative Assistant to Representative Frank Wolf (R-Virginia), stated “the human rights lobby needs to speak with one voice; it needs to coordinate more with policy and Chinese scholars need to come out more forcefully and lobby around specific legislation” (Cigler and Loomis, 2011:392).

6. The Coalition Lobby and the MFN Debate

Immediately following the 1993 executive order by President Clinton, members of the business community (and allies within the Administration and on Capitol Hill) organized to articulate their interests more effectively. Prior to the 1993-1994 period, corporate America had feared it would appear unseemly to argue vigorously and publicly granting MFN status to China, since the 1989 Tiananmen Square massacre was still recent. Under President Bush, they believed a presidential veto (and 34 votes in the U.S. Senate) would protect their interests. However, with the combination of exploding U.S. business activity in China and the very real possibility that MFN could be revoked or conditioned by Clinton or Congress, the business lobby was catalyzed (Cigler and Loomis, 2011:397).

In its efforts to retain MFN trading status, China relied primarily upon coalition-building with a wide array of actors within the United States, as well as with the American Chambers of Commerce in both Hong Kong and Beijing.

6.1 China’s U.S. Business Coalition
China’s U.S. business coalition was diverse and numerous, including broad-based business groups that represented U.S. companies and trade associations ranging from U.S. multinational corporations to state ports and state chambers of commerce. According to Robert Sutter, Senior Specialist in International Politics for the Congressional Research Service, the key broad-based business groups in the coalition lobby were the Business Coalition for U.S.-China trade, the Emergency Committee for American Trade (ECAT), the U.S.-China Business Council, and the American Chambers of Commerce (Sutter, 1996).

The Business Coalition for U.S.-China Trade served as the umbrella organization under which the other business groups united. According to its chair, Calman Cohen, “the Business Coalition was formed [in 1991] in order to provide a single voice for the business community.” Cohen, who directed the business lobbying campaign for China’s MFN status in 1994, stated “the idea was to use a big tent approach and to involve leading corporations….Each group continued to do its own work on trade, but when it came to the MFN issue, there would be only one voice.” (Behr, 1994).

Cohen, who was also vice-president of ECAT, noted that when targeting Capitol Hill, “it was critical to persuade Congress that U.S. corporations in China were creating improved working conditions and economic rights for Chinese workers, and that withdrawing China’s MFN status would end that process” (Cloud, 1994:1055). These persuasive efforts were intended to coopt the agenda of the anti-MFN renewal lobby concerning the advancement of human rights in China. ECAT itself boasted a membership of some 65 large U.S. enterprises with annual worldwide sales of $1 trillion in 1994 and 5 million employees. ECAT’s sizable membership granted it significant leverage in lobbying policymakers during the MFN campaign. In addition, at a February hearing of the Subcommittee on Trade of the House Committee on Ways and Means, K.R. Williams testified on behalf of ECAT that “we strongly believe that human rights [in China] can better be achieved through conditions of economic plenty than of economic scarcity” (U.S. Congress, 1994).

Robert A. Kapp, who became president in April 1994 of the U.S.-China Business Council—an association of then over 250 member companies—wrote that the Council, acting on its own and in concert with other leading business organizations through the Business Coalition for U.S.-China Trade, had “made the rounds in Congress and Administration, testified before Congress, wrote editorials for the press, [and] sent educational literature to everyone….“ (Kapp, 1994:6). Concerning coordination efforts, Kapp stated “the [Business] Coalition was the name that everyone [business groups] came together under….there were tens upon tens of meetings to decide on plans of action and to write a letter that a thousand companies could sign” (Kapp, 1996).

For instance, in April over 400 California companies in the Business Coalition signed a letter to the President saying that revoking MFN for China would jeopardize California’s $1.7 billion worth of exports to
China and the 35,000 jobs that depended on them. Furthermore, the groups attempted to coopt the human rights agenda of the grass-roots lobby, stating in the letter that U.S. trade and investment supported entrepreneurial forces in China that advocated further political reform, and that MFN withdrawal would undermine important steps toward greater respect for human rights in China (Schoenberger, 1994). This placed tremendous pressure on Clinton since he did not want to damage California’s economy, especially given its vital role in presidential elections.

The American Chambers of Commerce in Hong Kong and Beijing also participated actively in the MFN debate, sending delegations to lobby both Congress and the Administration in the spring of 1994. Sutter stated that “The American Chamber of Commerce in Hong Kong comes [to America] every year before MFN…and it is the largest American Chamber in the world outside the United States” (Sutter, 1996). The American Chamber of Commerce in Beijing also lobbied Secretary of State Warren Christopher during his March 1994 visit, openly criticizing the Administration’s policy of linking MFN to human rights.

In sum, a vast number and array of business groups and interests came together in order to lobby for renewal of China’s MFN status in 1994. In addition, the lobby frequently attempted to coopt the agenda of the anti-MFN renewal groups concerning improvement of human rights conditions in China.

6.2 China’s U.S. Government Coalition

China’s U.S. government coalition involved both Congressional officials and agencies/officials in the Clinton administration who advocated China’s MFN renewal out of mutual interests. Concerning the U.S. Congress, 47 U.S. representatives and 14 senators visited China between June 1993 and June 1994. This unprecedented number of members of Congress—and staff—to China totaled more than one hundred, which congressional sources stated had led to a more nuanced view of Chinese reality on Capitol Hill (Manning, 1994:196). Senator John Kerry (D-Massachusetts), previously a strong advocate of sanctions on China, stated after his visit that conditions there were very different than in 1989. He later delivered the message to the Administration that it needed a new policy.

Many of the lawmakers who favored MFN renewal without conditions came from states that exported the most to China, including Washington and California. Rep. Jim McDermott (D-Washington), whose district was home to thousands of employees of the Boeing Company—the largest U.S. volume exporter to China—helped produce a letter in May to President Clinton signed by 106 colleagues calling for MFN renewal (Cloud, 1994:1054-1056). Senator Mark O. Hatfield (R-Oregon), released a study in early May, estimated that revoking MFN would cost American consumers $10 billion a year and hurt U.S. companies competing for some $400 billion in public works projects and capital goods orders that China was expected to put out for bids over the next five years. Rep. Jim Bacchus (D-Florida), who invited colleagues from Florida’s congressional delegation to a dinner with business executives
in April highlighted Florida’s $200 million in exports to China in 1993, and that much of this trade could evaporate if China’s MFN trade status was revoked (Schoenberger, 1994).

In the executive branch, the Clinton administration appeared to be split on the MFN issue in early 1994. According to Pamela Slutz, Deputy Director of the Office of Chinese and Mongolian Affairs in the State Department, “Seams were evident by January [1994] in the Administration [on MFN]” (Slutz, 1996). On one hand, Secretary of State Warren Christopher and other State Department officials admonished the Chinese for their failure to meet the terms of Clinton’s executive order. On the other hand, Treasury Secretary Lloyd Bentsen, Commerce Secretary Ron Brown, and Robert Rubin (chairman of the National Economic Council) stressed the compelling American interest in normal trade relations with China. While economic aides in the White House and at the Commerce and Treasury departments complained bitterly about their State Department colleagues, State Department officials countered that economic officials were responsible for undercutting the President’s threat (Dunne, 1994:22).

The bureaucratic splits among agencies in the Clinton administration worked to the advantage of China’s pro-MFN renewal lobby. Disagreements weakened the perceived resolve of the Administration for conditioning or revoking China’s MFN status, and the Administration’s inability to speak with a unified voice on MFN policy proved a setback to the anti-MFN renewal lobby.

7. Battle for Public Opinion

Since the Tiananmen Square massacre in 1989, numerous polls had been conducted concerning American public opinion on U.S. foreign policy toward China. However, few polls specifically asked respondents at several different time periods to choose whether human rights or trade should receive priority in U.S. policy vis-à-vis Beijing. One such poll, conducted by Harris and Teeter Research Companies (HTR), spanned three different time periods leading up to Clinton’s 1994 MFN decision. In all three polls, respondents were asked: “Which one of the following statements comes closer to your point of view on our relationship with China? Statement A: We should maintain good trade relations with China, despite disagreements we might have with its human rights policies. Or, Statement B: We should demand that China improve its human rights policies if China wants to continue to enjoy its current trade status with the United States.” Results are summarized below in Table 1.

Such data indicate that the proportion of Americans agreeing with Statement A (emphasizing trade) increased 11 percentage points from December 1993 to May 1994—with a 9 percent increase between March and May—while the percentage of respondents agreeing with Statement B (emphasizing human rights) decreased 14 percentage points in the same time frame—with a 10 percent drop occurring between March and May. Thus, there was a significant shift in public opinion toward maintaining good trade relations with China and away from demanding that China improve on its
human rights. The data suggest the pro-MFN renewal coalition lobby was more effective than the anti-MFN renewal grass-roots lobby in swaying public opinion in the final months before Clinton’s MFN decision. In a revealing comment by a Chinese official in May 1994, it was noted how the public rebuff of Secretary Christopher during his March 1994 trip to Beijing had produced a sea change in American attitudes: “Not long ago China’s failure to bend to U.S. pressure gave rise to stronger voices in the United States” (Lampton, 1994:613).

Similarly, Mike Jendrzejczyk noted the business lobby “kicked in around March,” especially after Christopher’s uneventful trip to

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China’s coalition-building strategy involved a wide array of U.S. actors, both business and government, which stood to gain from a continuation of China’s MFN status. The great number and diversity of U.S. actors in the coalition, bound together by economic interests, contributed to an effective lobbying campaign. In the words of R. D. Folsom, a lobbyist representing the Hong Kong Economic and Trade Office and the Footwear Distributors and Retailers of America, the overall impact of the business lobby was “huge…Clinton heard from every major company in graphic terms” (Cloud, 1994:1054).

The coalition also successfully coopted the agenda of the anti-MFN renewal lobby, to which the anti-MFN groups did not adequately
respond. Steven M. Tullberg, a Washington human rights lawyer who witnessed the MFN debate from the sidelines observed: “The human rights community focused too much of its energies on bolstering its allies within the Administration rather than publicly taking on the international business community’s argument that human rights inevitably flow from free trade” (Kirschten, 1994:1918).

Tullberg, a longtime advocate for indigenous Indian tribes, argued that the human rights lobby should have confronted the economic development question head-on during the China debate, stating that “there’s something to be said for rising living standards and so forth, but I was appalled at the extent to which the business community’s argument went unchallenged.” Other analysts noted that the rights groups were thrown off stride “by opponents who refused to yield the moral ground on how best to advance the cause of freedom” (Kirschten, 1994:1918).

The preceding case study analysis of the 1994 China MFN debate addressed theoretical concerns regarding the relative effectiveness of grass-roots and coalition lobbying, including contributing factors to the effectiveness of each.

8. Conclusion

In the 1993/1994 debate over China’s MFN status, numerous and diverse actors participated in the lobbying process on each side of the issue. The two main lobby groups waged intense and aggressive campaigns; however, China’s coalition-building lobby proved far more effective than the grass-roots lobby in achieving its stated goals. Primary indicators of the greater effectiveness of the coalition lobby included the following: 1) the dramatic shift in U.S. public opinion between March and May 1994 toward a more conciliatory trade stance with China; 2) President Clinton’s MFN decision in the face of overwhelming evidence of the terrible human rights conditions in China (particularly in light of Clinton’s 1993 executive order, and Warren Christopher’s report that China had not made overall, significant progress in human rights); and, 3) the failure of the House of Representatives to pass legislation revoking or even conditioning China’s MFN status.

In general, coalition lobbying enjoys several fundamental advantages over grass-roots lobbying, including the following: 1) the ability of a foreign actor to form a coalition with a great number and diversity of business and government actors—all bound together by mutual economic interests—in or associated with the target state; 2) the difficulty of a grass-roots lobby to maintain cohesion and coordination in light of increasing size and diversity of groups involved; and, 3) the ability of a coalition lobby to co-opt the agenda of a grass-roots lobby.

The findings suggest that NGOs, which represent a wide range of issues—including human rights and the environment—and rely primarily on grass-roots lobbying, are likely to be unsuccessful when lobbying against groups with mutual economic interests, which tend to employ coalition lobbying. Further, these findings contribute to the understanding of sources of U.S. foreign policy, particularly the increasing influence of transnational lobbying.
Several implications arise from the findings regarding transnational lobbying. First, it seems likely that foreign countries will exert greater influence over U.S. foreign policy in the future. As economic interdependence and globalization increase, countries with much at stake will attempt to influence U.S. foreign policy more vigorously via coalition lobbying, as well as other lobbying approaches. The United States will become the target of more and more intense transnational lobbying, indicating the need for further examination of this phenomenon to better understand such sources of U.S. foreign policy.

REFERENCES


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