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02/18/2002 - Updated 10:33 PM ET

President's uncle shares Bush family ties to China

By Debbie Howlett, USA TODAY

CHICAGO — When President Bush arrives in Beijing on Thursday, he'll embrace a policy that's something of a family tradition.

Bush's approach centers on promoting U.S.-China economic ties. That's a course favored not only by his father, the first President Bush, but also by his uncle, Prescott Bush Jr., a longtime acquaintance of Chinese President Jiang Zemin.



Prescott Bush The Bush family's ties to China go back to 1974, when President Nixon named George Bush ambassador to China. The college-age George W. Bush spent two months in China visiting his parents during his father's two-year stint.

Seven years after his brother left the ambassadorial post, Prescott Bush made his first trip to China. He later joined with Japanese partners in 1988 to build a golf course in Shanghai, the first in China. He met Jiang, who was then the mayor of Shanghai.

Prescott Bush, now 79, also developed a close working relationship with Rong Yiren, a former trade minister and vice president, who in 1993 introduced Bush to a group of Chinese business leaders as "an old friend." In 2000, Forbes publications reported that Rong, who has retired from government, was the richest

The president's uncle concedes that he sometimes relied on his name to open doors, but he says any deals he made were the result of his own hard work.

"You can get a meeting because of it, you can meet a lot of people because of it," he said in a recent interview in Chicago, where the U.S.-China Chamber of Commerce has its headquarters. "But I don't get a lot of business because my nephew is president or my brother was president."

Some experts argue otherwise. A name is not

man in China.

• Politics: Unsuccessfully challenged U.S. Sen. Lowell Weicker in Connecticut's Republican primary election in 1982 for the seat once held by his father.

Source: USA TODAY research

just helpful, it's essential, says Nick Larty, a professor of international relations at George Washington University in Washington, D.C.: "Who you get access to in China is pretty much a function of how important you are."

Along with access, the family name has also brought scrutiny to Prescott Bush's deals:

• Age: 79. Born Aug. 10, 1922.

The Prescott Bush file

- Education: Yale University.
- Background: Chairman, U.S.-China Chamber of Commerce; president, Prescott Bush Resources.

- He was criticized in 1989 for visiting China to meet with business and government leaders just three months after the Tiananmen Square massacre, in which army troops fired at pro-democracy demonstrators.
- His Shanghai partnership with the Japanese firm Aoki in 1988 proved embarrassing when revelations surfaced that Aoki at the same time was allegedly trying to get business contracts by bribing Panamanian leader Manuel Noriega, whom the first President Bush later ousted from power.
- His connections to an American firm, Asset Management, came into question in 1989, when the company was the only U.S. firm able to skirt U.S. sanctions and import communications satellites into China.
- When Asset Management went bankrupt later that year, Bush's deal to arrange a buyout through West Tsusho, a Japanese investment firm, raised eyebrows. Newspapers reported that Japanese police were investigating West Tsusho's alleged ties to organized crime.

Bush declines to discuss those controversies. "That's old news. It's in the past," he says.

Last year, he opened the U.S.-China Chamber of Commerce offices in Chicago. The membership roster includes United Airlines, American Express, McDonald's, Ford and Arthur Andersen, the beleaguered company that audited Enron's books.

Bush says opportunities abound now that the 1997-98 Asian financial crisis is in the past: "The Chinese are very much interested in getting foreign capital in. They desperately need the jobs."

Last fall, Bush hosted a well-attended trade conference in Chicago at which U.S. Trade Representative Robert Zoellick gave the keynote address. At a dinner he sponsored last month at the Yale Club in New York, the U.S. ambassador to the United Nations, John Negroponte, was guest of honor.

Perhaps the most intriguing question about Bush's China connections is whether he played a role in ending a U.S.-China standoff in April, when a Chinese fighter jet collided with a U.S. Navy surveillance plane over the South China Sea. The Chinese pilot was killed, and the U.S. plane made an emergency landing on Hainan island, where 24 U.S. crewmembers were held for 11 days.

The president's uncle traveled to China just hours after news of the incident broke. He flew aboard United's inaugural flight from Chicago to Beijing. Other dignitaries on the largely ceremonial flight stayed a few days, but Bush didn't return home for two weeks. Moreover, U.S. Ambassador Joseph Prueher met Bush — but not the rest of the group.

Prueher says their meeting was simply a social call.

"I might have joined him for a cup of tea or a Coke — maybe we had a beer, I don't recall," says Prueher, who left his post in June. "We spent an hour chatting."

Bush denies any involvement in the diplomatic settlement that ended the crisis.

"I couldn't possibly do something like that," he says. "It would be very embarrassing for the president if it was found out that I was going to see my friends when he was trying to work things out."

The standoff ended when Prueher sent Jiang a carefully worded letter of regret over the incident. The next day, the U.S. crew was permitted to leave. Bush left a day later.

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