

AN ODOR OF RACISM

First it was comic. Now Asians are getting falsely blamed for America's money politics.

BY SIN-MING SHAW

AT FIRST THE STORIES ABOUT President Clinton's campaign-contribution scandal didn't attract much attention in Asia. Money politics doesn't surprise many people here. In the Asian nations where democracy has taken root, political favors are traded constantly at election time. The only interesting aspect to us was that Asians, or Asian-Americans, were beginning to do some lobbying in Washington, long a reserve for other ethnic or interest groups. Soon, however, the incessant onslaught of stories about shady Asians trying to influence U.S. policy took on a comic dimension. And now we are beginning to wonder if that comedy isn't ultimately a tragedy for us. "Asiagate" is producing a pungent odor of racism.

What makes Asiagate seem ridiculous to us is that we know the cast of characters better than Americans do. The Riady family, who supposedly gave Clinton millions in order to influence U.S. trade policy on China, is indeed famous in Asia, particularly Jakarta and Hong Kong. But they're hardly a factor in China. They're rich—but they're no heavyweights by the standard of present-day Asian tycoons, whose basic accounting unit is a billion greenbacks. What's more, the Riadys are not thought to be active in Indonesian politics. They are Chinese, and overseas Chinese in most of Southeast Asia have always stayed away from local politics. People laughed at the allegations in the American press that the Riadys also tried to soften Clinton's pro-human-rights attitude on East Timor. Timor is as far away from overseas Chinese consciousness as Kashgar is to a farmer in Kansas.

Most ridiculous of all is the claim that the Riadys, or their phantom patrons, believed that a couple of million dollars could buy the foreign policy of the mighty United States. In their own country, such sums are not even small change. No one in Asia lends much credence to the idea that the Riadys were fronting for the Chinese government. They do not have the standing there to act as a go-between. The secretive Beijing government chooses its proxies carefully.

Wang Jun, son of a late PLA general in China, widely described in the American media as an "arms dealer," does have good standing in Beijing. He supposedly gave \$50,000 to the Democrats. As chairman of CITIC, he supervises a sprawling conglomerate in China. The Hong Kong arm of his company, CITIC Pacific, is considered the best "red chip" on the Hong Kong Stock Exchange, with a



TONY YU



FANNY TOE

Rich, but no heavyweights: No one in Asia believes that Stephen (left) and James Riady were fronting for the Chinese government

market capitalization of \$10.6 billion. A lot of America's biggest mutual funds own CITIC Pacific. But to insinuate that Wang believed he could somehow buy a little bit of *guanxi*, or connections, with President Clinton is just laughable. Anyone operating on Wang Jun's level would not have expected such a sum to mean anything other than an inexpensive photo op with the president of the United States for his children to show off to their teenage schoolmates. Wang Jun does not need Bill's picture to find lucrative deals.

Whether Wang Jun should be barred from the White House is a silly issue. By the same logic, the Chinese communist chief, Jiang Zemin, who is ultimately responsible for China's policy on arms sales, shouldn't have contact with the president, either. Or he should be prevented from lobbying Clinton to switch to policies more favorable to China—a perfectly normal act in diplomacy.

Incidentally, one of the top officials of CITIC Pacific, Henry Fan, was recently elected a trustee of St. Paul's School in New Hampshire, one of the most exclusive incubators for future leaders of America. By the hysterical logic of Asiagate, is Fan, an employee of "arms dealer" Wang Jun, infiltrating the inner sanctum of America's elite during their formative years—solely so as to build *guanxi* for the future benefit of China?

Many in Asia and in the Asian community in the United States believe the subtext of Asiagate is racism. Until recently, Asian-Americans have not played any meaningful role in public life in America, and certainly not in national politics. Clinton, to the Asian eye, is laudably sensitive to racial prejudices. He has successfully brought America's minority races into mainstream public life, not merely as voters but as players. But now some Asian-Americans are feeling distinctly unwelcome in the corridors of power in Washington; they have been made guilty by association. It is best that Asiagate gets resolved soon, because, heaven knows, America can scarcely afford another racial divide.

The fundamental issue transcends race. The cost of running a presidential campaign is expensive. This past election, the costliest in history, added up to an estimated US\$2.7 billion, according to *The Washington Post*. This amount dwarfs anything Asians may or may not have contributed to Clinton. But Asians recognize that if you need a lot of money to get elected, you need to shake hands with people whose hands you normally would not want to shake; and you have to drink coffee with supplicants with self-serving proposals. You may have to promise a zillion things to potential or actual donors, most of which will never happen, but some inevitably will. This is not so different from such countries as Thailand, Malaysia, Indonesia, Japan and Taiwan, where huge sums of money are passed around as a matter of course during party or national elections. But there is, of course, one key difference. Asian politicians do not make it a habit of telling the world to imitate their political institutions. The challenge to Americans is to find a sensibly economic way of electing their leaders. Then, perhaps, America's pundits can turn around and teach the world something.

SHAW is a fund manager working in Hong Kong.