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The Diplomatic Recognition Dilemma: Exploring the PRC's Impact on British-American Relations (1949–1950)

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Вопрос о дипломатическом признании КНР в американско-британских отношениях (1949–1950 гг.)

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In this article, the authors examine the challenges faced by British-American relations in their dealings with the newly formed Communist government of China in the post-World War II era. Their goal is to identify the unique economic and geopolitical interests of both governments towards China and how these factors influenced their decision-making processes regarding the recognition of Mao Zedong's government. The authors conclude that Britain's primary interests in maintaining its economic presence in China and securing Hong Kong led them to establish diplomatic relations with the PRC government. Conversely, the US government refused to recognize the Communist government without assurances from the Chinese Communist Party to uphold human rights and freedoms in the country. Additionally, the authors note that the US Congress criticized H. Truman's government's policy towards China, which was also a factor in their refusal to recognize Mao Zedong's government. Ultimately, the authors conclude that the US and UK were unable to agree on a unified approach to China and were only able to set a deadline for the recognition of the PRC on the British side.

Keywords: American foreign policy, British foreign policy, China, Harry Truman, Clement Attlee, Mao Zedong.

В статье анализируется проблема взаимоотношений Великобритании и США с коммунистическим правительством Китая в первые годы его существования. Авторы ставят задачу вывить специфику экономических и геополитических интересов как американского, так и британского правительств в отношении Китая после окончания Второй мировой войны, оказавших заметное влияние на решение вопроса о дипломатическом признании правительства Мао Цзэдуна. Делается вывод о том, что заинтересованность Великобритании в сохранении своего торгово-экономического присутствия в Китае и обеспечении безопасности Гонконга вынуждали британское руководство установить дипломатические отношения с правительством КНР. Американское правительство исходило из невозможности признать коммунистическую власть в Китае без гарантий соблюдения прав и свобод человека в стране со стороны Коммунистической партии Китая. Отмечается, что отказ Вашингтона признавать правительство Мао Цзэдуна был также связан с критикой китайской политики, проводимой правительством Г. Трумэна со стороны Конгресса США. Авторы приходят к выводу о том, что задача согласовать свои действия в отношении Китая оказалась для США и Великобритании невыполнимой и ограничилась согласованием лишь срока признания КНР с британской стороны.

Ключевые слова: внешняя политика США, внешняя политика Великобритании, КНР, Гарри Трумэн, Климент Эттли, Мао Цзэдун.

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The proclamation of a Communist government in China on October 1, 1949 deepened the ideological confrontation between East and West in the Cold War. As NATO allies, Britain and the United States were equally unaccepting of communist ideology and wary of its spread. Nevertheless, as early as January 1950, the British government of C. Attlee recognized Mao Zedong's government, becoming the first capitalist country to establish diplomatic relations with the People's Republic of China. At the same time, the United States refrained from recognizing the PRC for thirty years, and the establishment of diplomatic ties between the countries occurred only in 1979. This article aims to compare the interests and motives of the two countries on the issue of diplomatic recognition of the PRC and assess the impact of British recognition of China on British-American relations.

Western countries' policy towards China after World War II has been well covered by foreign researchers. The development of U.S. foreign policy toward the PRC has been addressed in the works of R. Owendale [1] and M. Galicchio [2]. The motives for British recognition of Mao Zedong's Communist government were analyzed by D. Wolf [3], Zh. Feng [4], and D. Clayton [5]. Comparative analysis of US and British policy in East Asia was presented in the works of K. Younger [6], V. Kaufman [7], and R. Watson [8]. Russian scholars consider US-Chinese relations in the late 1940s in the context of the beginning of the Soviet-American confrontation [9, 10, 11]. They focus on certain aspects of American policy in China, in particular on the mission of General J. Marshall [12], military cooperation between the two countries [13], etc. However, the vastness of the historiography of the subject under study does not allow us to consider the topic under consideration exhausted, since the researchers' assessments of the influence of the "China issue" on British-American relations vary considerably.

Many scholars believe that Britain's postwar interests in China were predominantly economic. Indeed, C. Attlee's Labor government has associated the recovery of the British economy primarily with the revival and expansion of foreign trade [14, p. 31]. On the eve of the Second World War, British investment in China amounted to 1,220 million dollars, or 35% of total foreign investment [14, p. 5]. Shanghai, Chongqing and Hong Kong were home to the offices of the largest British company, Jardine Matheson Limited, which specialized in financial services, insurance, construction, and trade. The offices of the Hong Kong and Shanghai Banking Corporation, which managed colonial accounts in Malaysia, Singapore, and China and financed infrastructure projects in Asia, were also located there.

The US economic presence in China was more limited than that of Britain or Japan. In the 1930s, U.S. investment

in China amounted to \$298 million, or 8.6% of the total, which was four times less than British investment. At the same time, American imports to China played an important role: the United States was in second place among importers, behind Japan and ahead of Great Britain [15, p. 22]. During World War II a number of American companies curtailed their activities in China, and afterwards they considered it costly to restore business in conditions of political instability. After the war, China as a borrower in need of financial support due to hyperinflation and the continued growth of budget deficits. From 1945 to 1947, the U.S. provided China \$1.4 billion in financial aid [16].

On the contrary, US military ties with the Chiang Kai-shek government were stable. At the end of the war, 39 Chinese divisions had received American military training and were equipped with American weapons [17]. East Asia played a strategic role in US postwar plans. In light of the loss of dominance by the colonial powers, the resulting power vacuum could be filled by the Soviet Union, which was inconsistent with US plans to consolidate its own influence in the region. Special importance in these plans was attached to China, whose international positions would be strengthened due to its participation in the anti-Japanese coalition and which would act as an ally of the United States [13, p. 125].

The realization of the economic and military-strategic interests of London and the United States in China was hampered by the ongoing confrontation between the Chiang Kai-shek National Government and the CCP since 1927. After the surrender of Japan and the end of World War II, the united front of China's struggle against the Japanese invaders between the ruling Kuomintang and the Communist Party of China (CPC) broke up, and the struggle for power between the Nationalists and Communists erupted with renewed force. The CCP's capabilities and resources were augmented by captured Japanese arms, rural support, and the Soviet-assisted control of Manchuria. In December 1945, the United States, the USSR and Great Britain signed the Moscow Declaration, under which they committed themselves to a policy of noninterference in China's internal affairs, and also advocated the establishment of a unified and democratic China under a National Government [18]. This meant that the head of the Kuomintang, Chiang Kai-shek, was seen as a key political figure with whom both the British and Americans were willing to cooperate and whom they would prefer to see as the head of a coalition government.

While the British government had emphasized non-interference in China's internal affairs, the U.S. has been attempting to stabilize the political situation in the country. At this stage, the aim of American policy was to facilitate the return of the entire country to Chinese control, to disarm and evacuate Japanese

troops, to achieve political unity in the country, and to stop hostilities between the armies of the National Government and the Communists [19, p. 755]. However, the mission of General J. Marshall, sent as a mediator in the negotiations, was not successful. A. Wedemeyer, sent to follow, who was to assess the advisability of further support for Chiang Kai-shek, considered the condition of American aid to be economic reforms, which the corrupt Chiang Kai-shek government was unable to do [20].

Although the U.S. government was able to provide assistance to Chiang Kai-shek, albeit under certain conditions, Britain had no such material opportunities. London counted on the effectiveness of US support for the Kuomintang, which, in turn, would allow Britain to focus on its higher priority areas such as the situation in Europe, the Middle East, as well as Hong Kong and Malaya [7, p. 2]. The British Foreign Secretary, E. Bevin, stated that Britain was not going to interfere in the war, which it considered a purely internal affair of China [21]. At the same time, Britain was believed to make every effort to counter the Communist threat in Asia, together with the United States, France, the Netherlands, Burma, and Siam [22, p. 214].

Apparently, in the early postwar years, Britain expected a more active US role and was prepared to follow in the wake of US policy on the "China question". The situation changed dramatically in 1949, when Communist control over much of mainland China became a real prospect. In January 1949, Chiang Kai-shek announced his resignation as president and, after the Communists seized Shanghai, fled with his family to the island of Taiwan. In April of that year, the Kuomintang were forced to surrender Nanjing to the Communists, in May Hangzhou and Wuhan, and in early June, Shanghai and other coastal territories. In light of what was happening, the American government was forced to rethink its line of support for Chiang Kai-shek, whose position in the civil war was looking increasingly hopeless. In February 1949, National Security Council Report No. 34/2, entitled "US Policy toward China" was prepared. It noted that the US position in China was unfavorable: the CCP was hostile to the Americans, and further U.S. financial support for the National Government would consolidate Chinese citizens around the CCP and bring the party closer to the USSR [23]. Therefore, it was advisable to maintain official contacts with all active forces in China, including the Communists, and to use every opportunity to split the emerging alliance between China and the USSR. At the same time, NSC Report No34/2 noted that the United States could use restrictive trade measures to contain CCP expansion in the region. On March 3, 1949, President H. Truman's executive order imposed restrictions

on shipments of military products to China, and in October, restrictions on industrial, transportation, and communications equipment.

The White House undoubtedly relied on the support of China's important trading partner, Great Britain, for sanctions measures. On the face of it, London supported a course of containment of communism; in March 1949, the Foreign Office assured Washington that London would not rush to recognize the communist government and would decide only in consultation with other powers. However, the British government was unwilling to exert economic pressure on Communist China. In London's view, sanctions could force the Chinese authorities to begin discriminating against Western companies based there. Moreover, the reduction of trade between the West and China would play into the hands of economic rapprochement between China and the USSR.

In April 1949 there was an incident with the British frigate 'Amethyst', which was fired upon by the People's Liberation Army of China on the Yangtze River. The parliamentary debate in April 1949 following the incident turned into a discussion of the very nature of relations between Great Britain and Communist China. Liberal MP W. Roberts insisted that the best option would have been to recognize Mao Zedong's government *de facto*, since the prospect of his victory in the Civil War was obvious; and the British government should have done so long ago, then incidents such as with "Amethyst" would not have happened [24, p. 1257]. The fact that Britain did not provide material support to Chiang Kai-shek suddenly turned out to be an advantage for its interests: «The Chinese Communists will be ready to establish special relations with our country... because they resent the Americans for providing military aid to the Nationalists», Roberts argued [24, p. 1258]. Roberts' view was shared by Conservative W. Wyatt: if we did not maintain friendly relations with the Communists, who would soon emerge victorious in the war, Britain would risk its trade interests as well as the loss of both Hong Kong and Malaya. A different point of view was expressed by the conservative W. Fletcher, who urged not to accept the inevitability of a Communist victory in China, not to pursue a "policy of appeasement," but to seek ways to counter it [24, p. 1271, 1273].

Prime Minister C. Attlee considered it premature to address the issue of recognition in the spring of 1949, although apparently certain conclusions were drawn: If Britain wished to preserve trade relations with China and its influence in the Far East, in Hong Kong in particular, it was necessary to maintain friendly relations with Mao Zedong's government [3, p. 309]. The British government has repeatedly communicated its position on this issue to the United States and has expressed the desirability of recognizing the *de facto* Communist government in the territories it controls [25].

However, in the US, recognition could only come after Mao Zedong's government demonstrated its willingness to respect international obligations and basic human rights and freedoms [26]. So far, the Communists have not expressed such intention, as evidenced by such steps as the November 1948 arrest by the Chinese authorities of the American Consul in Mukden, A. Ward [27, p. 340], the refusal of the new authorities to maintain consular privileges in accordance with international practice, and the unsuccessful attempts of American Ambassador J. Stewart to establish direct contacts with the top leadership of the CCP. As a result, in August 1949 Stewart was recalled to the United States, and the U.S. government ordered the closure of American consulates in China.

It should be noted that the reluctance of the U.S. to recognize the CCP was due to the harsh criticism of the Truman government's policy in China by the American press, the public, and some congressmen. Most of the Congress opposed the recognition of the CCP and the business community did not show any noticeable persistence in defending a different point of view. The belief that the American government had not done enough to support Chiang Kai-shek and prevent a Communist victory was fueled by the so-called 'China lobby'. Its most famous spokesman was the media mogul, the founder of 'Time' and "Life" magazines and Republican Party member Henry Luce. Luce believed that the Truman government had 'lost' China to the Communists. The 'Time' magazine regularly covered what was happening in China: for example, it called Mao Zedong's victory in the civil war 'the biggest disaster for the West' [28], and Shanghai, the battles of which were fought in the spring of 1949, was "the second Stalingrad" [29]. Marshall's mission of 1945-1947 was called a failure, which 'gave the Communists more time to consolidate their positions' [28, p. 8], and US Chinese policy as a whole was characterized as 'bankrupt' [30]. As an expression of distrust of Truman's policy toward China, a group of congressmen appealed to the president in July 1949 to guarantee the nonrecognition of the Communist government.

As a response to this criticism, "The White Paper" was published in August 1949. This paper sought to clarify that the failure of the Kuomintang in the Civil War was due to the actions of Chiang Kai-shek and his supporters, but not to those of the United States. President Truman said that the publication of "The White Paper" would bring clarity to US Chinese policy, which previously had not been open and transparent to the public and therefore was the subject of speculation and unfair judgments. The president also commented on the current U.S. position on the CCP: "Trying to establish totalitarian domination over the people of China in the interests of a foreign power and misjudging their strength, the Chinese Communists are taking on too much responsibility... For its part, the United States is

ready to cooperate with the people of China and other Asian countries to promote the true, rather than foreign imperialism-imposed, interests of Asian states". [31, p. 237].

Under these circumstances, Britain was increasingly intent on pursuing its own interests in China. The closure of American consulates in August 1949 was not accompanied by a similar move on the part of Britain. Discussions between British and U.S. officials took place during several months of 1949, but no 'united front' against the Communist government could be formed. From the US point of view, recognizing the Communist government at this point was tantamount to recognizing the victory of the CCP in the civil war, which, given the ongoing hostilities between the Nationalists and the Communists, was premature. Diplomatic recognition by western countries was seen as "a privilege that is yet to be earned" [32]. In the opinion of the British leadership, it was necessary to be realistic: the Communists already controlled most of the country, and the National Government had discredited itself in the eyes of the population and did not enjoy its support. The refusal to recognize, as well as the delay in doing so, provided ample opportunity for the Soviet monopoly on economic and technical cooperation with China to the detriment of British interests. India was also interested in establishing relations with the Communist government. That is why, by the autumn of 1949, Britain was no longer stipulating the possibility of recognition, but its timing. As Bevin summed up, while the United States was leaving China, Britain was planning to stay there as long as possible [33]. At the meeting in Washington, however, the US and British foreign ministers pledged to consult each other on the issue of diplomatic recognition of Mao Zedong's government.

On October 1, the People's Republic of China was proclaimed. As early as October 3, London sent a note to Mao Zedong's government requesting the establishment of informal relations with British consular offices. In general, the White House took into account British interests in Southeast Asia, especially in Hong Kong. There was concern in the U.S. government that a delay on the part of Britain in recognizing Mao Zedong's government might provoke the latter to take over Hong Kong. At the same time, the Truman government considered pressing Britain to delay the recognition of the PRC. From Washington's point of view, the hasty recognition of a Communist government by any democratic state would have far-reaching consequences in Southeast Asia. Moreover, the fall of 1949 was an unfortunate time for such a move. The annual session of the U.N. The General Assembly lasted from September to December in New York, and recognition could have entailed a debate about giving the Chinese Communists a seat in the Assembly. Recognition would also have weakened the position of anticommunist forces

in Indochina. The Netherlands, which had not yet completed the transfer of power in its colony of Indonesia, was also interested in the postponement [34].

These considerations forced the C. Attlee government postponed diplomatic recognition until early January, and Britain had notified Washington about it in advance. Foreign Secretary E. Bevin assured his American counterpart D. Acheson said that Great Britain would continue to make every effort to counter the Communist influence in East Asia. On 6 January 1950 a note was handed to Foreign Minister Zhou Enlai, stating Britain's intention to establish diplomatic relations on the basis of equality, mutual benefit, and mutual recognition of territory and sovereignty. At the same time, Britain withdrew its recognition of the government of the Republic of China headed by Chiang Kai-shek [35, p. 56]. However, the British consulate continued to operate in Taiwan, allowing it to maintain ties with the Chiang Kai-shek government.

Thus, the Western allies' discussion of the prospect of recognizing the PRC revealed a clear divergence of U.S. and British interests. Although the United States recognized the validity of Britain's desire to protect its investments in China and preserve Hong Kong, it expected greater consistency between the Attlee government's actions and American policy. For its part, Britain understood the limitations of H. Truman's government in the face of sharp criticism of its Far Eastern policy by Congress and the public, but expected it to be a temporary circumstance, with the United States recognizing Communist China in the near future.

The divergence on the 'China question' deepened with the outbreak of the Korean War in June 1950, in which the United States and Communist China provided military support to the South Korean and North

Korean armies, respectively. According to Washington, China's participation in the Korean War on the side of the DPRK was an indisputable confirmation of Soviet influence over Mao Zedong's government [1, p. 156]. In December 1950 the PRC government announced that it would nationalize all assets of U.S. private individuals and companies in China. That led to a new round of anticommunist sentiments in the United States. Consequently, the question of diplomatic recognition of the PRC was closed for the United States in 1950. Under U.S. pressure, Great Britain was forced to make some concessions, and British troops were sent to Korea. The British government also did not support the transfer of representation to the UN from the Republic of China to the PRC and joined the embargo on the supply of selected military materials to Beijing. At the same time, Britain continued to maintain trade relations with the PRC, opposing comprehensive economic sanctions [36].

It should be noted that the calculations of C. Attlee's government that the establishment of diplomatic relations would protect the interests of British business was wrong. The Chinese Communist Party's policy of gradually 'squeezing out' Western firms and industries led to the departure of British companies from the PRC, the last of which, 'Patons and Baldwins', closed its office in Shanghai in 1959. [37, p. 1957]

The issue of diplomatic recognition of the PRC became an irritant in Anglo-American relations after the Second World War. The parties pursued different tactics to contain the spread of communism in Southeast Asia. Despite the fundamental differences, the 'special' Anglo-American relationship was able to avoid a split, mainly due to concessions from Britain, which delayed the time for diplomatic recognition of the PRC until January 1950 and took part in the Korean War on the side of the western coalition.

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