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UNITED
STATES**

1977-1980

VOLUME XIII

CHINA



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Foreign Relations of the United States, 1977–1980

Volume XIII

China

Editor David P. Nickles
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About the Series

The *Foreign Relations of the United States* series presents the official documentary historical record of major foreign policy decisions and significant diplomatic activity of the U.S. Government. The Historian of the Department of State is charged with the responsibility for the preparation of the *Foreign Relations* series. The staff of the Office of the Historian, Bureau of Public Affairs, under the direction of the General Editor of the *Foreign Relations* series, plans, researches, compiles, and edits the volumes in the series. Secretary of State Frank B. Kellogg first promulgated official regulations codifying specific standards for the selection and editing of documents for the series on March 26, 1925. These regulations, with minor modifications, guided the series through 1991.

Public Law 102-138, the Foreign Relations Authorization Act, established a new statutory charter for the preparation of the series which was signed by President George H.W. Bush on October 28, 1991. Section 198 of P.L. 102-138 added a new Title IV to the Department of State's Basic Authorities Act of 1956 (22 U.S.C. 4351, et seq.).

The statute requires that the *Foreign Relations* series be a thorough, accurate, and reliable record of major U.S. foreign policy decisions and significant U.S. diplomatic activity. The volumes of the series should include all records needed to provide comprehensive documentation of major foreign policy decisions and actions of the U.S. Government. The statute also confirms the editing principles established by Secretary Kellogg: the *Foreign Relations* series is guided by the principles of historical objectivity and accuracy; records should not be altered or deletions made without indicating in the published text that a deletion has been made; the published record should omit no facts that were of major importance in reaching a decision; and nothing should be omitted for the purposes of concealing a defect in policy. The statute also requires that the *Foreign Relations* series be published not more than 30 years after the events recorded. The editors are convinced that this volume meets all regulatory, statutory, and scholarly standards of selection and editing.

Sources for the Foreign Relations Series

The *Foreign Relations* statute requires that the published record in the *Foreign Relations* series include all records needed to provide comprehensive documentation of major U.S. foreign policy decisions and significant U.S. diplomatic activity. It further requires that government agencies, departments, and other entities of the U.S. Government en-

gaged in foreign policy formulation, execution, or support cooperate with the Department of State historians by providing full and complete access to records pertinent to foreign policy decisions and actions and by providing copies of selected records. Most of the sources consulted in the preparation of this volume have been declassified and are available for review at the National Archives and Records Administration.

The editors of the *Foreign Relations* series have complete access to all the retired records and papers of the Department of State: the central files of the Department; the special decentralized files ("lot files") of the Department at the bureau, office, and division levels; the files of the Department's Executive Secretariat, which contain the records of international conferences and high-level official visits, correspondence with foreign leaders by the President and Secretary of State, and the memoranda of conversations between the President and the Secretary of State and foreign officials; and the files of overseas diplomatic posts. All of the Department's central files for 1977–1981 are available in electronic or microfilm formats at the National Archives and Records Administration facility in College Park, Maryland (Archives II), and may be accessed using the Access to Archival Databases (AAD) tool. Almost all of the Department's decentralized office files covering this period, which the National Archives deems worthy of permanent retention, have been transferred to or are in the process of being transferred from the Department's custody to Archives II.

Research for *Foreign Relations* volumes is undertaken through special access to restricted documents at the Jimmy Carter Presidential Library and other agencies. While all the material printed in this volume has been declassified, some of it is extracted from still-classified documents. The staff of the Carter Library is processing and declassifying many of the documents used in this volume, but they may not be available in their entirety at the time of publication. Presidential papers maintained and preserved at the Carter Library include some of the most significant foreign-affairs related documentation from White House offices, the Department of State, and other federal agencies including the National Security Council, the Central Intelligence Agency, the Department of Defense, and the Joint Chiefs of Staff.

Some of the research for volumes in this subseries was done in Carter Library record collections scanned for the Remote Archive Capture (RAC) project. This project, which is administered by the National Archives and Records Administration's Office of Presidential Libraries, was designed to coordinate the declassification of still-classified records held in various Presidential libraries. As a result of the way in which records were scanned for the RAC, the editors of the *Foreign Relations* series were not always able to determine whether attachments to a given document were in fact attached to the paper copy of the docu-

ment in the Carter Library file. In such cases, some editors of the *Foreign Relations* series have indicated this ambiguity by stating that the attachments were "Not found attached."

Editorial Methodology

The documents in this volume are presented chronologically according to time in Washington, DC. Memoranda of conversation are placed according to the time and date of the conversation, rather than the date the memorandum was drafted.

Editorial treatment of the documents published in the *Foreign Relations* series follows Office style guidelines, supplemented by guidance from the General Editor and the Chief of the Declassification and Publishing Division. The original document is reproduced as exactly as possible, including marginalia or other notations, which are described in the footnotes. Texts are transcribed and printed according to accepted conventions for the publication of historical documents within the limitations of modern typography. A heading has been supplied by the editors for each document included in the volume. Spelling, capitalization, and punctuation are retained as found in the original text, except that obvious typographical errors are silently corrected. Other mistakes and omissions in the documents are corrected by bracketed insertions: a correction is set in italic type; an addition in roman type. Words or phrases underlined in the original document are printed in italics. Abbreviations and contractions are preserved as found in the original text, and a list of abbreviations and terms is included in the front matter of each volume. In telegrams, the telegram number (including special designators such as Secto) is printed at the start of the text of the telegram.

Bracketed insertions are also used to indicate omitted text that deals with an unrelated subject (in roman type) or that remains classified after declassification review (in italic type). The amount and, where possible, the nature of the material not declassified has been noted by indicating the number of lines or pages of text that were omitted. Entire documents withheld after declassification review have been accounted for and are listed in their chronological place with headings, source notes, and the number of pages not declassified.

All brackets that appear in the original document are so identified in the footnotes. All ellipses are in the original documents.

The first footnote to each document indicates the sources of the document and its original classification, distribution, and drafting information. This note also provides the background of important documents and policies and indicates whether the President or his major policy advisers read the document.

Editorial notes and additional annotation summarize pertinent material not printed in the volume, indicate the location of additional documentary sources, provide references to important related documents printed in other volumes, describe key events, and provide summaries of and citations to public statements that supplement and elucidate the printed documents. Information derived from memoirs and other first-hand accounts has been used when appropriate to supplement or explicate the official record.

The numbers in the index refer to document numbers rather than to page numbers.

Advisory Committee on Historical Diplomatic Documentation

The Advisory Committee on Historical Diplomatic Documentation, established under the *Foreign Relations* statute, monitors the overall compilation and editorial process of the series and advises on all aspects of the preparation of the series and declassification of records. The Advisory Committee does not necessarily review the contents of individual volumes in the series, but it makes recommendations on issues that come to its attention and reviews volumes as it deems necessary to fulfill its advisory and statutory obligations.

Declassification Review

The Office of Information Programs and Services, Bureau of Administration, conducted the declassification review for the Department of State of the documents published in this volume. The review was conducted in accordance with the standards set forth in Executive Order 13526 on Classified National Security Information and applicable laws.

The principle guiding declassification review is to release all information, subject only to the current requirements of national security as embodied in law and regulation. Declassification decisions entailed concurrence of the appropriate geographic and functional bureaus in the Department of State, other concerned agencies of the U.S. Government, and the appropriate foreign governments regarding specific documents of those governments. The declassification review of this volume, which began in 2010 and was completed in 2012, resulted in the decision to withhold 0 documents in full, excise a paragraph or more in 14 documents, and make excisions of less than a paragraph in 35 documents.

The Office of the Historian is confident, on the basis of the research conducted in preparing this volume and as a result of the declassification review process described above, that the documentation and editorial notes presented here provide a thorough, accurate, and reliable—

given the limitations of space—record of the Carter administration's policy toward China.

Stephen P. Randolph, Ph.D.
The Historian

Adam M. Howard, Ph.D.
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Bureau of Public Affairs
April 2013

Preface

Structure and Scope of the Foreign Relations Series

This volume, part of a subseries of the *Foreign Relations* series that documents the most important issues in the foreign policy of the administration of Jimmy Carter, covers U.S. policy toward China from 1977 to 1980. Readers interested in U.S. security policy should also consult *Foreign Relations, 1977–1980*, volume IV, National Security Policy. For more on U.S. relations with a specific country or region, readers should consult the relevant geographically-focused volumes in the *Foreign Relations Carter* subseries. Additional documentation on foreign aid and human rights may be found in *Foreign Relations, 1977–1980*, volume II, Human Rights and Humanitarian Affairs. U.S. international economic policy is covered in *Foreign Relations, 1977–1980*, volume III, Foreign Economic Policy. Finally, for the organization of the foreign policy making process, readers should consult *Foreign Relations, 1977–1980*, volume XXVIII, Organization and Management of Foreign Policy.

Focus of Research and Principles of Selection for Foreign Relations, 1977–1980, Volume XIII

The Carter administration's foreign policy toward China was characterized by significant achievements as well as by bureaucratic in-fighting. December 15, 1978 marked the most dramatic achievement when, following secret negotiations, the United States and the People's Republic of China announced that they were establishing formal diplomatic relations. As the political relationship between China and the United States improved, economic and cultural ties became more robust. Although a shared animosity toward the Soviet Union provided much of the impetus for greater cooperation between the United States and China, leaders in Washington and Beijing increasingly felt that expanded interactions, if well-managed, could produce tremendous benefits for both countries. However, the closer relationship between Washington and Beijing came at a cost: the severance of both official relations and the U.S. defense treaty with the Republic of China (Taiwan), a government with which the United States had close political, military, and commercial ties. American officials showed continuing concern for Taiwan partly because of its ideological, strategic, and economic importance in the Cold War, partly to maintain the credibility of U.S. international commitments, and, at least among some, because they felt

that the United States had a responsibility to ensure that it did not destroy the opportunity of the people on Taiwan to seek a peaceful future.

When Carter took office in January 1977, a significant improvement in relations between China and the United States was far from inevitable. In the aftermath of Nixon and Kissinger's frustrated attempt to seek normalization during Nixon's abbreviated second administration, the currents of American politics appeared less favorable to such a policy. Among Republicans, the increasingly powerful conservative wing, led by such figures as Ronald Reagan and Barry Goldwater, rejected the notion that the United States should abandon the alliance with Taiwan for the sake of improved relations with a Communist country. Within the Carter administration, the President and Cyrus Vance wondered whether Nixon and Kissinger had made too many concessions in their effort to improve relations with China. Initially, Carter was distrustful of China, and believed that his predecessors had abused themselves during their negotiations with that country. Vance opposed any policy that improved relations with China at the expense of US-Soviet détente, which he saw as the best hope for a more stable and peaceful world. Furthermore, Richard Holbrooke, the Assistant Secretary of State for East Asian and Pacific Affairs, sought to establish official diplomatic relations between the United States and Vietnam, a policy that had broader foreign policy implications due to the growing animosity between Vietnam and China. In contrast, Zbigniew Brzezinski and his aide Michel Oksenberg, the leading China specialist on the NSC staff, pushed for Sino-American normalization. They argued that American hesitation might squander a historic opportunity to establish better relations between two of the world's leading countries, whose enmity had threatened the stability of the international system just a few years earlier. Furthermore, Brzezinski was skeptical about the solidity of détente, and believed that a partnership with China would make the Soviets feel less secure and thereby improve their behavior. At the Pentagon, Harold Brown's desire to prevent a renewed Sino-Soviet alliance led him to join Brzezinski in support of normalization. The Joint Chiefs of Staff, concerned about the security of Taiwan and the credibility of American commitments, were more skeptical of Sino-American normalization than was the civilian leadership at DoD. Although some parts of the U.S. Government sought to address human rights in the Sino-American dialogue, this issue was generally subordinated to the effort to improve relations between the United States and China.

Despite their disagreements, members of the Carter administration decided that the United States should adhere to the Shanghai Communiqué, in which the United States had declared that it did not challenge the notion that there was but one China, but also expressed an

interest in the peaceful resolution of the Taiwan question by the Chinese themselves. During the preparations for Vance's August 1977 visit to China, Carter chose three guidelines to govern the U.S. negotiating position throughout the normalization talks: first, improvement of Sino-American relations should be reciprocal; second, the United States would not approach China as a supplicant; third, the United States would seek to maintain the confidence of the people on Taiwan that their future would be prosperous and tranquil. Along these lines, the United States informed Taiwan's government that although it was beginning a process that might lead to normalization of relations with the People's Republic of China, it would not agree to terms that would undermine Taiwan's security and well-being.

During late 1977 and early 1978, other concerns, especially the domestic political effort necessary to ratify the Panama Canal Treaties, delayed the push for normalization with China. Meanwhile, U.S. officials sought increased Sino-American economic, technological, and cultural exchanges. They also examined means of reducing U.S. defense links with Taiwan and increasing those with China. By the time of Brzezinski's May 1978 visit to Beijing, Carter had decided to seek normalized relations with China during his first term. The President believed that for domestic political reasons, normalization would be difficult until after the 1978 midterm elections, yet needed to be accomplished before late 1979 due to the 1980 presidential election. This left a window of about one year to realize one of Carter's major foreign policy goals.

Brzezinski's visit went well. Chinese officials seemed pleased by his attitude toward the Soviet Union, and his expression of the Carter administration's interest in moving toward normalization. American officials were particularly impressed by China's tacit acceptance of continued U.S. arms sales to Taiwan after normalization. Following Brzezinski's visit, Carter agreed to Vance's proposal of a mid-December 1978 target date for a public announcement that the United States would recognize the People's Republic of China. He also affirmed Vance's proposition that normalization should precede the SALT ratification debate in the 1979 legislative calendar. This cleared the way for Leonard Woodcock—communicating with Washington via the "Voyager" backchannel, which circumvented all but a few senior officials—to begin confidential negotiations in Beijing on normalizing relations. The negotiations reached fruition on December 15, 1978. As expected, the normalization announcement resulted in public outrage in Taiwan and from R.O.C. supporters in the United States. Meanwhile, Taiwan and China battled over assets in Washington—such as the former embassy building—that had belonged to the government of the Republic of China.

Following normalization, Deng visited the United States in January 1979. Perhaps the most remarkable moment of the trip—aside from his charismatic wooing of the American public—occurred during a meeting with Carter at which time the Chinese leader expressed an intention to attack Vietnam. Carter attempted to dissuade Deng. This discussion was the culmination of the growing importance of Vietnam in Sino-American relations over the course of 1978, as Chinese officials had become increasingly annoyed with U.S. efforts to improve relations with that regime. Following the Chinese incursion into Vietnam, in February 1979, the U.S. rebuke was mild.

Although the governments of China and the United States negotiated an agreement over longstanding financial claims and disputed assets, a number of disputes made the relationship more contentious over the course of 1979. The Chinese government expressed displeasure with the Taiwan Relations Act, which Carter signed into law on April 10, 1979 after Congress passed it with large majorities. In addition, Sino-American relations were buffeted by arguments over economic issues and China's view that the United States was pursuing too conciliatory a policy toward the Soviet Union. Nonetheless, Walter Mondale's visit to China in August 1979 was an important milestone, and the two countries made progress on economic and security issues. American officials continued to observe Chinese politics with great interest, especially Deng's consolidation of power.

In the fall of 1979, planning for Harold Brown's trip to China began amid bureaucratic struggles within the U.S. government. Brown, with Brzezinski's support, hoped to promote Sino-American cooperation on security and intelligence issues. He anticipated such collaboration might signal to the Soviets that they should give greater respect to U.S. interests. In contrast, Vance opposed a trip by Brown in the near future, arguing that the United States was in danger of pursuing an unbalanced policy that would reduce American leverage and encourage the Soviets to act more irresponsibly. Carter approved Brown's visit, but noted that the United States would continue its publicly announced policy of having no substantive military relationship with China. The Soviet invasion of Afghanistan, in December 1979, transformed Carter's view of Brown's January 1980 visit. The President decided, over the objections of Vance and Brown, to seek closer Sino-American military cooperation, announcing his change of view in a National Security Council meeting on January 2. The two countries collaborated on a number of other issues, including the boycott of the Olympic Games in Moscow, the response to the Iranian seizure of American hostages, and the rapid development of commercial and scientific relations. The United States decided to treat China according to more lenient export control regulations than the Soviet Union. But for the most part, during

the last year of his presidency, Carter was content to consolidate existing Sino-American initiatives rather than pursue new achievements.

Like all recent *Foreign Relations* volumes, the emphasis of this volume is on policy formulation, rather than the implementation of policy or day-to-day diplomacy. As in other volumes in the Carter subseries, the National Security Council and the Department of State are the key players in the policy making process; in this volume, however, they are joined by the Department of Defense.

Note: During the Carter administration, the United States government changed its system for romanizing the Chinese language. Whereas the editors have retained the romanization in the original documents as transcribed (whether Pinyin, Wade-Giles, or southern Chinese dialects), the editorial content uses Pinyin.

Acknowledgments

The editor wishes to acknowledge the assistance of officials at the Jimmy Carter Library, especially Ceri McCarron, Brittany Parris, David Stanhope, and James Yancey. Thanks are also due to Nancy Smith, the Director of the Presidential Materials Staff at the National Archives and Records Administration, and to the Central Intelligence Agency for arranging access to the Carter Library materials scanned for the Remote Archive Capture project. The Historical Staff of the Central Intelligence Agency were accommodating in arranging full access to the files of the Central Intelligence Agency, and Sandy Meagher was helpful in providing access to Department of Defense materials. The editor also thanks the staff at the National Archives and Records Administration facility in College Park, Maryland, for their valuable assistance.

The editor collected, with the assistance of Madalina Lee, and selected the documentation and edited the volume under the supervision of Erin Mahan and M. Todd Bennett, successively Chiefs of the Asia and Africa division, and Edward C. Keefer, then General Editor of the *Foreign Relations* series. The volume was reviewed by M. Todd Bennett and William B. McAllister in his capacity as Acting General Editor. Chris Tudda coordinated the declassification review under the supervision of Susan C. Weetman and Carl Ashley, successive Chiefs of the Declassification and Publishing Division. Rita Baker and Stephanie Eckroth performed the technical and copy editing. Do Mi Stauber Indexing Services prepared the index.

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Historian

Contents

About the Series	III
Preface	IX
Sources	XVII
Abbreviations and Terms	XXI
Persons	XXVII
China	
November 1976–August 1977	1
September 1977–May 1978	226
June–December 1978	479
January–September 1979	690
September 1979–January 1981	977
Index	1161

Sources

Sources for Foreign Relations, 1977–1980, Volume XIII, China

The Carter Library is the best source of high-level decision making documentation for U.S. policy toward China from 1977 to 1980. The richest collection of documents on Sino-American relations is in the National Security Affairs files, Brzezinski Material, most notably the Country File, the Staff Material files (Far East File, particularly the materials relating to Oksenberg, Platt, and Sullivan), and the NSC Institutional Files. Also of great value within the Brzezinski Material are the Agency File (particularly for the Departments of Defense, State, and the Treasury), the President's Correspondence With Foreign Leaders File, the Subject File, the Trip File, the VIP Visit File, and the Staff Material files (for Global Issues and for Office, Meetings). Other materials on China in the Carter Library are in the Plains File, Subject File (especially the State Department Evening Reports). Important documents are also in the donated collections of both Zbigniew Brzezinski and Walter Mondale. Jimmy Carter's handwriting files in the Records of the Office of the Staff Secretary, Presidential File, provided additional material.

The National Archives and Records Administration facility in College Park, Maryland (Archives II), is home to a wealth of material on the Carter administration's policy toward China. The Department of State's Central Foreign Policy File is crucial for following the day-to-day flow of diplomatic cables. Relevant documents are also in the Department of State Lot Files at Archives II, including lot files from the American Embassy in Beijing, and for specific individuals, especially Cyrus Vance, Philip Habib, Nicholas Platt, and Edmund Muskie. A useful source of information on economic relations is RG 364, the Office of the U.S. Trade Representative.

Department of Defense records in RG 330 provide an important perspective on Sino-American relations during the Carter administration. This volume used Office of the Secretary of Defense files before they had reached the National Archives, most notably FRC 330-80-0035 (Secret Records of the Office of the Secretary of Defense, 1977), FRC 330-81-0202 (Secret Records of the Office of the Secretary of Defense, 1978), FRC 330-82-0205 (Secret Records of the Office of the Secretary of Defense, 1979), and FRC 330-82-0217 (Secret Records of the Office of the Secretary of Defense, 1980)

This volume used Central Intelligence Agency documents. Most helpful were the National Intelligence Estimate Master File at the

Center for the Study of Intelligence and the records of the Office of Current Intelligence, Jobs 78T02549A and 80T00942A.

Unpublished Sources

Carter Library

Brzezinski Donated Material

Carter Presidential Papers, Staff Secretary

Mondale Donated Material

National Security Affairs, Brzezinski Material

Agency File (Defense Department, State, Treasury Department)

Country File

President's Correspondence With Foreign Leaders File

Subject File

Trip File

VIP Visit File

National Security Affairs, Staff Material

Far East File (Oksenberg, Platt, and Sullivan files)

Global Issues

Office, Meetings File

NSC Institutional Files

Plains File, Subject File (State Department Evening Reports)

Central Intelligence Agency

Center for the Study of Intelligence, NIE Master File

Office of Current Intelligence

Job 78T02549A

Job 80T00942A

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Files of Nicholas Platt, DOD 1980–1981

Lot 81 D 5, Papers of Philip C. Habib

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Abbreviations and Terms

ACDA, Arms Control and Disarmament Agency

ADB, Asian Development Bank

AEC, Atomic Energy Commission

AID, Agency for International Development

AIT, American Institute in Taiwan

ALCM, air launched cruise missile

ALPHA, channel for classified information during the Carter Administration that permitted only principals and their staff assistants to have routine access to documents so designated

AMB, ambassador

AP, Associated Press

ASEAN, Association of Southeast Asian Nations

ASW, anti-submarine warfare (DOD)

ATGM, anti-tank guided missile or anti-tank guided munition

Backchannel, a method of communication outside normal bureaucratic procedure; the White House, for example, used "backchannel" messages to bypass the Department of State

Beida (Bei-Da), Peking University (Beijing Daxue)

BEWT, Bureau of East-West Trade

C, Carter or Confidential

CAAC, Civil Aviation Administration of China

CAB, Civil Aeronautics Board

Capt, Captain

CBS, Columbia Broadcasting System

CCC, Commodity Credit Corporation

CCK, Jiang Jinguo (Chiang Ching-kuo)

CCNA, Coordination Council for North American Affairs (Taiwan)

CCP, Chinese Communist Party

CCPIT, China Council for the Promotion of International Trade

CDC, Control Data Corporation

CENTO, Central Treaty Organization

Cherokee, a special telegraphic channel established for highly sensitive Department of State messages

CIA, Central Intelligence Agency

CINCPAC, Commander in Chief, Pacific Command

CIVAIR, civil air (civilian aviation)

COCOM, Coordinating Committee for Multilateral Export Controls

Codel, Congressional delegation

Col, Colonel

COMECON, Council for Mutual Economic Assistance

CPIFA, Chinese People's Institute of Foreign Affairs

CSCE, Conference on Security and Cooperation in Europe

CTB, Comprehensive Test Ban

CV, Cyrus Vance

D, Office of the Deputy Secretary of State

DA, David Aaron

DCI, Director of Central Intelligence (CIA)

XXII Abbreviations and Terms

DCM, Deputy Chief of Mission, United States Embassy
DIA, Defense Intelligence Agency
DIS or DISS, dissemination
DK, Democratic Kampuchea
DOD, Department of Defense
DOD/ISA, Office of the Assistant Secretary of Defense for International Security Affairs,
Department of Defense
DOE, Department of Energy
DOS, Department of State
DPRK, Democratic People's Republic of Korea (North Korea)
DR, Dual Representation (UN) or Daily Report to the President
Dragon, US ATGM
DRV, Democratic Republic of Vietnam (North Vietnam)

E, Bureau of Economic Affairs, Department of State
EA, Bureau of East Asian and Pacific Affairs, Department of State
EA/P, Public Affairs Advisor, Bureau of East Asian and Pacific Affairs, Department of
State
EA/PRCM, Office of People's Republic of China and Mongolia Affairs, Bureau of East
Asian and Pacific Affairs, Department of State
EA/ROC, Republic of China Office, Bureau of East Asian and Pacific Affairs, Department
of State
EA/VLC, Vietnam, Laos and Cambodia Office, Bureau of East Asian and Pacific Affairs,
Department of State
EA/P, Public Affairs Advisor, Bureau of East Asian and Pacific Affairs, Department of
State
EPA, Environmental Protection Agency
ER, Office of Economic Research, Central Intelligence Agency or Executive Registry,
Central Intelligence Agency
ESC, European Security Conference
EST, Eastern Standard Time
EXDIS, exclusive distribution (indicates extremely limited dissemination)
ExIm or Eximbank, Export and Import Bank

FAC, foreign assets control
FBIS, Foreign Broadcast Information Service
FMS, foreign military sales
FONMIN, Foreign Minister
FRC, Federal Records Center (US)
FRG, Federal Republic of Germany (West Germany)
FT, foreign trade
FY, fiscal year
FYI, for your information

GA, General Assembly (UN)
GATT, General Agreement on Tariffs and Trade
GNP, gross national product
GOJ, government of Japan
GONT, the government on Taiwan
GROC, government of the Republic of China
GSP, Generalized System of Preferences
GVN, government of Vietnam (South)

HB, Harold Brown
HEW, Department of Health, Education, and Welfare

- HFAC**, House Foreign Affairs Committee
HIRC, House (of Representatives) International Relations Committee
HOT, French ATGM
H.R., House Resolution
- IAEA**, International Atomic Energy Agency
IBM, International Business Machines
IBRD, International Bank for Reconstruction and Development (World Bank)
ICA, International Communication Agency
ICBM, intercontinental ballistic missile
ICRC, International Committee of the Red Cross
IDA, International Development Association (World Bank)
IFI, International Financial Institutions
IG, Interdepartmental Group
IMF, International Monetary Fund
INFO, information
INER, Institute of Nuclear Energy Research (Taiwan)
INR, Bureau of Intelligence and Research, Department of State
INR/EAP, East Asia and the Pacific, Bureau of Intelligence and Research, Department of State
INTEL, intelligence
IO, Bureau of International Organization Affairs, Department of State
IOC, International Olympic Committee
IR, infrared
ISA, Bureau of International Security Affairs, Department of Defense
ITA, Industry and Trade Administration
ITAC, Interagency Textile Administrative Committee
- JCS**, Joint Chiefs of Staff
JCSM, Joint Chiefs of Staff memorandum
JEC, U.S.-China Joint Economic committee
JTM, Jessica Tuchman Mathews
- Kfir**, an Israeli fighter-bomber
KLM, Khmer Liberation Movement
KMT, Kuomintang (Nationalist Party, ROC), also called the Guomindang (GMD)
- L**, Office of the Legal Adviser, Department of State
LANDSAT, Land Remote-Sensing Satellite
LIMDIS, limited distribution (see also EXDIS)
LDC, less developed country
LO, liaison office
LTA, The Long Term Arrangement/Agreement on Cotton Textiles
LTC, Lieutenant Colonel
- M**, Deputy Under Secretary for Management (Department of State)
MB, megabyte
MBFR, Mutual and Balanced Force Reductions
McA, Eugene V. McAuliffe
MDT, Mutual Defense Treaty
ME, Mideast
MFA, Multifiber Agreement or Ministry of Foreign Affairs (PRC)
MFN, most favored nation
MHD, magnetohydrodynamic
MIA, missing in action

XXIV Abbreviations and Terms

Milan, a Greek ATGM

MIRV, multiple independently targetable reentry vehicle

MMT, million metric tons

MO, Michel Oksenberg

MOD, Minister of Defense

MOFA, Ministry of Foreign Affairs

MST, Mutual Security Treaty

MTN, Multilateral Trade Negotiations

NASA, National Aeronautics and Space Administration

NATO, North Atlantic Treaty Organization

NCUSCT, National Council for U.S.-China Trade

NE, northeast

NEA, National Endowment for the Arts

NEH, National Endowment for the Humanities

NIAM, National Intelligence Analytical Memorandum

NIE, National Intelligence Estimate

NNPA, Nuclear Non-Proliferation Act

NODIS, no distribution

NIO, National Intelligence Officer

NOTAL, not all (telegram A, referenced in telegram B, was not sent to all the recipients of telegram B)

NPC, National People's Congress

NPT, Nonproliferation Treaty

NSA, National Security Agency

NSNA, New China News Agency

NSC, National Security Council

NSDM, National Security Decision Memorandum

NW, northwest

OASD/ISA, Office of the Assistant Secretary of Defense for International Security Affairs

OAU, Organization of African Unity

OCI, Office of Current Intelligence, Central Intelligence Agency

OECD, Organization for Economic Cooperation and Development

OES, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State

OJCS, Office/Organization of the Joint Chiefs of Staff

OMB, Office of Management and Budget

ONE, Office of National Estimates, Central Intelligence Agency

OPIC, Overseas Private Investment Corporation

OSD, Office of the Secretary of Defense

OSTP, Office of Science and Technology Policy

OTH, over the horizon (radar)

P, Office of the Under Secretary for Political Affairs, Department of State

P and I, privileges and immunities

P&R, performance and resources

PACOM, Pacific Command (U.S.)

PARA, paragraph

PCH, Philip C. Habib

PD, Presidential Directive

PDM, programmed depot maintenance

PFT, Peace and Friendship Treaty

PGM, precision-guided munition

PL, Public Law

PLA, People's Liberation Army (PRC)
PLO, Palestine Liberation Organization
PM, Prime Minister or Bureau of Politico-Military Affairs, Department of State
PM/SAS, Office of Security Assistance and Sales, Bureau of Politico-Military Affairs, Department of State
PNE, peaceful nuclear explosion
POL, political or petroleum, oil, and lubricants
POLAD, Political Advisor
POW, prisoner of war
PRC, People's Republic of China or Policy Review Committee (NSC)
PRCLO, People's Republic of China Liaison Office (Washington)
PRCMUN, People's Republic of China Mission to the UN
PRES, the President
PRM, Presidential Review Memorandum

R&D, research and development
REFTEL, reference telegram
REP, representative
RES, resolution (UN)
RG, record group (National Archives and Records Administration)
RI, Rick Inderfurth
RNC, Republican National Committee
ROC, Republic of China
ROCAF, Republic of China Air Force
ROK, Republic of Korea (South Korea)
RP, Office of Regional and Political Analysis, Central Intelligence Agency
RPT, repeat
RVN, Republic of Vietnam (South Vietnam)
RWK, Robert W. Komer

S, Office of the Secretary of State or Secret
S/P, Policy Planning Staff, Department of State
S&T, science and technology
SALT, Strategic Arms Limitation Talks or Strategic Arms Limitation Treaty
SAS, Office of Security Assistance and Sales
SC, Security Council (UN)
SCA, Bureau of Security and Consular Affairs, Department of State
SCC, Special Coordination (also sometimes Coordinating) Committee
SCI, Bureau of International Scientific and Technological Affairs, Department of State; also sensitive compartmentalized information
SEA, Southeast Asia
SEATO, Southeast Asia Treaty Organization
SECDEF, Secretary of Defense
Sec/S, Secretary of State
SECTO, from the Secretary of State (used for telegrams from the Secretary or his party while he is on travel)
SEPTTEL, separate telegram
SFRC, Senate Foreign Relations Committee
SIG, Senior Interdepartmental Group (NSC)
SLOC, Strategic Lines of Communication
S/P, Policy Planning Staff, Department of State
SPECAT, special category (message requiring special handling)
SRV, Socialist Republic of Vietnam
S/S, Executive Secretariat, Department of State
STADIS, distribution within the Department of State only

XXVI Abbreviations and Terms

STR, Special Trade Representative

SYG, Secretary General (UN)

T, Office of the Under Secretary for Security Assistance, Science and Technology, Department of State

TASS, Telegraph Agency of the Soviet Union

TDC, Taiwan Defense Command

TDP, Trade and Development Program

TNF, Theater Nuclear Forces

TOSEC, to the Secretary of State (used for telegrams to the Secretary while he is on travel)

TOW, tube-launched optically-tracked wire-guided missile

TRA, Taiwan Relations Act

TRR, Taiwan Research Reactor

TS, Top Secret

TV, Television

TVA, Tennessee Valley Authority

U, Office of the Under Secretary of State

UK, United Kingdom

UN, United Nations

UNIC, United Nations Command (Korea)

UNICEF, United Nations International Children's Emergency Fund (United Nations Children's Fund)

UNGA, United Nations General Assembly

UNITA, National Union for Total Independence of Angola (Uniao Nacional para a Independencia Total de Angola)

UPI, United Press International

USA, United States Army

USAF, United States Air Force

USDA, United States Department of Agriculture

USG, United States Government

USGS, United States Geological Survey

USLO, United States Liaison Office (Beijing)

USN, United States Navy

USSR, Union of Soviet Socialist Republics

USTR, United States Trade Representative

USUN, United States Mission to the United Nations

VBB, meeting involving Vance, Brown, and Brzezinski

VN, Vietnam

Voyager, a backchannel means of communication that circumvented the Department of State by sending messages to the White House

VP, Vice President

WH, White House

WR, Weekly Report to the President

WRM, war reserve materiel

Z, Zulu time (Greenwich Mean Time)

ZB, Zbigniew Brzezinski

Persons

Note on Romanization of Chinese names: This list of Persons renders names in the Pinyin transcription and cross-references other variations to the Pinyin entry.

- Aaron, David L.**, President's Deputy Assistant for National Security Affairs from 1977 until 1981
- Abramowitz, Morton I.**, Deputy Assistant Secretary of Defense for East Asian and Pacific Affairs from 1974 until 1978; Ambassador to Thailand from 1978 until 1981
- Albright, Madeleine**, Congressional Relations Officer, Press and Congressional Liaison Office, National Security Council from 1978 until 1981
- Allen, Lew, Jr.**, General, USAF; Chief of Staff of the USAF from July 1, 1978 until June 30, 1982
- Allen, Richard V.**, foreign policy advisor to candidate Ronald Reagan during the 1980 presidential campaign; Assistant to the President for National Security Affairs from 1981 until 1982
- Anderson, Donald M.**, member, Office of People's Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State
- Armocost, Michael A.**, member, National Security Council Staff for East Asian and Chinese Affairs from January 1977 until July 1978; Deputy Assistant Secretary of Defense for East Asia, Pacific and Inter-American Affairs from July 1978; Deputy Assistant Secretary of State for East Asian and Pacific Affairs from January 1980
- Atkinson, Richard C.**, Director of the National Science Foundation
- AuCoin, Les**, member, U.S. House of Representatives (D-Oregon) from January 1975 until January 1993
- Baker, Howard H.**, Senator (R-Tennessee) from 1967 until 1984
- Bakhtiar, Shapour**, Prime Minister of Iran from January 4, 1979 until February 11, 1979
- Barnett, Patrica**, Deputy Director, East Asia and the Pacific, Bureau of Intelligence and Research, Department of State
- Barraclough, William G.**, Deputy Assistant Secretary of State for International Trade Policy
- Barre, Mohamed Siad**, President of Somalia from October 1969 until January 1991
- Bartholomew, Reginald**, member, National Security Council Staff for USSR/Eastern Europe from November 1977 until April 1979; Assistant Secretary of State for Politico-Military Affairs from July 1, 1979 until January 20, 1981
- Bayh, Birch**, Senator (D-Indiana) from 1963 until 1981
- Begin, Menachem**, Prime Minister of Israel from June 1977 until October 1983
- Ben-Gurion, David**, Prime Minister of Israel from May 1948 until January 1954, and from November 1955 until June 1963.
- Bergland, Robert S.**, Secretary of Agriculture from 1977 until 1981
- Bergsten, C. Fred**, Assistant Secretary for International Affairs, Department of the Treasury from 1977 until 1981
- Bhutto, Zulfikar Ali**, President of Pakistan from December 20, 1971 until August 14, 1973; Prime Minister until 1977
- Blumenthal, W. Michael**, Secretary of the Treasury from January 23, 1977 until August 4, 1979
- Boumediene, Houari**, President of Algeria from June 19, 1965 until December 27, 1978
- Bowie, Robert R.**, Deputy Director for National Intelligence, Central Intelligence Agency

- Bo Yibo**, Vice Premier of the State Council (PRC)
- Brademas, John**, member, U.S. House of Representatives (D–Indiana) from 1959 until 1980
- Brezhnev, Leonid**, First Secretary of the Communist Party of the Soviet Union from 1964 until 1982
- Brooke, Edward William, III**, Senator (D–Massachusetts) from 1967 until 1978
- Brown, General George S.**, Chairman of the Joint Chiefs of Staff from July 1, 1974 until June 20, 1978
- Brown, Harold**, Secretary of Defense from January 21, 1977 until January 20, 1981
- Brownell, Herbert, Jr.**, U.S. Attorney General from 1953 until 1957; advisor to Secretary of State Vance on legal issues surrounding the normalization of relations with the People's Republic of China
- Brzezinski, Emilie Benes (Muska)**, sculptor and the wife of Zbigniew Brzezinski
- Brzezinski, Zbigniew K.**, professor at Columbia University and advisor to Jimmy Carter during the 1976 presidential campaign; Assistant to the President for National Security Affairs from 1977 until 1981
- Bush, George H.W.**, Head of the U.S. Liaison Office in Beijing from October 21, 1974 until December 7, 1975; Director of the Central Intelligence Agency from January 30, 1976 until January 20, 1977; Vice President of the United States from January 20, 1981 until January 20, 1989
- Byrd, Robert C.**, Senator (D–West Virginia) from 1959 until 2010.
- Califano, Joseph A., Jr.**, Secretary of Health, Education and Welfare from 1977 until 1979
- Callaghan, James**, Prime Minister of the United Kingdom from April 5, 1976 until May 4, 1979
- Cao Guisheng (Tsao Kuei-sheng)**, Political Counselor for PRCLC
- Carlucci, Frank**, Deputy Director of the Central Intelligence Agency from February 1978 until February 1981
- Carswell, Robert**, Deputy Secretary of the Treasury from 1977 until 1981
- Carter, Hodding, III**, Assistant Secretary of State for Public Affairs and Department of State Spokesperson from March 25, 1977 until June 30, 1980
- Carter, James Earl (Chip), III**, son of President James Carter
- Carter, James Earl (Jimmy)**, President of the United States from January 20, 1977 until January 20, 1981
- Case, Clifford P., Jr.**, Senator (R–New Jersey) from 1955 until 1979
- Ceausescu, Nicolae**, First Secretary of the Romanian Communist Party from 1965 until 1989; President of Romania from 1967 until 1989
- Ch'ai Tse-min**, see Chai Zemin
- Chai Zemin (Ch'ai Tse-min)**, Chief of the Liaison Office of the PRC from March 1978 until March 1979; PRC Ambassador to the United States from March 1979 until 1982
- Chang, Vivian**, interpreter at the Department of State
- Chang Wen-chin**, see Zhang Wenjin
- Chiang Ching-kuo**, see Jiang Jinguo
- Chiang Kai-shek**, see Jiang Jieshi
- Chiang Kai-shek, Madame**, see Jiang Jieshi, Madame
- Chien, Fu (Fredrick F.)**, see Jian Fu
- Chou En-lai**, see Zhou Enlai
- Christopher, Warren M.**, Deputy Secretary of State from February 25, 1977 until January 16, 1981
- Chu Chi-chen**, see Zhu Qizhen
- Church, Frank F.**, Senator (D–Idaho) from 1957 until 1981
- Claytor, W. Graham, Jr.**, Secretary of the Navy from 1977 until 1979; Acting Secretary of Transportation during 1979; Deputy Secretary of Defense from August 24, 1979 until January 16, 1981

- Clift, A. Denis**, Assistant to the Vice President for National Security Affairs from 1977 until 1981
- Cline, Ray S.**, Director of the Bureau of Intelligence and Research, Department of State from 1969 until 1973
- Cochrane, James**, member, National Security Council Staff for International Economics from 1978 until 1979
- Cohen, William S.**, member, U.S. House of Representatives (R–Maine) from January 1973 until January 1979; Senator (R–Maine) from January 1979 until January 1997
- Colm, Peter W.**, member, Office of Research and Analysis for the Soviet Union and Eastern Europe, Department of State
- Cooper, Richard N.**, Under Secretary of State for Economic Affairs from April 8, 1977 until January 19, 1981
- Costle, Douglas M.**, Administrator of the EPA from 1977 until 1981
- Cranston, Alan**, Senator (D–California) from 1969 until 1993
- Cronkite, Walter**, U.S. broadcast journalist
- Davies, Thomas D.**, Assistant Director for Multilateral Affairs, Arms Control and Disarmament Agency
- Deal, Timothy**, member, National Security Council Staff for International Economics from January 1977 until April 1979 and from January 1980 until January 1981
- DeConcini, Dennis Webster**, Senator (D–Arizona) from January 3, 1977 until January 3, 1995
- Denend, Leslie G.**, member, National Security Council Staff for Global Issues from 1977 until 1979; Special Assistant to the Assistant to the President for National Security Affairs from 1980 until 1981
- Deng Xiaoping (Teng Hsiao-p'ing)**, PRC Deputy Premier from 1952 until 1967; Vice Premier of State Council from 1973 until 1974; Vice Premier until 1983
- Desai, Morarji**, Prime Minister of India from March 24, 1977 until July 28, 1979
- Dinneen, Gerald P.**, Principal Deputy Under Secretary of Defense for Research and Engineering; Assistant Secretary of Defense for Communications, Command, Control, and Intelligence from April 1977 until January 1980
- Dirksen, Everett**, member, U.S. House of Representatives (R–Illinois) from 1933 until 1949; Senator (R–Illinois) from 1951 until 1969
- Dobrynin, Anatoly F.**, Soviet Ambassador to the United States from 1962 until 1986
- Dodson, Christine**, Staff Secretary, National Security Council
- Dole, Robert**, Senator (R–Kansas) from 1969 until 1996
- Donovan, Hedley**, Editor in Chief of Time, Incorporated.
- Dulles, John Foster**, Secretary of State from January 1953 until April 1959
- Duncan, Charles W., Jr.**, Deputy Secretary of Defense from 1977 until 1979; Secretary of Energy from 1979 until 1981
- Ecevit, Bulent**, Prime Minister of Turkey from June 21, 1977 until July 21, 1977, and from January 5, 1978 until November 12, 1979
- Erb, Guy F.**, member, National Security Council Staff for International Economics from 1977 until 1980
- Ericson, Richard A., Jr.**, Deputy Director, Bureau of Politico-Military Affairs, Department of State
- Ermarth, Fritz**, member, National Security Council Staff for Defense Coordination from September 1978 until November 1980
- Fairbank, John King**, scholar of modern Chinese history who taught at Harvard University
- Feldman, Harvey J.**, Country Director, Republic of China Office, Department of State from September 1977; Special Coordinator for Taiwan from January 1979

- Fisher, Richard**, Department of Treasury action officer for Blumenthal trip to China of February 1979
- Ford, Gerald R.**, member, U.S. House of Representatives (R–Michigan) from 1963 until 1973; House Minority Leader from 1965 until 1973; Vice President from October 13, 1973 until August 8, 1974; President from August 8, 1974 until January 20, 1977
- Freeman, Charles W., Jr.**, Director, Office of People’s Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State from July 1979
- Frenzel, William Eldridge**, member, House of Representatives (R–Minnesota) from January 3, 1971 until January 3, 1991
- Frey, James M.**, Assistant Director for Legislative Reference, Office of Management and Budget
- Frosch, Robert A.**, NASA Administrator from 1977 until 1981
- Fukuda, Takeo**, Prime Minister of Japan from December 24, 1976 until December 7, 1978
- Gandhi, Indira**, Prime Minister of India from 1966 until 1977
- Gardner, Richard N.**, advisor to Jimmy Carter during the 1976 presidential campaign; Ambassador to Italy from March 1977 until February 1981
- Garn, Edwin J. (Jake)**, Senator (R–Utah) from December 21, 1974 until January 3, 1993
- Gates, Robert M.**, Special Assistant to the Assistant to the President for National Security Affairs from April 1979 until December 1979
- Gates, Thomas S.**, Secretary of Defense from 1959 until 1960; Chief of the US Liaison Office in Peking with a personal rank as Ambassador from May 6, 1976 until May 8, 1977
- Geng Biao**, Vice Premier and Secretary General of the Military Commission (PRC)
- Glenn, John H.**, first American to orbit the earth; Senator (D–Ohio) from 1974 until 1999
- Gleysteen, William H, Jr.**, member, National Security Council Staff from August 1976 until January 1977; Deputy Assistant Secretary of State for East Asian and Pacific Affairs from January 1977; U.S. Ambassador to Korea from July 1978 until June 1981
- Goldwater, Barry**, Senator (R–Arizona) from 1953 until 1986
- Gromyko, Andrei A.**, Foreign Minister of the Soviet Union from 1957 until 1985
- Gwertzman, Bernard**, reporter for *The New York Times*
- Habib, Philip C.**, Under Secretary of State for Political Affairs from July 1, 1976 until April 1, 1978
- Hallford, Scott S.**, head of the Economic division, Office of People’s Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State; Department of State action officer for Blumenthal trip to China of February 1979
- Hamrin, Carol L.**, analyst in the Office of Research and Analysis for East Asia and Pacific Affairs, Department of State
- Handler, Philip**, President of the National Academy of Sciences
- Han Hsu**, see Han Xu
- Han Nianlung**, Vice Foreign Minister (PRC)
- Hansell, Herbert J.**, Legal Advisor of the Department of State from April 8, 1977 until September 20, 1979
- Hanson, Carl Thor**, Vice Admiral, Director of the Joint Chiefs of Staff from June 22, 1979 until June 30, 1981
- Han Xu (Han Hsu)**, Deputy Head of the PRC Liaison Office in the United States from 1973; Director of the American and Oceanian Affairs Department at the PRC Ministry of Foreign Affairs from March 1979
- Hao Dejing (Hao Te-ching)**, President of the Chinese People’s Institute of Foreign Affairs
- Hart, Gary W.**, Senator (D–Colorado) from 1975 until 1987

- Hartman, Arthur A.**, Assistant Secretary of State for European and Canadian Affairs from January 8, 1974 until June 8, 1977; Acting Secretary of State during February 1977
- Heng Samrin**, Chairman of the Revolutionary Council of Kampuchea from 1979 until 1981
- Henze, Paul B.**, member, National Security Council Staff for Intelligence Coordination from 1977 until 1980; headed the Nationality Working Group in the NSC from 1977 until 1980 and also covered NSC issues involving Cyprus/Turkey/Greece, the Horn of Africa, and international broadcasting
- Holbrooke, Richard C.**, Assistant Secretary of State for East Asian and Pacific Affairs from March 1977 until January 1981
- Holdridge, John H.**, co-deputy chief of mission in Beijing from 1973 until 1975; U.S. Ambassador to Singapore from August 1975 until June 1978; National Intelligence Officer for East Asia from 1979 until 1981; Assistant Secretary of State for East Asian and Pacific Affairs from 1981 until 1983
- Hollings, Ernest F. (Fritz)**, Senator (D–South Carolina) from November 9, 1966 until January 3, 2005
- Hormats, Robert D.**, member, National Security Council Staff for International Economics from 1969 until 1977; Deputy Assistant Secretary of State for Economic and Business Affairs from 1977 until 1979; Deputy Trade Representative from 1979 until 1981
- Hsu Shang-wei**, see Xu Shangwei
- Hua Guofeng (Hua Kuo-feng)**, Member of Politburo from 1973 until 1982; Premier of the State Council of PRC from 1976 until 1980; Chairman of Chinese Communist Party from 1976 until 1981
- Huang Chen (Huang Zhen)**, Chief of the PRC Liaison Office in the United States from March 1973 until November 1977
- Huang Hua**, PRC Foreign Minister from 1976 until 1982
- Huberman, Benjamin**, member, National Security Council Staff
- Hunter, Robert**, member, National Security Council Staff for Western Europe from 1977 until 1979
- Huntington, Samuel P.**, member, National Security Council Staff for National Security Planning from February 1977 until August 1978
- Inderfurth, Karl Frederick (Rick)**, Special Assistant to the Assistant to the President for National Security Affairs from January 1977 until April 1979
- Inman, Bobby Ray**, Director of the National Security Agency from 1977 until 1981
- Jackson, Henry M. (Scoop)**, Senator (D–Washington) from 1952 until 1983
- Javits, Jacob K.**, Senator (R–New York) from 1947 until 1980
- Jaworski, Leon**, Special Prosecutor during the Watergate investigation following the firing of Archibald Cox; House Ethics Committee’s Special Counsel into investigation of ROK influence buying
- Jayne, Edward R., II**, Associate Director for National Security and International Affairs, Office of Management and Budget
- Jian Fu (Chien Fu) (Frederick F. Chien)**, Vice Minister of the Taiwanese Ministry of Foreign Affairs
- Jiang Jieshi (Chiang Kai-shek)**, President of the ROC from March 1, 1950 until April 5, 1975; Director-General, Kuomintang, from 1938 until 1975
- Jiang Jieshi, Madame (Madame Chiang Kai-shek)**, wife of Jiang Jieshi; born Song Meiling (Soong Mayling)
- Jiang Jinguo (Chiang Ching-kuo)**, son of Jiang Jieshi; Minister of Defense of the ROC from 1965 until 1969; Vice Premier of the Executive Yuan from 1969 until 1972; Premier from 1972 until 1978; President from 1978 until 1988

- Ji Chaozhu**, Deputy Director, Department of American and Oceanian Affairs, PRC Ministry of Foreign Affairs
- Johnson, Darryl N.**, Chief Political Officer, Office of the People's Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State
- Jones, General David C.**, Chairman of the Joint Chiefs of Staff from June 21, 1978 until June 18, 1982
- Jordan, Hamilton**, Assistant to the President from 1977 until July 1979; White House Chief of Staff from July 1979 until June 1980;
- Kalicki, Jan H.**, member, Policy Planning Staff, Department of State from 1974 until 1977
- Kardelj, Edvard**, Member of the Presidency of Yugoslavia
- Katz, Julius L.** Assistant Secretary of State for Economic and Business Affairs from September 1976 until November 1979
- Kennedy, Edward M. (Ted)**, Senator (D–Massachusetts) from 1962 until 2009
- Khrushchev, Nikita**, First Secretary of the Communist Party of the Soviet Union from September 14, 1953 until October 14, 1964
- Kim Dong-jo**, a former ROK ambassador to the United States who was accused of having bribed members of the U.S. Congress
- Kim Il-sung (Kim Il Sung)**, Premier (Chairman of the Council of Ministers) of the DPRK from September 3, 1948 until December 28, 1972; President (Chairman of the Presidium of the Supreme People's Assembly) of the DPRK from December 28, 1972 until July 8, 1994; and General Secretary of the Central Committee of the Workers' Party of Korea from September 3, 1948 until July 8, 1994
- Kirbo, Charles**, political confidant to Jimmy Carter when Carter was Governor of Georgia and President
- Kissinger, Henry A.**, Secretary of State from September 21, 1973 until January 20, 1977
- Klutznick, Philip M.**, Secretary of Commerce from 1979 until 1981
- Komer, Robert W.**, Advisor to the Secretary of Defense of NATO Affairs until September 27, 1979; Under Secretary of Defense for Policy from October 24, 1979 until January 20, 1981
- Kreps, Juanita M.**, Secretary of Commerce from 1977 until 1979
- Kriangsak Chamanan**, Prime Minister of Thailand from November 11, 1977 until March 3, 1980
- Lake, W. Anthony**, Director, Policy Planning Staff, Department of State from January 1977 until January 1981
- Le Duan**, General Secretary of the Vietnamese Workers' Party (later the Vietnamese Communist Party) from 1960 until 1986
- Levin, Burton**, Director, Office of Republic of China Affairs, Department of State
- Li Hsien-nien**, see Li Xiannian
- Lilley, James**, National Intelligence Officer for China from 1975 until 1978
- Lin Piao (Lin Biao)**, PRC Minister of Defense from 1959 until September 1971; Vice Chairman of the CCP Central Committee (Politburo) from August 1966 until September 1971
- Lipshutz, Robert**, White House Counsel from 1977 until 1980
- Liu Hua-ching**, see Liu Huaqing
- Liu Huaqing (Liu Hua-ching)**, Deputy Chief of the PLA General Staff (PRC)
- Li Xiannian (Li Hsien-nien)**, PRC Vice Premier until 1980
- Long, Russell**, Senator (D–Louisiana) from 1948 until 1987
- Lord, Winston**, Director, Policy Planning Staff, Department of State from October 1973 until January 1977
- Lyne, Stephen R.**, Director, Office of Vietnam, Laos and Cambodia, Bureau of East Asian and Pacific Affairs, Department of State

- Machel, Samora Moises**, President of Mozambique from 1975 until 1986
- Mansfield, Michael**, Senator (D–Montana) from 1952 until 1976; Majority Leader from 1961 until 1976
- Mao Tse-tung**, see Mao Zedong
- Mao Zedong (Mao Tse-tung)**, Chairman of the Central Committee of the Chinese Communist Party until September 9, 1976
- Marcos, Ferdinand**, President of Philippines from 1965 until 1986
- Marcos, Imelda**, First Lady of the Philippines from December 30, 1965 until February 25, 1986; Special Diplomatic Envoy from 1978 until 1986
- Marks, Lee R.**, member, Office of the Legal Advisor
- Marshall, Andrew W.**, Director, Office of Net Assessment, Department of Defense from 1973
- Martin, Robert A.**, Director, Office of Political-Military Affairs and Theatre Forces, Bureau of Intelligence and Research, Department of State
- Mathews, Jessica Tuchman**, member, National Security Council Staff for Global Issues from January 1977 until June 1979; editorial board of *The Washington Post* from 1980 until 1982
- McAuliffe, Eugene V.**, Assistant Secretary of Defense for International Security Affairs from May 6, 1976 until April 1, 1977
- McGiffert, David E.**, Assistant Secretary of Defense for International Security Affairs from April 4, 1977 until January 20, 1981
- McNamara, Robert S.**, President of the World Bank from 1968 until 1981
- Miller, G. William**, Secretary of the Treasury from August 6, 1979 until January 20, 1981
- Mink, Patsy**, Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs from March 28, 1977 until May 1, 1978
- Moe, Richard**, Chief of Staff for Vice President Mondale from 1977 until January 1981
- Mondale, Walter**, Vice President of the United States from January 20, 1977 until January 20, 1981
- Moore, Frank B.**, Assistant to the President for Congressional Liaison from 1977 until January 1981
- Moynihán, Daniel P.**, Senator (D–New York) from 1977 until 2001
- Murray, Russell, II**, Assistant Secretary of Defense for Program Analysis and Evaluation from April 28, 1977 until January 20, 1981
- Muskie, Edmund S.**, Senator (D–Maine) from January 3, 1959 until May 7, 1980; Secretary of State from May 8, 1980 until January 20, 1981
- Negroponte, John D.**, Deputy Assistant Secretary of State for East Asian and Pacific Affairs
- Newsom, David D.**, Under Secretary of State for Political Affairs from April 19, 1978 until February 27, 1981
- Nguyen Co, Thach** Vice-Foreign Minister of the Democratic Republic of Vietnam from 1960 until 1979
- Nixon, Richard M.**, President of the United States from January 20, 1969 until August 9, 1974
- Nunn, Samuel A.**, Senator (D–Georgia) from 1972 until 1997
- Nye, Joseph**, Deputy Under Secretary for Security Assistance, Science and Technology
- Nyerere, Julius**, President of Tanzania from 1964 until 1985
- Oakley, Robert B.**, Deputy Assistant Secretary of State for East Asian and Pacific and Pacific Affairs
- Odom, William E.**, Military Assistant to the Assistant to the President for National Security Affairs from 1977 until 1981
- O'Donohue, Daniel A.**, member, Office of the Under Secretary for Political Affairs
- Ohira Masayoshi**, Prime Minister of Japan from December 7, 1978 until June 12, 1980

- Oksenberg, Michel**, member, National Security Council Staff for East Asian and Chinese affairs from 1977 until 1980; Professor of Political Science at the University of Michigan
- O'Neill, Thomas Phillip, Jr. (Tip)**, member, U.S. House of Representatives (D-Massachusetts) from January 3, 1953 until January 3, 1987
- Owen, Henry D.**, advisor to Jimmy Carter during the 1976 presidential campaign; member, National Security Council Staff for International Economics from 1977 until 1981
- Park Chung Hee**, President of the ROK (South Korea) from December 17, 1963 until October 26, 1979
- Park Tongsun (Pak Dong-seon)**, was accused of bribing members of the U.S. Congress on behalf of the ROK government
- Perry, William J.**, director of Defense Research and Engineering from April 11, 1977 until October 21, 1977; Under Secretary of Defense for Research and Engineering from October, 21, 1977 until January 20, 1981
- Pham Van Dong**, Prime Minister of North Vietnam from 1955 until 1976; Prime Minister of Vietnam from 1976 until 1987
- Phan Hien**, Vice Foreign Minister of Vietnam
- Phillips, Christopher H.**, first president of the U.S.-China Business Council
- Platt, Nicholas**, political officer, United States Liaison Office from May 1973 until January 1974; stationed in Japan from July 1974 until 1977; member, National Security Council staff for East Asian and Chinese Affairs from 1978 until 1980; Deputy Assistant Secretary of Defense for International Security Affairs from 1980 until 1981
- Pol Pot (Saloth Sar)**, General Secretary of the Communist Party of Kampuchea from 1963 until 1981 and Prime Minister of Democratic Kampuchea from May 1976 until January 1979
- Poppo, Paul M.**, Deputy Chief of Mission to the Republic of China from October 1974 until September 1977
- Pratt, Mark S.**, Chief of General Affairs at the Taipei Office of the American Institute in Taiwan
- Press, Frank**, Special Adviser to the President for Science and Technology; Director, Office of Science and Technology Policy from 1977
- Qian Dayong (Tsien Ta-yung)**, Counselor of the PRC Liaison Office
- Quandt, William B.**, member, National Security Council Staff for the Middle East from January 1977 until August 1979
- Rathner, Herbert**, Foreign Service Officer detailed to the International Communication Agency from August 1978
- Reagan, Ronald**, Republican candidate for President in 1976 and 1980; President of the United States from 1981 until 1989
- Reinhardt, John E.**, Director of the International Communication Agency from March 23, 1977 until August 29, 1980
- Renner, John C.**, Counselor and Special Envoy, Office of the Special Representative for Trade Negotiation
- Resor, Stanley**, Under Secretary of Defense for Policy from August 14, 1978 until April 1, 1979
- Richardson, John, Jr.**, Assistant Secretary of State for Educational and Cultural Affairs from July 15, 1969 until March 7, 1977; Center for Strategic and International Studies
- Richeson, Alfred K.**, Lieutenant Colonel, member, East Asia and Pacific Region, Office of the Assistant Secretary of Defense for International Security Affairs

- Rockefeller, David**, chief executive officer of Chase Manhattan Bank from 1969 until 1980; chairman of the Council of Foreign Relations from 1970 until 1985; initiated the creation of the Trilateral Commission
- Rogers, Bernard W.**, General, Chief of Staff of the U.S. Army from 1976 until 1979
- Rogers, William P.**, Secretary of State from January 21, 1969 until September 3, 1973
- Romberg, Alan D.**, member, Policy Planning Staff, Department of State
- Roy, J. Stapleton**, Deputy Director, Office of People's Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State from June 1978; Deputy Chief of Mission, United States Liaison Office from March 1979; Deputy Chief of Mission, Embassy in Beijing
- Sadat, Anwar**, President of Egypt from 1970 until 1981
- Schechter, Jerrold**, Press Officer and Associate Press Secretary, National Security Council from January 1977 until February 1980
- Schlesinger, James R.**, Secretary of Energy from August 5, 1977 until July 20, 1979
- Schmidt, Helmut**, West German Chancellor from 1974 until 1982
- Scranton, William**, Representative of the United States to the United Nations from March 15, 1976 until January 19, 1977
- Seignious, George M.**, Lieutenant General, Director of Arms Control and Disarmament Agency from December 4, 1978 until January 3, 1980
- Seitz, Raymond G.H.**, Deputy Executive Secretary
- Shen Ch'ang-huan**, see Shen Changhuan
- Shen Changhuan (Shen Ch'ang-huan)**, Foreign Minister of the ROC from May 29, 1972 until December 16, 1978
- Shen, James C.H.**, see Shen Jianhong
- Shen Jianhong (Shen, James C. H.)**, ROC Ambassador to the United States from May 18, 1971 until January 1, 1979
- Shoosmith, Thomas P.**, Hong Kong Consulate General from October 1977
- Shulman, Marshall D.**, Soviet specialist; Special Advisor to the Secretary of State
- Sick, Gary**, member, National Security Council Staff for the Middle East from January 1977 until January 1980
- Sihanouk, Norodom**, Prince, Head of State of Cambodia from 1960 until 1970, then leader of a government-in-exile in Peking from 1970 until 1975; Head of State from August 1975 until April 1976;
- Singh, Charan**, Prime Minister of India from July 28, 1979 until January 14, 1980
- Smith, Ian**, Prime Minister of Rhodesia until June 1, 1979
- Smith, Michael B.**, chief negotiator for the US-PRC textile negotiation; Deputy Trade Representative, Office of the Special Representative for Trade Negotiation
- Smith, William Y.**, Lieutenant General, USAF; Assistant to the Chairman of the Joint Chiefs of Staff from September 1975
- Solarz, Stephen J.**, member, U.S. House of Representatives (D-New York) from January 1975 until January 1993
- Song Chuyu (James Soong)**, Private Secretary to Premier Chiang Ching-Kuo from 1974 until 1977 and to President Chiang from 1978 until 1981
- Song Zhangzhi (Soong Chang-chih)**, Chief of the General Staff, Ministry of National Defense, from 1976 until 1981
- Sonoda Sunao**, Japanese Minister of Foreign Affairs from 1977 until 1979, and in 1981
- Soong Chang-chih**, see Song Zhangzhi
- Soong, James**, see Song Chuyu
- Stevenson, Adlai E., III**, Senator (D-Illinois) from 1970 until 1981
- Stoddard, Philip H.**, Acting Deputy Director for Research and Analysis for Near East and South Asia from March 1978; Acting Director for Research from July 1979; Council on Foreign Relations from September 1979 until June 1980; Deputy Assistant Secretary for Current Analysis at the Bureau of Intelligence and Research from July 1980

- Stone, Richard**, Senator (D–Florida) from 1975 until 1980
- Stratton, Samuel Studdiford**, member, U.S. House of Representatives (D–New York) from 1959 until 1989
- Strauss, Robert S.**, Special Representative for Trade Negotiations from 1977 until 1980
- Suharto, Mohammed**, Acting President of Indonesia from 1967 until 1968; President of Indonesia from 1968 until 1998
- Sullivan, Roger W.**, Hong Kong International Relations Officer from August 1976; Taipei Deputy Chief of Mission Minister Counselor from August 1977; Deputy Assistant Secretary of State for East Asian and Pacific Affairs from July 1978; member, National Security Council Staff for East Asian and Chinese affairs from February 1980 until January 1981
- Sylvester, John, Jr.**, Acting Assistant Deputy Director for Research from November 1978; Assistant Deputy Director for Research from December 1978
- Takeiri Yoshikatsu**, Leader of the Komeito political party (Japan)
- Talmadge, Herman E.**, Senator (D–Georgia) from 1957 until 1981
- Tang, Nancy (Tang Wensheng)**, official in the PRC Ministry of Foreign Affairs; frequently translated for Mao and Zhou during their meetings with U.S. officials in the 1970s
- Tang Wensheng**, see Nancy Tang
- Taraki, Nur Muhammad**, President of the Democratic Republic of Afghanistan from April 30, 1978 until September 16, 1979; Prime Minister of the Democratic Republic of Afghanistan from May 1, 1978 until March 27, 1979
- Tarnoff, Peter R.**, Executive Secretary from April 4, 1977 until February 8, 1981
- Teng Hsiao-p'ing**, see Deng Xiaoping
- Thayer, Harry E.T.**, Deputy Director, Office of People's Republic of China and Mongolia Affairs, Bureau of East Asian and Pacific Affairs, Department of State from August 1976
- Thornton, Thomas**, member, National Security Council Staff for South Asia and UN Matters from 1977 until 1981
- Tito, Josip Broz**, President of Yugoslavia from 1963 until 1980
- Toon, Malcolm**, U.S. Ambassador to the Soviet Union from January 1977 until October 1979
- Tower, John**, Senator (R–Texas) from 1961 until 1985
- Trudeau, Pierre-Elliott**, Prime Minister of Canada from April 20, 1968 until June 3, 1979 and from March 3, 1980 until June 30, 1984
- Tsao Kuei-sheng**, see Cao Guisheng
- Tsien Ta-yung**, see Qian Dayong
- Tuchman, Jessica**, see Jessica Tuchman Mathews
- Turner, Stansfield**, Admiral, Director of Central Intelligence Agency from 1977 until 1981
- Ullman, Albert C.**, member, U.S. House of Representatives (D–Oregon) from January 3, 1957 until January 3, 1981
- Unger, Leonard S.**, U.S. Ambassador to the Republic of China from May 25, 1974 until January 19, 1979
- Vance, Cyrus**, Secretary of State from January 23, 1977 until April 28, 1980
- Vanik, Charles**, member, U.S. House of Representatives (D–Ohio) from January 1955 until January 1981
- Verville, Elizabeth G.**, Assistant Legal Adviser for East Asian and Pacific Affairs, Department of State
- Vessey, John W.**, Commanding General of the Eighth U.S. Army; Commander of U.S. Forces, Korea; Commander-in-Chief of the United Nations Command

- Waldheim, Kurt**, Austrian Secretary-General of the United Nations from 1972 until 1982
- Wang Hai-jung**, see Wang Hairong
- Wang Hairong (Wang Hai-jung)**, Vice Minister in the PRC Ministry of Foreign Affairs from July 1974 until February 1979
- Watson, Barbara M.**, Assistant Secretary of State for Consular Affairs from August 13, 1977 until September 11, 1980
- Watson, Jack**, Assistant to the President for Intergovernmental Affairs, Secretary to the Cabinet, and White House Chief of Staff during the Carter Administration
- Watson, Thomas, Jr.**, U.S. Ambassador to the Soviet Union from October 1979 until January 1981
- Weicker, Lowell P., Jr.**, Senator (R-Connecticut) from January 3, 1971 until January 3, 1989
- Weil, Frank A.**, Assistant Secretary of Commerce and Head of the International Trade Administration from February 1977 until October 1979
- Weisner, Maurice F.**, Admiral, Commander in Chief of the U.S. Pacific Command from 1976 until 1979
- Wexler, Anne**, Special Assistant to President Carter for Public Outreach from April 1978 until January 1981
- Wisner, Frank G.**, Deputy Executive Secretary of State from April 1977
- Woerner, Manfred**, member of the German parliament from 1965 until 1988
- Wolff, Lester**, member, U.S. House of Representatives (D-New York) from 1965 until 1980
- Woodcock, Leonard**, President of the United Auto Workers from 1970 until 1977; Chief of the U.S. Liaison Office in Beijing from July 1977 until March 1979; U.S. Ambassador to the People's Republic of China from March 1979 until February 1981
- Xu Shangwei (Hsu Shang-wei)**, interpreter at the PRC Liaison Office
- Yang Yuyung**, interpreter for PRCLO
- Yan Jiagan (Yen Chia-kan) (C.K. Yen)**, President of ROC from 1975 until 1978
- Yeh Chien-ying**, see Ye Jianying
- Ye Jianying (Yeh Chien-ying)**, Head of State of the PRC from 1978 until 1983
- Yen Chia-kan (C.K.)**, see Yan Jiagan
- Young, Andrew J.**, Representative of the U.S. to the United Nations from January 30, 1977 until September 23, 1979
- Zablocki, Clement J.**, member, U.S. House of Representatives (D-Wisconsin) from 1949 until 1982
- Zhang Aiping**, Chairman of the Chinese National Defense Science and Technology Commission
- Zhang Wenjin (Chang Wen-chin)**, Vice Minister of Foreign Affairs (PRC)
- Zhou Enlai (Chou En-lai)**, Premier of the PRC from September 21, 1949 until his death in January 8, 1976; member, Standing Committee of the Chinese Communist Party's Political Bureau from 1956 until 1976
- Zhou Wenzhong**, interpreter for the PRC Embassy in Washington
- Zhu Qizhen (Chu Chi-chen)**, Deputy Director of the American and Oceanian Affairs Department at the PRC Ministry of Foreign Affairs
- Zia-ul-Haq, Muhammad**, President of Pakistan from September 16, 1978 until August 17, 1988
- Zumwalt, Elmo R., Jr.**, Admiral, Chief of Naval Operations from 1970 until 1974.

China

November 1976–August 1977

1. **Memorandum From Zbigniew Brzezinski, Richard Gardner, and Henry Owen to President-Elect Carter¹**

Washington, November 3, 1976

[Omitted here is material unrelated to Sino-American relations.]

C. China:

1. Initial contacts: A meeting between Secretary of State and the Chinese Foreign Minister should be proposed, to sound out Chinese willingness to offer assurances of non-use of force in the Taiwan Straits as a prelude to normalization. After these soundings, a decision can be made as to whether to propose a meeting at a mutually convenient time, this time on U.S. soil (though conceivably in the Pacific), between you and Chairman Hua. The above should be preceded by consultations with Japan, as suggested earlier.

2. Taiwan: U.S. forces in Taiwan should be further reduced, making clear that this in no way reduces the U.S. commitment to Taiwan's security.

[Omitted here is material unrelated to Sino-American relations.]

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brzezinski: 1-6/77. Confidential. Inderfurth sent a copy of this memorandum to the NSC Staff under a covering letter dated January 19, 1977. (Ibid.)

2. Memorandum of Conversation¹

Washington, January 8, 1977, 1:15–2:40 p.m.

PARTICIPANTS

Ambassador Huang Chen, Chief of PRC Liaison Office
Mr. Tsien Ta-yung (Counselor at Liaison Office) (No. 3 man)
Mr. Hsu Shang-wei (Interpreter)

Dr. Henry A. Kissinger, Secretary of State
Mr. Cyrus Vance, Secretary of State-designate
Mr. Philip Habib, Under Secretary for Political Affairs
Mr. Winston Lord, Director, Policy Planning Staff

[Secretary Kissinger introduced Secretary-designate Vance to the Ambassador and the other Chinese officials. The three men walked over to the waiting photographers for a picture-taking session and some brief exchanges:

Secretary Kissinger: As you know the opening to China was one of the most important initiatives of the recent period. We have always attached the greatest importance to the normalization of relations with the People's Republic of China and to the various statements we have jointly made about our concerns with respect to hegemony and our commitment to improving our relations and to normalize our relations. I have had the opportunity to speak to the Secretary-designate about this and he suggested that we might explore these subjects in a conversation with the Chief of the Liaison Office, my old friend Ambassador Huang Chen, who incidentally speaks perfect English but won't admit it. This is why we are meeting here.

Ambassador Huang: Thank you (in English). Happy new year!

Question: I wonder if we could ask Mr. Vance a question about how he envisages the Carter Administration's approach to a normalization of relations with China.

Mr. Vance: Insofar as our bilateral relations with China are concerned, they continue to be guided by the Shanghai communique.² I think that's all I really should say at this moment.

¹ Source: Library of Congress, Manuscript Division, Papers of Henry A. Kissinger, Geopolitical File, Box CL 113, China, Chronological File, General, January 1977. Secret; Nodis. All brackets are in the original. The meeting took place in the Secretary's Dining Room on the eighth floor of the Department of State. Lord gave Kissinger a memorandum, January 6, in anticipation of this lunch. (Ford Library, National Security Adviser, Kissinger–Scowcroft West Wing Office Files, 1969–1977, General Subject File, Box 6, China Exchanges, unnumbered items (39), 1/6–14/77)

² The Shanghai Communiqué was issued on February 27, 1972, at the conclusion of President Nixon's first trip to China February 21–28, 1972. It facilitated Sino-American cooperation without settling all outstanding issues between the two countries. In it, the

Question: The President-elect said that he would send you on various missions, Mr. Vance. Do you anticipate going to Peking?

Mr. Vance: At some time I would say I probably will be going to Peking. I have no definite dates for anything like that now.

Question: Could we ask the Chinese Ambassador a question, please, about what initiative the Chinese may take to bring about the normalization of Sino-American relations?

Ambassador Huang: As far as our policy and position is concerned, our leaders have several times talked with your leaders during their conversations, several times. Our position and policy is constant. My old friend, Dr. Kissinger, he is very clear about our policy and position. I believe Mr. Vance is also clear about our policy and position.

Question: I wonder if we could ask another question of the Ambassador. We keep on hearing various stories about military coup d'état, coups d'état, and all kinds of changes in China. What exactly is happening? (Laughter)

Secretary Kissinger: (to the Ambassador) Mr. Ambassador, he asks me worse questions.

Ambassador Huang: (laughing) Rumors. Rumors.

This concluded the exchange with the press as the Chinese and American officials moved into the dining room for lunch at 1:25.]

Secretary Kissinger: Whenever you go to Peking, Cy, you will lose your trim figure.

Ambassador Huang: The year before, in 1975, Mr. Vance did visit China once.³ At that time I was in Peking, but I didn't have the opportunity to meet you.

Mr. Vance: Yes, I know. The food was superb when I was in China, and in fact I didn't gain too much weight in China.

Ambassador Huang: How long were you in China?

Mr. Vance: About three weeks. (He then gave a run-down of his itinerary, including Peking and Shanghai. The Secretary joked about the fact that hors d'oeuvres were being served at the table.)

Secretary Kissinger: I've been explaining the processes here which are . . . sooner or later . . . Mr. Habib is the senior Foreign Service Of-

United States acknowledged "that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China." The Communiqué is printed in *Public Papers: Nixon, 1972*, pp. 376–379. For documentation on Nixon's trip, including the text of the Communiqué, see *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, Documents 194–204.

³ Vance's October 1975 visit was sponsored by the National Committee on U.S.–China Relations.

ficer. I'm sure Cy comes here with the illusion that he will run the Department, but sooner or later they'll get him. (Laughter)

Mr. Vance: I'm forewarned. I've known him before and worked with him before.

Secretary Kissinger: Every once in a while the Department needs a cultural revolution. (Laughter)

Mr. Habib: The Secretary always makes fun of the Foreign Service, but no Secretary has ever made more use of it than he has, so we are very grateful.

Secretary Kissinger: That's true.

Secretary Kissinger: Speaking about food in China, the first time I went there on my secret trip⁴ Premier Chou En-lai showed me a stove which cooked peking duck in the great Hall of the People, a tremendous building. The stove is very small and uses a special kind of wood.

Mr. Vance: I didn't see it when I was there.

Ambassador Huang: The whole dinner was served with parts of duck only.

Secretary Kissinger: That's right. It was an all-duck dinner. It was Saturday lunch? (to Lord)

Mr. Lord: Yes, it was after the tour of the Forbidden City.

Secretary Kissinger: We arrived on a Friday and held meetings in the afternoon and evening with the Prime Minister. On Saturday morning we toured the Forbidden City, had a brief meeting, and then the peking duck lunch. Then when we were well-fortified the Prime Minister made a very revolutionary speech to us about "great disorder under heaven". (Laughter)

(Mao tai was then served.)

We negotiated the Shanghai Communique, Cy, usually in the evenings after banquets and after a few mao tais, and I did most of the negotiating in Chinese. (Laughter)

Ambassador Huang: Some of the wordings in the Shanghai communique were created by you! (Laughter)

Secretary Kissinger: What impressed the Chinese most about what I have even done was the formula we discussed about how to express the idea of one China. We came up with a formula that the Chinese on both sides of the Taiwan Straits maintain that there is only one China, and the US is not disposed to challenge that position.

⁴ Kissinger made his first, secret trip to China July 9–11, 1971. For documentation see *Foreign Relations*, 1969–1976, vol. XVII, China, 1969–1972, Documents 139–144.

Ambassador Huang: In the Shanghai Communique, as you mentioned, the US recognized that there was only one China and that Taiwan is only a part of China. So from that time the United States Government already knew the Chinese Government policy that we are firmly opposed to any plot of creating two Chinas, or one China-one Taiwan, or one China-two governments.

Secretary Kissinger: Perhaps I could sum up what I told Mr. Vance about our relationship and then the Ambassador could see if I have correctly stated it. First, I told Mr. Vance that I've always believed that our relationship with the PRC was one of the most important initiatives that was undertaken and one of the most important elements of international equilibrium. We expressed this in the Shanghai Communique and in other communiqués—our mutual concern with respect to hegemony, with respect to the dangers of hegemony in the world. And we therefore developed the practice of informing the PRC quite fully, or fully, about our planned discussions with other key countries. Chairman Mao, in several very extensive conversations with me and in two conversations with American Presidents, elaborated the Chinese point of view on the international situation which on many key points was parallel to our own.

Ambassador Huang: He met five times with you.

[Chairman Mao and the Secretary]

Secretary Kissinger: We'll wait until they are finished (the waiters). These are all old friends (gesturing toward the Chinese) whom we have known now on every trip one way or another.

Mr. Vance: How many trips have you made there, Henry?

Secretary Kissinger: Nine.

Ambassador Huang: And you met the late Chairman Mao five times. Our Chairman Mao had maybe the longest talks with the Doctor, so many times, on elaborating the issues regarding the international situation, on bilateral relationship and also our views on major international issues. And we talked about our common points, with the main common point being we are against the Polar Bear (Laughter).

Mr. Vance: Yes.

(There were then brief informal mao tai toasts to old friends and new friends.)

Secretary Kissinger: With respect to the Taiwan issue, we have confirmed our commitment to the principle of one China, and we have on a number of occasions made clear that we would not support a two-China policy or a one China-Taiwan policy, or the various formulations that the Ambassador correctly mentioned. We have not found, while we were here, the exact formula (in response to the interpreter's question, he repeated the "precise formula") to complete the process

but we have always understood that it's a process that needed to be completed.

Ambassador Huang: Regarding this issue, our position is very clear. We mentioned three points—sever the diplomatic relationship with Taiwan, withdraw US troops from Taiwan, and abrogate the Treaty.⁵ Since Dr. Kissinger and Mr. Vance are both old friends, and since Mr. Vance also visited China the year before, so today I would just like to frankly mention one point. Recently we noticed that in the recent issue of *Time* magazine which carried Mr. Carter's conversation with that magazine, in his conversation he openly called Taiwan "China" and even in the same breath put Taiwan on a par with the People's Republic of China. And we think this kind of remark runs counter to the principles of the Shanghai Communique.

Mr. Vance: As far as President Carter is concerned, let me assure you that he stands firmly behind the implementation of the Shanghai Communique as the guiding principle which should govern our bilateral relations.

(Mr. Habib was talking to the Secretary as the Chinese waited, and the Secretary pointed out that he was, as always, getting his instructions from Mr. Habib. Laughter.)

Ambassador Huang: Frankly speaking, the Shanghai Communique constitutes the foundation of the present Sino-US relationship and only if both sides strictly observe all the principles of the Shanghai Communique, then relations between our two countries can continue to be improved. Any action which goes back on the principles of the Communique will result in harming the Sino-US relationship.

Mr. Vance: Let me say that I fully accept the principle of one China.

Secretary Kissinger: Now we have settled this. We will go on to settle all the other issues. (Laughter)

Ambassador Huang: So we have no difficulty on this point.

Secretary Kissinger: (to Vance) During the negotiations with the North Vietnamese, and you know what that can do to one's nerves . . .

Mr. Vance: Yes indeed, and one's indigestion.

Secretary Kissinger: . . . the Ambassador was kind enough to invite me to the Embassy in the evenings and calm me down and give me a Chinese meal. (Laughter)

Ambassador Huang: This is what I should do. I'm sure that each time you put some weight on.

⁵ The United States and the Republic of China signed a Mutual Defense Treaty on December 2, 1954.

Secretary Kissinger: Yes. We will see how my successor handles this problem.

Mr. Vance: Which problem?

Secretary Kissinger: The weight problem.

Mr. Vance: If all the food is this good, I will not handle the problem very well.

(There was some discussion among the Chinese during which Mr. Blumenthal's name arose.)

Secretary Kissinger: Blumenthal. He was a Chinese citizen. Didn't he live in China?

Mr. Vance: Yes, in Shanghai. He still speaks Chinese.

Ambassador Huang: He can speak Shanghai dialect. He spent several years in China. But unfortunately he was put into a prison by the Japanese.

Secretary Kissinger: Oh, really?

Ambassador Huang: Not long ago I met a very good friend, an old comrade of both of you, David Rockefeller.

Secretary Kissinger: Yes.

Mr. Vance: Yes, he's going to China.

Ambassador Huang: He introduced not only Brzezinski but Mr. Vance and Mr. Blumenthal. We were already very acquainted with Mr. Kissinger. And he told us you all belonged to the Trilateral Commission.⁶

Mr. Vance: Right.

Secretary Kissinger: Not I.

Ambassador Huang: Mr. Vance, you are Chairman of the Board of the Rockefeller Foundation?

Mr. Vance: Yes, I was.

Secretary Kissinger: The Trilateral Commission was a government in exile. So now I'm thinking of going there, with all good wishes to Mr. Vance.

Ambassador Huang: Mr. David Rockefeller will arrive in China on January 21.

Mr. Vance/Secretary Kissinger: Yes.

Mr. Vance: I saw him the other night, and he told me he was going to China after his trip to Japan. Speaking of the Trilateral Commission,

⁶ The Trilateral Commission was a private organization that aimed to foster cooperation among the United States, Europe, and Japan. Its membership consisted of individuals prominent in business, government, and scholarship, some of whom joined the Carter administration.

they have a meeting starting today and as they have sent all the people of the Trilateral Commission into the new Administration there is practically no one left to meet together in Tokyo.

Secretary Kissinger: Cy, I've always found that I could tell our Chinese friends the main lines of our policy—I cannot say they always agreed to every last step. It was helpful to our mutual understanding to have this kind of frank dialogue.

Mr. Vance: Well I would hope very much that we would continue this kind of frank dialogue.

Ambassador Huang: We would like to do the same.

(There was some discussion among the Chinese which was not translated.)

Mr. Vance: Could I say that President Carter has asked me to convey his good wishes to Chairman Hua and to emphasize the fact that we consider of great importance the continuing relationship between the US and the PRC.

Ambassador Huang: I will convey his kind regards to Chairman Hua, and also I would like to ask you to convey to Mr. Carter our best regards.

Mr. Vance: Thank you, I shall.

Ambassador Huang: (to the Secretary) I learned from the newspapers that you have got a lot of invitations about your future. One recent piece of news is that the Chairman of CBS will soon resign, and he will maybe ask you to succeed him.⁷ How true is that?

Mr. Vance: Is that true, Henry?

Secretary Kissinger: The Chairman of CBS is a very good friend of mine, and anyone who knows him must realize that the idea of his resigning is inconceivable to him. Is it conceivable to you? (to Vance)

Mr. Vance: No.

Secretary Kissinger: He is a very good friend, and we meet often socially. I would like to be chairman of something. (Laughter)

Mr. Vance: That would be fine. I would have someone to complain to.

Secretary Kissinger: It's a title that I like. (Laughter)

Mr. Habib: You could be Chairman of the Central Committee.

Ambassador Huang: Chairman is like President.

Secretary Kissinger: But our constitution prevents me from becoming President.

⁷ William Paley was Chairman of the CBS television and radio network.

Ambassador Huang: It reminds me that during the talks with President Nixon you told Chairman Mao about your constitution.

Secretary Kissinger: That's correct. The Chairman took a very kind interest in my political future.

Ambassador Huang: And you did say that Nancy Tang could be President.

Secretary Kissinger: (to Vance) Do you know Nancy Tang?

Mr. Vance: Yes.

Secretary Kissinger: She was born in Brooklyn and she has every qualification that I don't have.

Ambassador Huang: (to Vance) Have you met Nancy Tang, the Deputy Director of our Office of American and Oceanic Affairs?

Mr. Vance: Yes. She acted as interpreter for us when I met with the Vice Minister of Foreign Affairs and the acting Premier.

Ambassador Huang: Vice Foreign Minister Han Nien-lung.

Mr. Vance: That's right.

(There were then informal mao tai toasts, including the Ambassador's wish that the Secretary become a "Chairman". Mr. Vance and the Secretary then discussed Mr. Paley's likely reaction to the thought of the Secretary's taking his place. They also agreed that Mr. Paley would be a very good man to invite to China some day.)

Mr. Lord: (to the Secretary) The Ambassador is just back from a trip to Houston and New Orleans.

Ambassador Huang: It was a relatively short trip. I was invited by some companies which have a trading relationship with China.

Mr. Vance: With China?

Ambassador Huang: Yes, it lasted 4 days, and I had to return yesterday.

The Secretary: Did you cut it short because of this lunch?

Ambassador Huang: Not particularly. I had previously arranged it this way, and we also took account of this meeting. We did cut short the program because originally Ambassador Phillips of the US-China Trade Council did invite me to visit Atlanta and Florida, but this part has been postponed.

The Secretary: But I'm sure you can take up that invitation again.

Ambassador Huang: It was a very interesting trip because it was my first trip to the South since I came here. The people in the South were very friendly towards us. Wherever we went they were very warmhearted. Many people do wish for early normalization of relations between our two countries.

Mr. Vance: That's true.

Ambassador Huang: I still remember what Dr. Kissinger told me, that in the opening of the relations toward China by former President Nixon, this step was supported by the two parties.

The Secretary/Mr. Vance: Yes, that is true.

The Secretary: I have also made this point to our Chinese friends.

Ambassador Huang: It will be four years this coming May since I came here. During this period I did experience through contact with your leaders, the Congressional leaders of both parties, the Congress and the Senate, and also government officials and common people—all this proved what Mr. Kissinger said.

The Secretary: Frankly, when I went to China on the secret trip, I was more worried about the reaction in the Republican Party than in the Democratic Party.

Mr. Vance: That's right.

The Secretary: We had Governor Reagan sitting only fifty miles away from us.

Ambassador Huang: Fifty miles?

The Secretary: I went from China to Pakistan to Paris to San Clemente, and Governor Reagan was in Los Angeles.

Ambassador Huang: This is fifty miles away?

The Secretary: Yes.

I remember when I met with Prime Minister Chou En-lai on my first trip. We were drafting the communique and he said that this announcement would shock the world. (to Tsien Ta-yung) Were you there? (Tsien Ta-yung nods yes.)

Ambassador Huang: (nodding agreement) Chairman Mao also said that the announcement would shock the world and, Doctor, that your name would be well-known.

The Secretary: That's true. I had never had a press conference up to that occasion.

Mr. Vance: Is that true?

The Secretary: Yes, it was the first time on the record. It was always on background before.

Ambassador Huang: Time flies so fast since the first secret trip.

The Secretary: It has been nearly six years. I remember all the communications that came to us through Pakistan.

Mr. Vance: I remember very well reading about the trip when the story broke back here. It was a very exciting moment in history.

The Secretary: I think it was the single most exciting moment for me, that trip to China.

Mr. Vance: Of your career?

The Secretary: And of course it was my first acquaintance with the Chinese style of diplomacy, in which I learned, as I have said publicly, that the Chinese word counts, that one can rely on what our Chinese friends say.

Mr. Vance: Yes.

Ambassador Huang: I still remember the last time when I came to meet with you, and you mentioned this particular sentence. You told us that when you said this to the reporters you made a comparison with the other side [the Soviet Union].⁸

The Secretary: That is correct.

Ambassador Huang: We have also said many times that very frankly our experience in dealing with the Russians is, to sum up in two sentences: first, they will bully the weak and are afraid of the strong. And that their words are usually not trustworthy. (Laughter) That is why you should never be weak. If you are weak, soft, the Polar Bear wants to get you.

The Secretary: My impression is that when you have a Secretary of State who used to be the Deputy Secretary of Defense you have someone who has an understanding of the reality of power.

Mr. Vance: That's true. I think I understand the reality of power.

The Secretary: You know I nominated Mr. Vance for this position six months before he got it. (Mr. Lord commented that he managed to get it anyway.) I was at a meeting of the Board of *Time* Magazine six months before. They asked me whom I would like to see as Secretary of State if Mr. Carter won, a contingency I was trying my best to avoid, and I said "Mr. Vance."

Mr. Vance: You see, he really is a Chairman.

[The Secretary then rose to make a toast.]

The Secretary: Mr. Ambassador, since this is the last occasion for me to host you officially, I would like to use this occasion to say and to drink to: lasting friendship between our two peoples, the continued improvement of our relations, and the achievement of the great goals we set ourselves in the world and in the normalization of our relationship.

Ambassador Huang: I would like to toast to friendship between the Chinese people and the American people.

The Secretary: My successor will have my full support in pursuing this policy.

Mr. Vance: Thank you, Henry.

⁸ Kissinger and Huang Zhen met on December 21, 1977. A memorandum of conversation is in the Ford Library, National Security Adviser, Kissinger–Scowcroft West Wing Office Files, 1969–1977, General Subject File, Box 6, China Exchanges, unnumbered items (38), 12/3–12/29/76.

Ambassador Huang: You are quite old friends.

Mr. Vance: Yes, old friends.

The Secretary: I may even talk to Walter Cronkite about him.
(Laughter)

[There was then some small talk between the Secretary and Mr. Vance about CBS and Mr. Paley.]

Ambassador Huang: Since you have been Secretary of State so long it takes you a long time to brief your successor about your experiences.

The Secretary: You know, Mr. Vance has wide experience in foreign policy so he doesn't need briefing on fundamental issues. And we have been meeting very frequently since he was appointed.

Mr. Vance: Yes, we have.

The Secretary: Several times a week.

Ambassador Huang: So we believe that our views on major policy issues in international affairs, our policy line and view on international issues and the world situation, you have of course already briefed to Mr. Vance.

The Secretary: You can be confident that I have discussed fully your views on international affairs, and you know it is a matter close to my heart. As you know, Mr. Habib, who was a close collaborator of mine, is staying on as a close collaborator of the new Secretary.

Ambassador Huang: For example, our leaders talk to you continually about our view on the United States-Soviet relationship, and our view is that the United States has vested interests to protect around the world, and the Soviet Union seeks expansionism. This is an objective phenomenon which is unalterable. For instance our view on Soviet policy is that their policy is to make a feint toward the East while attacking the West.

The Secretary: I have also told the Ambassador that this may be true, but to us it makes no difference how the world equilibrium is overturned. We must be concerned with both Europe and Asia.

Mr. Vance: Yes.

Ambassador Huang: (after discussion among the Chinese) We also know your view.

The Secretary: I don't deny that it could happen that way. As you know from our campaign, the President-elect is very dedicated to strengthening the relationship between the United States and Western Europe, and building up the strength there.

Mr. Vance: (to the Secretary) I might say a word on that.

Perhaps I might say a word on that. During the campaign, as Henry indicated, the President-elect said on several occasions that one

of the cardinal principles of the foreign policy of the Carter government would be not only strengthening the political relationship of the United States and the countries of Western Europe but also to strengthen our NATO forces—not necessarily by adding other forces, but by reviewing equipment and making sure that the most modern weapons were in the hands of the troops; that deployments were most strategically located; that the reserves were fully and adequately trained; and that we would have the capacity to move those forces very rapidly from the United States to Europe in the event of any conflict. I would anticipate that sometime during the first year there will be a review of NATO forces to make sure that they are adequately and properly equipped and any changes that need to be made will be made. Although no final decisions have been made, of course, I would anticipate that the new forces of the United States would also be strong. (Discussion among the Chinese) You may have noticed, Mr. Ambassador, that the Navy has had the foresight to place in the White House four of the five last Presidents. (Mr. Vance and the Secretary discussed the names.)

The Secretary: Actually the last five.

Mr. Vance: A monopoly.

Ambassador Huang: I think what Mr. Vance mentioned about the review and NATO forces is really very important. As we talked to Dr. Kissinger before, the Western European nations are too weak, too soft, so we should encourage them to unite and strengthen their forces. As we know, Europe is in need of the United States and vice versa. So that's why we hope you will strengthen your equal partnership.

We also hope—another very important thing to take care—we hope that the Munich thinking in Western Europe should be decreased, because this kind of thinking may lull vigilance and demoralize the peoples' fighting will. If the situation is like this, the forces will have no fighting morale.

The Secretary: Well the internal situation in Europe is complicated.

Well, Mr. Ambassador, you will be dealing with my friend, Mr. Vance, in the future. I'm glad you did us the honor of visiting us.

Ambassador Huang: But our friendship will remain in the years ahead.

The Secretary: I count on it.

Ambassador Huang: You have many friends in China still.

The Secretary: I treasure them very much.

Ambassador Huang: I appreciate very much today your arranging this meeting and letting me have the opportunity to meet your successor, Mr. Vance.

Mr. Vance: Thank you. I look forward very much to continuing in my predecessor's footsteps.

Ambassador Huang: Welcome.

(The two sides then got up from the table. On the way out Ambassador Huang and the Secretary exchanged cordial farewells, including greetings to Mrs. Kissinger and the mutual affirmation that they would stay in touch. Mr. Vance expressed to the Ambassador his pleasure at meeting him and his intention to stay in touch. Mr. Lord then escorted the Chinese officials to the Diplomatic Entrance of the State Department.)⁹

⁹ On January 11, Huang Zhen hosted a farewell dinner for Lord and his family at the Chinese Liaison Office. Huang asked Lord his impressions of the lunch with Vance. According to Lord, "I replied that I thought it was a good beginning and useful for the two men to get together. I said I thought that since it was before January 20, Mr. Vance was more prone to listen rather than talk and therefore, understandably, somewhat reserved in his statements. The Ambassador then complained about various Carter Administration statements on Taiwan implying a two-China policy, referring specifically to concepts such as preserving the security and independence of Taiwan. I replied that Mr. Vance had reiterated US adherence to the Shanghai Communiqué during the lunch, and the Ambassador acknowledged that this was the first positive statement that they had heard from the Carter people." Lord added, "The Chinese frankly remained somewhat skeptical, or at least wanted to look as if they remained skeptical." (Memorandum from Lord to Kissinger, January 13; Ford Library, National Security Adviser, Kissinger-Scowcroft West Wing Office Files, 1969–1977, General Subject File, Box 6, China Exchanges, unnumbered items (39), 1/6–14/77)

3. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 25, 1977

SUBJECT

Initiatives Toward PRC

You asked for my recommendations for initiatives to restore momentum to our relationship with the PRC.² There are two dimensions

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 1–2/77. Secret; Sensitive. Sent for urgent action. On the first page, Brzezinski wrote a note to Oksenberg, "Let's talk later today. ZB." No record of a meeting was found.

² Brzezinski's request presumably came after he received a January 19 memorandum from Oksenberg on the prospects of an accommodation between China and the Soviet Union. Oksenberg emphasized the importance of restoring "momentum" to the

to the problem: to develop a long-term strategy for establishing diplomatic relations and to signal immediately to Peking the President's intent to attach priority to this issue.

I fear that the President has done nothing so far to express his personal interest in this issue, and he is setting policy through non-action. Soviet-U.S. relations receive attention and move forward, while Sino-American relations languish. *We are not being balanced.* Meanwhile, as your January 24 memorandum to the President noted, our Hong Kong Consul General believes the Soviets are expressing their interest in an improved relationship.³

A. Short-Term Actions

—Establish a time for an early Carter–Huang Chen meeting, so the President can indicate that the China issue is of high concern to him. If you agree, I will draft a memorandum for you immediately to go to the President.⁴

—Write a letter to Premier Hua Kuo-feng expressing the President's commitment to the principles of the Shanghai Communique. The arguments *for* are that: a) this will open a direct channel to the Premier; b) it will re-enforce the message to be given to Huang Chen (or serve as an alternative); c) its limited dissemination within NSC and State will communicate the President's determination. Arguments against are that: a) the Huang Chen interview will suffice; b) the Chinese did not congratulate the President on his inauguration. Since we should strive for diplomatic reciprocity and demonstrate resolve early, we should not initiate correspondence. A counter-argument is that we should be flexible on such matters and save toughness for matters of substance, not protocol. After consulting with others—Gleysteen is against, for example, but Armacost is for—I recommend writing a letter. If you agree, I will draft a letter for the President immediately.⁵

Sino-American relationship, apparently a reference to the cooling of relations that occurred following the change of leadership in both countries and the failure to normalize relations during the Nixon–Ford administrations. (Ibid.)

³ The January 24 memorandum to Carter was not found. On November 10, 1976, the Embassy in Moscow reported that the Soviet leadership perceived the death of Mao and the purge of the Gang of Four as an opportunity to improve Sino-Soviet relations. (Telegram 17617 from Moscow; National Archives, RG 59, Central Foreign Policy File, D760418–1240) On January 31, 1977, the Consulate in Hong Kong sent "a companion piece to Embassy Moscow's excellent 17617," which stated, "Both public statements and intelligence give no reason to anticipate any significant improvements in PRC/USSR relations." The Consulate further argued that the improvements in Sino-Soviet relations were more likely to improve than they were to damage U.S. interests. (Telegram 1243 from Hong Kong; National Archives, RG 59, Central Foreign Policy File, D770039–0950)

⁴ Brzezinski checked the Approve option.

⁵ Brzezinski checked the Disapprove option.

—Have Vice President Mondale brief the Chinese on his trip to Western Europe and Japan. This conforms with Ford and Nixon Administration’s practice of keeping the Chinese informed and using all means to retain a dialogue. In addition, it would be useful to have Huang Chen meet the Vice President. I recommend such a meeting take place soon after the President’s meeting with the Ambassador. If you agree, I will draft a memorandum from you to the Vice President recommending this action.⁶

—Distribute a brief paragraph which sets forth for all Departments the type of language which can and cannot be used in describing the Administration’s China policy. The key goal here is to *avoid negative signals*. If you agree, I will prepare such a memorandum, either for your signature or for the President’s signature.⁷

B. Long Term

Establish a working group to detail a strategy for dealing with China during the coming year. The deadline for the paper would be late February. I am talking to a wide range of my counterparts at CIA, DOD, and State to decide whether I will recommend the policy review be done as a PRM or through other means. I will feel more comfortable if I can say you have authorized me to evaluate our choices as to the proper policy evaluation procedure. I will report to you next week. Do you agree that I should carry out this discussion?⁸

⁶ Brzezinski checked the Disapprove option and wrote, “Sec/S to do it.”

⁷ Brzezinski checked the Approve option.

⁸ Brzezinski checked the Agree option.

4. Intelligence Report Prepared in the Office of Economic Research, Central Intelligence Agency¹

ER 77–10049

Washington, February 1977

China: Economic Situation Facing the New Leadership

China's new leadership headed by Communist Party Chairman Hua Kuo-feng has begun its reign with economic issues high on the agenda.

Hua's immediate problem is to restore socioeconomic stability following a year of extraordinary domestic turmoil and devastating natural disasters. Growth rates for most economic sectors slipped badly in 1976, reflecting the impact of political infighting, indecision over economic plans, labor unrest, adverse crop conditions, and several major earthquakes.²

Hua and his moderate allies, who continue to be primarily occupied with consolidating their political victory over the rival radical faction, apparently have agreed on the broad shape of economic policy for the next several years—that the long-term modernization program alluded to by the late Premier Chou En-lai should be revived as the basic blueprint. With little evidence to go on, we can only adduce Hua's past practices and recent pronouncements as indicators of how he will proceed with the modernization of agriculture, industry, national defense, and science and technology.

We expect:

Modernization of *agriculture* to be given continued top billing in the allocation of resources. China must increase crop yields to keep pace with its rapid population growth and provide a surplus that can support investment elsewhere in the economy.

More rapid and balanced growth in *industry* to begin. This is likely to show up in a more expansive foreign trade policy—with sizable imports of whole plants and high-technology items as well as some small wage increase or productivity bonus for the urban work force.

Science and technology to be upgraded by reducing the party's role in education in these fields. This would include a return of more aca-

¹ Source: Central Intelligence Agency, Office of Economic Research, Job 78T02549A, Box 1, Folder 46, ER 77–10049. Secret. A footnote on the title page indicates that comments and queries regarding the report were to be directed to the Office of Economic Research.

² An earthquake struck China in July 1976 devastating the city of Tangshan and causing thousands of deaths.

demically, as opposed to politically, qualified personnel to positions of prominence.

Modernization of China's *national defenses* will continue, but debates over priorities and the pace of programs probably will intensify. While most military leaders now appear to support Hua's economic policies, Hua eventually may be forced to bow to mounting pressures to increase the defense budget or risk losing the support of important segments of the military hierarchy.

Important to all four "modernizations" will be reforms in planning and management designed to strengthen local planning capabilities, curb excessive party involvement in enterprise management, and crack down on labor indiscipline. Such reforms almost certainly will be undertaken cautiously since many go to the heart of measures that were adopted under radical pressure during the Cultural Revolution and are still supported by sizable segments of the bureaucracy.

With emergence of a consensus on the direction of economic policy among the leadership, one of the first tasks is to translate the generalities into specifics. The year-long paralysis of economic planning at the central level because of interference and attacks by the radicals apparently has now ended; Peking expects that the Fifth Five-Year Plan, originally due out in late 1975, will appear by mid-1977. The economic drift of the past year, together with the major reconstruction effort necessitated by the earthquakes, almost certainly means that major progress on the four modernizations will not be made until the eighties. While growth rates in the economy should edge upward in an improved political milieu, solutions to basic structural problems that must pave the way for steady growth over the long run are several years away.

[Omitted here is the discussion section of the report.]

5. Memorandum of Conversation¹

Washington, February 8, 1977, 10 a.m.

PARTICIPANTS

Jimmy Carter, President of the United States
Walter Mondale, Vice President of the United States
Cyrus Vance, Secretary of State
Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC
Huang Chen, Peoples Republic of China Ambassador to the United States
Tsien Ta-yung, Counselor of the Peoples Republic of China Liaison Office
Hsu Shang-wei, Interpreter

SUBJECT

Joint Commitment to the Shanghai Communique; Survey of Sino-American Relations, including the Taiwan issue; a broad global assessment by both sides; Claims Settlement

Conversation During Formal Picture Taking

President Carter: I am very pleased to meet you. The friendship that exists between our two countries is important to all of us.

Ambassador Huang Chen: There exists a traditional friendship between our two peoples.

President Carter: Yes. And I want to see it strengthened. Our two peoples are great peoples. The friendship between them can continue to develop for the benefit of both and for the benefit of future generations.

Ambassador Huang Chen: Yes. This is true. (And then some polite remarks in response.)

(Ambassador Huang Chen then turned to Vice President Mondale calling him an old friend. Mondale responded that it had been kind of Huang Chen to invite him for dinner sometime in the past.)

(After being seated, an audible conversation ensues for the press then in the room):

President Carter: This meeting is very important to our people.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 55, Policy Process: 10/76–4/77. Top Secret; Sensitive. All brackets are in the original. Drafted by Oksenberg. The meeting took place in the White House. Brzezinski gave Carter a memorandum, dated February 7, to prepare him for the meeting. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 1–2/77) The Department of State also sent the President undated briefing notes for the meeting. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 42, Meetings: 1–3/77)

Ambassador Huang Chen: I am very glad to meet you.

President Carter: We have made progress in recent years in strengthening the relations between our two peoples, and I want to see it continue to be strengthened.

Ambassador Huang Chen: Last month we met Secretary of State Vance, and he indicated that as far as bilateral relations are concerned, they will be conducted according to the Shanghai Communiqué.² We believe our relations will continue to develop on this basis.

(The press leaves the room, and the President begins the conversation):

President Carter: The basis of our relations will be the Shanghai Communiqué.

Ambassador Huang Chen: This is correct. The Shanghai Communiqué constitutes the foundation of the relations between our two countries. We believe that the relationship will continue to improve as long as it is adhered to. Any violations will raise adverse results.

President Carter: I understand that. I hope that progress will be restimulated, that we can grow closer together in the cultural field and in the field of trade, in order to fulfill the hopes of the Shanghai Communiqué.

Ambassador Huang Chen: When I saw Secretary Vance last, he told me that you, Mr. President, were firmly committed to the implementation of the Shanghai Communiqué which is basic to promoting our relations. Not long ago, David Rockefeller visited China, and he talked with Vice Premier Li Hsien-nien.³ Vice Premier Li learned that both in the global realm and in terms of improving bilateral relations, the President attaches great importance to Sino-American relations. We also learned from Mr. Rockefeller that he believed the Vice President, the Secretary of State, and Mr. Brzezinski are all aware of the importance of the relations between China and the United States. We understand that all of you have set your hearts to make every effort to improve relations.

President Carter: That is right. We feel our country is strong militarily, economically, and politically. We have great influence in the world. And we see the same thing in China. We think that we should share information and share ideas in solving the problems of the Middle East, southern Africa, reducing weapons, restoring peace and

² See Document 2.

³ David Rockefeller visited China in January 1977 at the invitation of the People's Institute of Foreign Affairs. He met with Li Hsien-nien and discussed prospects for Sino-American political and economic relations. (Telegrams 116, January 17, and 139, January 20, from Beijing; National Archives, RG 59, Central Foreign Policy File, D770017–0465 and D770021–0027)

maintaining security, especially in the Western Pacific. I believe that a constant exchange of information and ideas is necessary for our relationship to move forward. The Vice President has just returned from a trip to Western Europe and Japan in order to strengthen our relations with those areas. The Secretary of State will soon go to the Middle East and later to the Soviet Union. We want to share information with you about these trips, and we want your ideas on these policies so we can make the right decisions.

Ambassador Huang Chen: On President Nixon's visit in 1972, Sino-American relations were opened, and the Shanghai Communique was issued. President Ford subsequently visited China.⁴ Henry Kissinger visited every year or even twice a year. Our leaders have had long talks with your leaders. Our leaders explained their views on major issues. We hope this continues. The late Chairman Mao and the late Premier Chou En-lai had long talks with President Nixon, President Ford, Secretary Kissinger, not only on bilateral issues but on the international situation and on major world issues. This exchange of views promotes better understanding. Although our two societies have different social systems and operate under different ideologies, under current international conditions, we have many common points. For example, we both must cope with Soviet expansionism and aggression.

President Carter: I hope these exchanges of ideas will continue. We would like to have our leaders visit yours and have your leaders come visit us. I would like to know if you think they could come visit us.

Ambassador Huang Chen: Of course, we sincerely will welcome your leaders. But for us I should speak frankly. Since the U.S. still has diplomatic relations with Taiwan and there is a Chiang Kai-shek Embassy in your capital, under these circumstances it is impossible for our leaders to come here. You can visit China because there is no other U.S. Embassy there. You know our position. You said in the Shanghai Communique that there is but one China and Taiwan is a part of it. We are opposed to any activity to create two Chinas or one China and one Taiwan. The crucial question is Taiwan. The way to reach this is [through the meeting of the three conditions: (This phrase was not translated. MO)] for the U.S. to sever diplomatic relations; to withdraw U.S. troops from Taiwan; and to abrogate the defense treaty. We have mentioned this on many occasions, the last time being our explanation to David Rockefeller. Our leaders would like to come to the U.S. after normalization.

President Carter: We understand the Chinese position. This has been presented to us on many occasions. We believe the Taiwan ques-

⁴ President Ford visited China December 1–5, 1975. See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Documents 134–137.

tion rests in the hands of the Peoples Republic of China and in the people of Taiwan. Nothing would please us more than to see a peaceful resolution of this question. We understand that this is an internal matter, but we have a long-standing hope and expectation that it can be settled in peaceful ways. I hope this can be resolved. I hope we can see a strong movement toward normalization, and the principles of the Shanghai Communique are obviously the ones to which we are committed.

Ambassador Huang Chen: The President knows quite well our position. How to liberate Taiwan—whether by force or by other means—is our internal affair. No outside power has the right to interfere just as we do not interfere in the internal affairs of others. If it can be solved peacefully, that would be good. But since we see a bunch of counter-revolutionaries on the island, it seems there is no other way than by force. But as to when, it is hard to say.

President Carter: Well, let us move to other concerns. We see our military strength as adequate to meet our needs and to protect our allies. We are concerned about increases in Soviet strength. We must always maintain adequate military strength to meet the Soviets and others. At the same time, we will pursue efforts mutually to reduce their dependence on nuclear and atomic weapons. We obviously have no objection to the Peoples Republic of China knowing about these efforts.

We seek to assure the entire world that we can reduce our reliance on atomic weapons. We have offered the Soviet Union a comprehensive test ban treaty. This would be a bilateral agreement with the Soviets. If it can be worked out, then perhaps others such as China or France can consider joining in some form, but at the present time this is just an effort with the USSR. At the same time we will maintain our equivalent strength and will keep the Chinese Government informed.

Ambassador Huang Chen: We know, as you mentioned, that you have strong military forces. But we also know about the Soviet Union on the other side. In recent years the Soviet Union under the camouflage of *détente* has been stepping up military preparations for expansion. Not only have the Soviets caught up with the U.S. in conventional forces, but they are seeking overall military superiority. As we know quite well, the Soviet Union has this type of character: They bully the soft but are afraid of the tough. Quite often they do not mean what they say. They talk disarmament but do the opposite. While they discuss disarmament, they build more weapons. They have built their military forces from 3 million to 4.5 million. So we are not interested in that kind of disarmament.

As to a treaty, that is but a piece of paper. When it is of no use to them, they can tear it up.

As to nuclear weapons, our government position has been constant and clear. We have three points: 1) We are for complete and thorough annihilation of all nuclear weapons; 2) We will never be the first to use nuclear weapons; 3) We propose that all heads of state come together to discuss how completely and thoroughly to ban and annihilate all nuclear weapons. As a first step, all heads of state should agree to a no-first-use pledge.

As to the Soviet Union, the Soviets have wild ambitions. They seek advantage everywhere, while the U.S. has vested interests to protect. This situation is unalterable. The focus of Soviet strategy is in Europe. They feint in the East to attack in the West. By using détente as a smoke-screen and military force as a shield, the Soviets are trying to disintegrate Western Europe in order to [subjugate(?)] it.

The U.S. and China believe that a strong Europe is of great significance and is important. Unfortunately, Western Europe is soft, weak, and disintegrated. I think it should be stronger. Western Europe is not strong enough to cope with the Soviets alone. The U.S. alone also may not be strong enough [to cope alone]. This is why the two together should strengthen their unity and cooperate with each other. Since the Helsinki Agreement, under the Sonnenfeldt Doctrine, a Munich-like thinking has arisen.⁵ This is dangerous. It lulls the people and causes them to lose their militant will. They may be caught by surprise. This is why it is important to draw lessons from Dunkirk of World War II.

I would also say a few words about our northern neighbor—a neighbor that is not too far from your country either. We are vigilant and prepared. As Li Hsien-nien said to former Secretary of Defense Schlesinger, we will not attack unless attacked.⁶ If attacked, we will counter-attack. If attacked, we will drown the Soviet Union in a vast ocean of people's war. We will adhere to the policies of our late Chairman Mao. We will maintain independence, self-reliance and retain the initiative in our own hands. We are sure we can cope with Soviet aggression and the Soviet threat.

There exists a fundamental dispute between the Soviet Union and China. This polemic will continue for a long time. But this should not inhibit the development of our state-to-state relations.

⁵ The Sonnenfeldt Doctrine was first articulated in December 1975 when Helmut Sonnenfeldt, Counselor of the Department of State, declared, "it must be our policy to strive for an evolution that makes the relationship between the Eastern Europeans and the Soviet Union an organic one." He added, "our policy must be a policy of responding to the clearly visible aspirations in Eastern Europe for a more autonomous existence within the context of a strong Soviet geopolitical influence." See *Foreign Relations, 1969–1976*, vol. XXXVIII, Part 1, Foundations of Foreign Policy, 1973–1976, Document 68.

⁶ Schlesinger traveled to China in September 1975 at Chinese invitation. No record of his meeting with Vice Premier Li Hsien-nien has been found.

President Carter: The reduction of nuclear weapons is of advantage to our country. The life of our country is at stake when I negotiate with the Soviet Union or with China. I feel a great responsibility to protect my country. With your admonition, I will make sure we are never militarily vulnerable, even while making an effort to achieve an agreement with the Soviet Union. We have ways of monitoring compliance with agreements. We have ways of detecting violation of treaties.

There is no doubt that the situation in Europe needs to be improved in military strength. This will guide me in making decisions with respect to Western Europe. To the extent that Western Europe, Japan, the U.S. and China can cooperate, can be friends, and exchange ideas and share mutual purposes, the world peace can be assured and the Soviet threat met.

I view these global issues with deep concern. That is why it is so important to me as the representative of the American people that we strengthen ties with China. We will strengthen ties with Japan. I have recently sent a message to Vietnam that we wish to normalize relations with that country. I hope China will join to prevent aggression by either side in Korea. These are opportunities whereby we can work together. There is no return to a Munich attitude and, if I should see it, I will respond aggressively to make sure we can defend ourselves.

Ambassador Huang Chen: On this, I recall Chairman Mao's conversation with Henry Kissinger. We have already discussed this. Chairman Mao mentioned what he called a "one-line strategy: Japan, China, Pakistan, Iran, Turkey, and Western Europe."⁷ This line can cope with Soviet expansion and aggression. Maybe you have already been well briefed by Henry Kissinger on this. (Huang Chen looked inquiringly at the President, Vance, and Brzezinski, who laughed.) As to Korea, you know our position. Our position has been declared openly. As to your Vietnam initiative, we think this is good. As to your relations with Japan, we want this. As our leaders have said to the Japanese, Japan should place their relations with the U.S. first and their relations with China second.

[The above paragraph was rendered in English by the interpreter after instruction from the Ambassador to abbreviate his more extensive remarks. Left out were several sentences at the end returning to the theme of China's main security concern being the Soviet Union.—MO]

Ambassador Huang Chen: Perhaps our friends are concerned about our domestic situation in China.

⁷ At the late night Mao-Kissinger meeting of February 17–18, 1973, Mao said, "we should draw a horizontal line—the U.S.–Japan–Pakistan–Iran (Chairman Mao coughs badly.)–Turkey and Europe." See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 12.

President Carter: Before turning to that, let me say that your remarks have been very helpful to me. I hope that we can demonstrate to our friends and the world that we can make progress in our relations. One area where we could do this is to reach a claims settlement. Recently, we nearly reached an agreement on this, as I understand it. If we can do this, it would be helpful. And, if you have advice on the Middle East or on southern Africa, or other places, you can give that advice either to Secretary Vance or to me. We will always welcome the opinion of the Chinese Government.

Ambassador Huang Chen: As to the assets issue, that was dealt with by David Rockefeller and Li Hsien-nien.

President Carter: Yes. Mr. Rockefeller reported to me upon his return.

Ambassador Huang Chen: As you know, this issue was almost settled in the past. We almost reached an agreement. At a critical moment, the U.S. Government created side issues. The asset issue is easy to solve if we can agree to a one-package settlement. This is not a big matter. [This was treated jovially with the Ambassador then tapping the hand of Secretary Vance as if to indicate that this is just a little matter that could be settled.—MO]

As to the domestic situation, we would like to inform the President that the Party Center led by Hua Kuo-feng, at Mao's behest, smashed the plot and felled the "Gang of Four" with one blow. This was a great victory. The people are in high spirits. Now we can implement in a better way Mao's line in domestic and foreign policy. Now the Chinese people are full of confidence under the Party Center headed by Hua Kuo-feng. They are striving to achieve bigger victories in socialist revolution and socialist construction. They are determined to achieve the modernization of agriculture, industry, defense and science and technology by the end of the century. This grand program was set by Chairman Mao and put forth by Premier Chou at the Fourth National Peoples Congress. We are fully confident that the grand plan will be realized. In sum, the situation in China is very good and stable.

President Carter: I hope the same is true in our country. Mr. Ambassador, I know you have a background in agriculture, in the military, in politics, in science and diplomacy. I have a similar background. I also understand you are interested in music. Our countries can be friends, and we can be friends. If you wish, I would like to host you at a concert or a play or in some way to show our friendship.

Ambassador Huang Chen: [Laughing and pleased.—MO] That would be very nice. I am a layman in music, but I am very interested in painting.

President Carter: [Turns to Vice President Mondale, asks him whether he wishes to say anything.]

Vice President Mondale: I am grateful for the meeting.

Ambassador Huang Chen: The Vice President is an old friend. I think this is a good meeting. It is important to acquire a better understanding of our respective views.

President Carter: I have much to learn. I always welcome advice and the counsel of your government.

6. Memorandum From Secretary of Defense Brown to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 9, 1977

SUBJECT

US Relations with the People's Republic of China

In the past six years the building of a new Sino-American relationship has been a central element in Washington's efforts to construct counterweights to and constraints on the Soviets. However, I am concerned that the new Administration, in its first weeks, may be giving the impression that the weight of its national security diplomacy will be cast in the familiar framework of the Western alliance (and Japan) versus the Soviet Union and ignoring China. China policy is omitted from the first sixteen PRMs although most aspects of US-Soviet relations are covered.

My memo of this date to the President expresses my concern for fostering a US-PRC relationship which gives greater global balance to our national security policy.² In addition the Chinese must be very concerned over some aspects of our Asian policy and what they might perceive as our dealings with the Soviets. Therefore I recommend some form of an interagency policy review on the People's Republic of China be conducted over the next month to six weeks. That review need not be handled in a formal fashion, but it should be broad and systematic.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 1-2/77. Secret; Eyes Only.

² Brown's February 9 memorandum to Carter was sent to the President under Brzezinski's February 14 covering memorandum, see Document 9.

From a national security perspective, issues which need to be considered generally relate to Taiwan and the broad US–PRC security relationship.

Taiwan and Normalization

—Actions to be completed prior to initiation of negotiations with the PRC. Examples might include: review of Republic of China (ROC) requests for certain weapon systems, sale of certain items of military equipment to the ROC, consultations with the ROC and our other friends and allies, termination of FMS credits to the ROC, etc.

—Impact of any changes in our relationship with Taiwan on key Asian allies, especially Japan. Offsetting measures we might take to minimize adverse impacts.

—Implications of normalization for Soviet-American relations.

—Impact of normalization on US efforts to prevent the proliferation of nuclear weapons in Asia. In particular, there is the question of possible further actions in this direction by the ROC.

—Actions we might be willing to take to ensure that there is a peaceful settlement of the Taiwan question by the Chinese themselves. Specifically arms sales to the ROC prior to normalization, contingency planning, requirements (if any) of continued US arms sales to Taiwan following normalization, and other actions of primarily a diplomatic or political nature.

—Time phasing for withdrawal of US forces and facilities to include the possibility of civilianizing certain functions. [*1½ lines not declassified*]

—Means of maintaining contacts with the ROC and protecting our interests on Taiwan.

US–PRC Security Relationship

—The impact of an enhanced US–PRC relationship on Soviet-American and Sino-Soviet relations and other aspects of US national security. Specifically:

—Benefits we have received as a result of our improved relations with the PRC.

—Implications of a failure to advance US–PRC relations.

—US and PRC objectives in either maintaining or improving relations, emphasizing areas of common and conflicting interests.

—The utility of Sino-American relations in influencing Soviet behavior. For example, what levels of US–PRC cooperation in security matters could cause Moscow to inject the “China factor” into future SALT negotiations and other aspects of the diplomacy of détente.

—Feasibility of US–PRC relations as a means of sustaining the Sino-Soviet split.

—The relationship between the state of US–PRC relations and the continuation of favorable policies by the PRC. Specifically, there are a number of third country areas of concern to our security interests—Korea, Japan, South Asia, the Middle East and Europe—where the Washington–Peking dialogue of the past six years has led to low-level forms of policy coordination which have served our interests.

—Is it desirable to deepen US–PRC relations? If so, how might this be done? Politically? Economically? In the area of security relations?

—Impact of improved US–PRC relations on our Asian allies, Western Europe and the Third World.

—Alternative policy approaches towards the PRC.

In the past, because of the sensitivity of the relationship, our policy toward the PRC has not been developed through the normal inter-agency process. My memo to the President expresses some of my concerns on this score. In any event the evolution of our future China policy will have significant implications for the Department of Defense. In addition, the issues involved are quite complex and involve areas of great uncertainty and therefore they should be thoroughly and systematically examined. They are also of great political importance to the President politically. With all this in mind, I again urge you to initiate some form of interagency review of our China policy during the next month or so.

Harold Brown

7. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, February 10, 1977, 0215Z

30229. Subject: Ambassador Shen; Meeting With Under Secretary Habib.

1. In February 9 call on Under Secretary Habib, ROC Ambassador Shen, under instructions, complained with obvious feeling about recent USG statements and actions on the China issue, including the Secretary's definition of normalization as ultimately the establishment of

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850106–1822. Secret; Immediate; Nodis. Drafted by Levin (EA/ROC), cleared by Gleysteen (EA), and approved by Habib. Repeated Priority to Beijing.

diplomatic relations with the ROC [PRC]. Following mention of the Secretary's January 31 statement that normalization was under intensive review,² Shen specifically requested that the ROC be consulted, not just informed, on any matters affecting its existing relations with the US. He warned that any discussions with the PRC on normalization would have serious repercussions on the ROC and on the peace of the Pacific region. While expressing appreciation for the Secretary's remarks about the importance to the US of the security of the people of Taiwan, he noted ROC disappointment over the absence of any reference by the new administration to existing US–ROC diplomatic and security ties. He asked that at an early time the new administration reaffirm its intention to maintain these ties, as did previous administrations on several occasions both publicly and privately.

2. Habib replied that the basic thrust of statements by the administration on China was reaffirmation of the Shanghai Communique. There was nothing new in this. The US would, of course, engage in appropriate discussions with the ROC on matters affecting its important interests. However, it would not be appropriate to deal with the ROC request in off-hand fashion. These were specific and important matters and they deserved careful consideration, including review by the Secretary. Habib promised a reply prior to the Secretary's departure February 14 for the Middle East.

3. Shen then spoke of how ROC hopes for the new administration had been shaken by the Secretary's statements. The ROC was profoundly disappointed in seeing the Shanghai Communique, an agreement between disgraced and dead heads of state, being treated as a binding agreement more solemn than the US–ROC Treaties of Friendship, Commerce and Navigation and Mutual Defense.³ He complained strongly of the lack of response to his request of two weeks ago for a meeting with the Secretary, noting that the effectiveness of an Ambassador depends on access to the Secretary and President and that reciprocity was also involved. He thereupon asked for a rundown of the President's meeting with Huang Chen.⁴

4. Following mention of the Secretary's busy schedule in the early weeks of the administration, Habib stated that he had not yet seen an

² During his news conference on January 31, Vance said, "I have stated that insofar as our bilateral relations are concerned, we will proceed on the basis of the principles enunciated in the Shanghai communiqué, that with respect to the pace and the mode of reaching normalization, this is a matter which we have under intensive review." (Department of State *Bulletin*, February 21, 1977, p. 142)

³ The Treaty of Friendship, Commerce, and Navigation between the United States and the Republic of China was signed on November 4, 1946, and came into force on November 20, 1948.

⁴ See Document 5.

account of the President's meeting with Huang Chen. There was also the additional question of whether it would be appropriate for us to reveal the contents of a meeting of this nature. Shen asked whether Ambassador Unger would be affected by the transition. Habib said there were no plans in this respect. Shen said he would like to call on Messrs Holbrooke and Lake at an early time. Habib promised to pass on these requests. Upon departure, Shen left an aide-mémoire conveying the essential points of his presentation which will be pouched to addressees.⁵

5. Comment: We are in process preparing our response to Shen. Would appreciate by immediate cable any thoughts Embassy Taipei may have in handling his approach.

Vance

⁵ Not found.

8. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, February 10, 1977, 1010Z

798. Subject: Ambassador Shen's Meeting With Under Secretary.

1. Ambassador Shen's strong representations to Under Secretary Habib February 9² clearly represent ROC effort to restore flavor of ROC-US relations to that which prevailed prior to Secretary Kissinger's incumbency and, if at all possible, even to tenor of period prior to Shanghai Communiqué. ROC probably feels that advent of new administration may offer opportunity to sidetrack U.S. Government's gradual movement toward normalization, or at least to delay it as long as possible. Strength of Shen's representations perhaps greater than we would have anticipated because GROC tended during recent months to read statements of new U.S. leaders, particularly prior to inauguration, as being somewhat more sympathetic to their position than was Secretary Kissinger. For example, GROC chose to interpret references to defense commitment to Taiwan and emphases on relations with allies and commitment to "moral" policies as foreshadowing retreat

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850106-1825. Secret; Immediate; Nodis.

² See Document 7.

from previous plans for early implementation of Shanghai Communiqué, or, indeed, implementation at all. On the other hand, most recent declarations of new U.S. leaders reaffirming Shanghai Communiqué as our continuing policy and, in particular, Secretary's confirmation that normalization ultimately means diplomatic relations with PRC (and therefore break in relations here) have undoubtedly dashed some hopes that were beginning to build in Taiwan.³

2. It seems to me therefore with normalization as our goal, even though for the present we have no timetable, we should continue with the GROC and the people of Taiwan the "conditioning process" in which we have been engaged over recent years. In other words, we should continue to prepare them psychologically for the eventual break in diplomatic relations with the United States, withdrawal of our military and termination of the Mutual Defense Treaty. As a result of our conditioning efforts thus far the politically active elements on Taiwan, including government leaders, know and accept, however reluctantly, that normalization of relations with Peking is coming; if this indeed is our intention it would be unfortunate to undo what has thus far been achieved in preparing for that day. Furthermore, I would assume that any significant shift in our posture vis-à-vis the GROC would be immediately noticed in Peking and be taken as possibly foreshadowing an intention to move away from the Shanghai Communiqué. For these reasons, it seems to me that the Department's and U.S. Government's relations with Ambassador Shen and other ROC representatives in the United States should as far as possible continue to be carried on in the same style as before. (While I believe Secretary Kissinger should not have refused in recent years to receive Ambassador Shen at any time, I now question the wisdom once that precedent has been set, of retracing steps. However, a single, routine courtesy call on the Secretary at the beginning of the new administration should not be ruled out.)

3. The other side of the coin is our requirement to handle the entire normalization process in such fashion as to avoid a political, military and economic destabilization on Taiwan which could have dangerous consequences for U.S. foreign relations and domestic opinion. While this cautionary word relates primarily to the arrangements we will eventually be making for the post-normalization situation in Taiwan in the fields of diplomatic relations, security, trade and investment ties, etc., we could unnecessarily generate apprehensions and political tensions on Taiwan now repeat now if at this stage we were to adopt a posture that suggested we meant to begin to cut off all effective communication with the GROC. This speaks for continuing to deal with the GROC both in Washington and here in the same manner we have been

³ See footnote 2, Document 7.

dealing with them since 1972. While we will probably be proceeding with further reductions of military personnel and otherwise lowering our military profile, and will avoid expanding our official relationships and opening up any new fields of cooperation with the ROC, I believe the tenor of government-to-government relations should otherwise not be substantially altered as long as diplomatic relations are maintained.

4. As for the specific points raised by Shen on February 9, I would for the most part ignore Shen's complaints about our reaffirmation of the Shanghai Communiqué—the President's and the Secretary's statements make our position abundantly clear.⁴ We can, of course, confirm our position, if he presses the matter. It would seem to me we should also confirm to him that, pending action on normalization, it is the policy of the new administration to continue to honor the US–ROC diplomatic and security ties, as indeed previous administrations have, and he should so inform his government. We do not, however, feel it necessary to make public references to this. As for "serious repercussions on the ROC" etc. from any discussions with the PRC about normalization, we have heard that threat before and it should be taken with a grain of salt. There will be considerable hand-wringing and even bitter accusations, and perhaps a few demonstrations here, but I believe serious observers even here expect normalization to take place eventually.

5. I suppose that Shen's references to reciprocity in connection with his complaints about his access to the Secretary could suggest that the GROC contemplates some retaliation affecting my access to Premier Chiang Ching-kuo. I believe, however, that the GROC would not see it in their interest to deny me such access, particularly if requested by me, given their unique dependence on the American connection. (As for his query about my being affected by the transition, I would of course be delighted in due course to receive any light Washington wishes to shed on that matter.) It does seem to me that Shen should surely have access to Assistant Secretary Holbrooke and occasionally to Director Lake. They will probably not find their perceptions of the China question appreciably enhanced by such meetings but it seems to me that it is beneath our dignity to fail to accord the representative of a friendly country at least minimum courtesies and reasonable responses, as long as diplomatic relations are maintained.

6. As for the question of our consulting with the GROC on our normalization plans and intentions, I refer you to the discussion of this contained in my letter of March 16, 1976, to Habib, page 3 second paragraph.⁵

⁴ Carter's statement is not further identified.

⁵ Not found.

7. As it happens I will be dining with Premier Chiang on February 15, probably under circumstances which would permit confidential discussion with him, if by that time there is anything Department would wish me to convey.

8. Recommend Department pass USLO Peking.

Unger

9. **Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter**¹

Washington, February 14, 1977

SUBJECT

DoD Inputs on US–PRC Relations

1. I enclose a memorandum from Secretary Brown dealing with the significance of our relationship with the PRC for our national security policy, and a memorandum from Secretary Brown transmitting specific recommendations from General Brown (JCS) pertaining to US–PRC military contacts.

2. With regard to the memorandum from Secretary Brown, let me note that I am generally in agreement with his emphasis on the important security benefits which we have derived from our relationship with Peking. We must, therefore, be careful not to slight China in our dealings with the Soviet Union, and an informal interagency group, with NSC staff member Michel Oksenberg, is engaged in reviewing US–PRC relations from that standpoint.

3. With regard to the recommendations for US–PRC military contacts, my view is that your decision should await the outcome of the interagency review. Subject to your approval, I would recommend that you instruct me to request Secretary Brown to prepare a paper analyzing in more detail the six specific recommendations submitted by General Brown. His response would then be included in the interagency review, on the basis of which a more politically sensitive judgment can be submitted for your approval.²

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 1–2/77. Secret; Eyes Only.

² Carter checked the Approve option and initialed "J."

Enclosure**Memorandum From Secretary of Defense Brown to President Carter³**

Washington, February 9, 1977

SUBJECT

The People's Republic of China and US National Security Policy

The security policy of the US is, and I believe should continue to be, cast primarily within the framework of the Soviet-American political and military balance. At the same time security planning must increasingly reflect the more complex character of the international system. This is particularly true with regard to our policy towards the People's Republic of China. Whatever the virtues of "triangular" diplomacy, China constitutes a growing power center of continuing importance.

We have gained important security benefits from our new relationship with Peking. We have substantially reduced the danger of a conflict in northeast Asia and eliminated the friction that our China policy caused with major allies such as Japan. At least by comparison with what would otherwise have been the case, the Soviets have so far been forced to divide their military strength. Though this is a consequence of Soviet-PRC tensions rather than better US-PRC relations, the two are not unconnected. Thus, the most important factor for the next decade is that the US-PRC relationship will be a major influence on US-Soviet relations.

I therefore conclude that this Administration must foster a relationship with Peking which gives greater global balance to our national security position. Failure to do so might give us some short term benefits with the Soviet Union but at the price of potentially larger long term costs. Retrogression in our China relations could also have major political costs for you and hinder your management of both domestic and foreign affairs.

³ Secret; Eyes Only. Secretary Brown sent copies of this memorandum to Vance and Brzezinski. On February 1, McAuliffe sent Brown a draft of this memorandum, on which Brown wrote, "2/2. Gene McA—Let me have a) a memo which I can use as a talking paper with ZB and then send to him along the lines marked [illegible] on next page. b) a memo to the President (cc to CV and ZB) urging that we move forward along the lines of this paper. HB." (Washington National Records Center, OSD Files: FRC 330-80-0035, Republic of China, 092)

Security Concerns in the Evolution of China Policy

In terms of our security interests as seen from my vantage point at Defense, there are three major policy areas of interest which will be affected by the evolution of China policy and the conduct of our relations with Peking:

—*US–PRC Relations and Our Dealings with the Soviet Union.* Our policies regarding the Chinese will be a growing factor in Sino-Soviet relations and in our efforts to deal effectively with the Soviets. While to date the Russians have been reserved in their responses to the more constructive relationship between Washington and Peking, changes in this relationship are likely to stimulate important reactions from Moscow. Improvements in US–PRC relations and heightened levels of Sino-American cooperation may lead Moscow to inject the “China factor” into future SALT negotiations and other aspects of the diplomacy of détente. This could cause them to seek parity as compared with the US *plus* China in arms agreements, or could make them more eager to reach such agreements with us and to ease relations with us. Stagnation or deterioration in US–PRC relations could relax Soviet anxieties, harden their negotiating postures with us, and create opportunities for improvements in Sino-Soviet relations.

—*Effects of “Normalization” of US–PRC Relations.* As you decide how to pick up the unfinished task of establishing a stable basis for future US–PRC relations, key issues of concern to the Defense Department will be the timing, the phasing, and the manner in which our present relationship with the Republic of China or Taiwan—with whom we maintain a security treaty—will be altered; [1½ lines not declassified]; the impact of any changes in our relationship with Taiwan on key Asian allies, especially Japan; and what actions we might be willing to take to ensure that there is a peaceful settlement of the Taiwan question by the Chinese themselves.

—*US–PRC Relations and Third Country Issues.* There are a number of third country areas—Korea, Japan, South Asia, the Middle East and Europe—where the Washington–Peking dialogue has led to parallel policies which have served the security interests of both sides. Defense, of course, has great interest in this process and of how the China relationship might be used to reinforce our security interests on issues like Korea or in response to any future crisis which might affect both countries.

Issues for Immediate Consideration

Our security interests in the evolution of our China policy are clear. They may loom larger and acquire greater importance over the next ten years as our present, “semi-normal” relationship with Peking

matures. However, there are some issues that I believe should be addressed early. These are:

—The impact of an enhanced US–PRC relationship on Soviet-American relations and particularly on future SALT negotiations;

—The effect of our actions with the Soviets on our ability to pursue an effective China policy in the future;

—The security of Taiwan under conditions of normalized US–PRC relations; and

—The handling of our security relations in Asia (to include our policies towards friends, allies and the PRC) in the interim, while our longer term China policy acquires shape and direction.

I recognize that China policy raises difficult questions and there may be great uncertainties involved in answering them. But I believe that they need to be addressed in a thorough manner and that this process should begin soon. They have significant implications for our security policy and obviously for the Defense Department in particular.

In the previous Administration China policy was formulated in a very restricted forum by a very few individuals. I recommend against continuing that practice. Our China policy is an integral part of American foreign policy and should no longer, in my view, be managed differently than other major elements of US national security policy. Beyond that there is the need to fashion a broad policy consensus on China policy within the United States Government. Nor does the previous Administration's practice in this regard fit with the work style you have established for your Administration, a style that produces particularly enthusiastic support among those who have experienced both.

I believe there is a need to bring a broader systematic approach to China policy. You may wish to establish a formal or informal group to review the various aspects of China policy. I have explained all this in greater detail in a separate memorandum to Zbig.⁴

Harold Brown

⁴ See Document 6.

Enclosure

Memorandum From the Chairman of the Joint Chiefs of Staff (Brown) to Secretary of Defense Brown⁵

Washington, undated

SUBJECT

US-Chinese (PRC) Military Contacts

1. Purpose: To review briefly the record of US-Chinese military contacts, to offer comments on the desirability of US initiatives, and to recommend what military contacts might be undertaken.

2. Background: In 1945, the Chinese Communists requested from the US military assistance in the war against Japan. For a variety of reasons this never came to fruition. The ensuing 30 years saw US and Chinese forces engaged in combat in Korea, and indirect military confrontations in the Taiwan Strait in 1959, 1962 and in Vietnam. This milieu included the signing in 1954 of the US–Taiwan Mutual Defense Treaty and the absence of formal military contacts and diplomatic relations between the US and the PRC.

3. Discussion:

a. Although the setting for future US–PRC military contacts is not propitious, such contacts are necessary particularly in view of the recommendations made in the reference.

b. Peking will see expanded US-Soviet military contacts as being directed against the PRC, and as additional evidence of US collusion with the “hegemonistic Soviet social imperialists.” Damage will almost certainly be done to the US–PRC leg of the strategically important US–USSR–PRC triangular relationship.

c. “Even-handedness” in our relations with the PRC and the USSR, therefore, requires similar military contact initiatives in the case of China, even though these do not elicit quick responses.

4. Recommendations:

a. Expedite and expand contacts between US and PRC Defense Attaches in all third countries. Use our DATTs to convey substantive messages to the PRC military leadership.

b. Reciprocal visits by DLO Hong Kong military personnel and appropriate PLA officers.

c. Reciprocal visits by US Army, Chief of Military History and his equivalent in the Peoples Liberation Army (PLA).

⁵ Secret.

d. Initiate talks with PRC military staff at the UN on military implications of ongoing Law of the Sea negotiations, and offer US military equipment/technology.

e. Invite PLA personnel to observe US exercises in the Pacific region.

f. Institute exchanges between National Defense University/National War College and higher military academies in the PRC.

10. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, February 16, 1977, 0019Z

34897. Subject: Ambassador Shen: Follow-up Meeting With Under Secretary. Ref: State 030229.²

1. Under Secretary Habib February 14 met with Ambassador Shen to provide promised reply to ROC requests for consultations and US reaffirmation of intent to continue existing diplomatic and security ties. At outset, Habib stated that Shanghai Communiqué remains US policy. We have made and shall continue to make this clear in public statements. Habib then addressed the consultation request, noting that we were aware of the need for appropriate discussions with the ROC on matters affecting our relations. He foresaw such discussions as following determination of still outstanding decisions on the pace and modalities of normalization. On the reaffirmation request, Habib said we were conscious of ROC concerns as evidenced by the Secretary's references to Taiwan in his recent public statements on normalization. We will continue to bear ROC concerns in mind in our China policy statements.

2. Shen asked for and received confirmation of the above as the US response to ROC requests. He then asked whether any forthcoming consultations would be solely confined to US–ROC relations as implied by our reply. Habib advised against a narrow, intensive interpretation

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850106–1830. Secret; Priority; Nodis. Drafted by Levin (EA/ROC), cleared by Gleysteen (EA) and O'Donohue (P), and approved by Holbrooke. Also sent Priority to Secretary Vance, who was in Israel, as Tosec 20037 and repeated Priority to Beijing.

² See Document 7.

of his remarks. For example, it was obviously impossible to separate US–ROC relations from overall China policy.

3. Shen asked about the intensity of our normalization review and was told that while normalization was not currently a front burner issue such as the Middle East, Cyprus, Panama and SALT, we hope to complete the review at an early time. Shen reiterated his February 11 request for a run-down of the President's talk with Huang Chen,³ noting that the US used to brief ROC on details of the Warsaw and Geneva meetings. Habib rejected the request on grounds of inappropriateness and additionally pointed out that present circumstances differed greatly from those of Warsaw, Geneva days. He said that as far as he was aware, the meeting was general in nature and should not be of great concern to the ROC, although we were aware, of course, that the fact of the meeting itself was disturbing to the ROC.

4. Shen asked about reports that the Secretary would visit the PRC in April and that negotiations with the PRC on frozen assets were in the works. Habib said there were no concrete plans on either of these subjects. Upon departure, Shen stated that his request to see the Secretary still stood.

Hartman

³ Shen actually made his request on February 9 during his meeting with Habib.

11. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, February 16, 1977, 0830Z

904. Subject: ROC Nuclear Activities. Ref: State 32728.²

1. Dinner February 15 unfortunately offered only limited and not very appropriate opportunity talk privately with Premier. Nevertheless, I was able to convey basic elements of message contained in instructions reftel.

2. First I thanked Premier for assistance provided to visiting nuclear team and said we are now awaiting its report. Once this was in hand, I believed we would want to arrange for further discussions on this issue.

3. I then emphasized prime importance which President Carter attaches to the dangers of nuclear proliferation and said that I had been asked to call this specifically to the Premier's attention. In this connection, I emphasized the importance of his government's carrying through fully on what it has agreed to. Otherwise, our cooperation in the nuclear field will be jeopardized and cooperation in other fields could also be in danger.

4. Premier Chiang said as he has on several occasions in the past that we can depend on the GROC following through on its word. He referred to the closing down of the reprocessing laboratory in response to our wishes and said that we should inform him of whatever other things we wished to have halted and he will carry out our wishes.

5. On preceding evening, at dinner at home of Vice Minister Foreign Affairs Fred Chien, DCM and I had opportunity convey same message. In effect Chien's responses were like those of Premier although he made plea to have us keep confidential U.S. role in such matters as closing down of reprocessing lab and also hoped we would permit con-

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840076–1288. Secret; Cherokee; Priority; Nodis.

² In telegram 32728 to Taipei, February 12, the Department instructed Unger: "We want you to take advantage of February 15 private dinner with Premier to discuss seriousness of nuclear issue. You might introduce subject by referring to recent nuclear team visit, expressing appreciation ROC arrangements for team and noting that before long we will wish to discuss nuclear issues at appropriate level. During the discussion you should state that you have been instructed to impress upon the Premier President Carter's determination to do everything in his power to prevent nuclear proliferation. We are counting on complete ROC cooperation in this effort and unqualified compliance with the assurances we have been given. Anything short of this would not only prevent any further US cooperation in Taiwan's nuclear power program but would also have a most adverse effect on other aspects of our relations." (National Archives, RG 59, Central Foreign Policy File, P840083–0395)

tinuing nuclear research provided it had no proliferation connotations. He also said Premier had asked him whether US had taken similarly tough line with other countries, for example those who have also been interested in acquiring reprocessing capability. Chien put considerable emphasis on difficulty which practical-minded political officials like himself faced vis-à-vis Chinese scientists at home and overseas and others who were preoccupied with national security, prestige, desire to keep abreast with world in scientific progress, etc.

6. We avoided any detailed discussion with Chien, saying that this would be in order in all likelihood once we have instructions. With regard to other countries, I referred to discussions with Republic of Korea, Pakistan and Brazil which are matters of public knowledge.

7. I also recalled to Chien DCM's conversation with him (Taipei 209) and our concern that GROC apparently failed to follow through on what it had said it would do.³ In conclusion Chien again stated he and political officials recognize it is essential that GROC work with us on this and that moreover any intention to go ahead with nuclear weapons is "suicidal" but he again cited problems faced with other powerful and influential groups here and among overseas Chinese.

Unger

³ On January 11, DCM Roger Sullivan called on Vice Minister Chien to discuss alleged ROC nuclear activities. (Telegram 209 from Taipei, January 12; National Archives, RG 59, Central Foreign Policy File, D770011-0752)

12. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 16, 1977

SUBJECT

U.S. Nuclear Team's Findings re ROC

I supply you (Tab A) an advance draft copy of a State memorandum on Taiwan's effort to go nuclear.²

The key finding is that the ROC, in the absence of U.S. steps, will have the capacity to detonate a nuclear device in the next two to four years. The full report will elaborate and recommend these steps.

Obviously the issue is of intense interest to the President, and you may wish to keep him abreast of developments.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 11, China (Republic of China): 1/77–5/78. Secret; Sensitive. Sent for action. A copy was sent to Jessica Tuchman.

² Tab A, an undated draft memorandum from Gleysteen to Habib, is attached but not printed. It has the subject heading, "US Nuclear Team's Findings re the ROC," and it states, "The situation requires far-reaching action. The team believes we should seek termination of all ROC nuclear research involving weapons useable materials, the repurchase of US-origin plutonium and an end to ROC efforts to develop a domestic heavy water production capability. The Taiwan Research Reactor presents serious problems as an indigenous source of recoverable weapons grade plutonium."

13. Memorandum of Conversation¹

Washington, March 1, 1977

SUBJECT

Dinner with Huang Chen, Chief, PRCLC

PARTICIPANTS

Huang Chen, Chief, PRCLC

Tsien Ta-yung, Counselor, PRCLC

Hsu Shang-wei, Third Secretary, PRCLC (Interpreter)

Philip C. Habib, Under Secretary of State for Political Affairs

I met Huang Chen a few evenings ago at a dinner and he indicated an interest in the Secretary's Middle East trip.² Following the Secretary's instructions, I told him I would be prepared to brief him on the trip and he invited me to dinner for that purpose.

Before going in to the usual excellent dinner, I sat with Huang Chen and the others for about an hour. I gave him a briefing on the Middle East trip following the talking points laid out for such briefings and used with other Embassies in Washington. Huang listened with interest and his colleagues took careful notes.

When I had finished, he said he believed that the United States understood China's policy on the Middle East. With regard to the principal substantive issues, China believed that the Palestinian question should be settled to the satisfaction of the Palestinians by the establishment of an independent state. They also believed that Israel should withdraw to the 1967 borders. The PRC is pleased that the United States is committed to playing a leading role in seeking an over-all Middle East settlement. This confirms the advice that Chairman Mao had given in the past which concerned the United States following a "two-handed" (even-handed) policy. If we continue to follow Mao's advice, he was sure we could play the critical role necessary. Huang also expressed satisfaction that Soviet influence was at a low point in the Middle East. He considered this also a result of our pursuing a "two-handed" policy.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 42, Meetings: 1-3/77. Confidential. The dinner meeting took place in the PRC Liaison Office. An account of the meeting was sent to the Liaison Office in Beijing in telegram 53011, March 10. (National Archives, RG 59, Central Foreign Policy File, P850056-1895)

² Vance visited Israel, Egypt, Lebanon, Jordan, Saudi Arabia, and Syria February 15-21.

This led Huang to a series of comments on U.S.-Soviet relations. He followed the standard approach of indicating that China was not afraid of the Soviet Union and could take care of itself in any confrontation but that the West was not sufficiently aware of the danger and not strong enough in its posture in dealing with the Soviets. He noted that Ilychev had left Peking to return to Moscow without any progress on the border issues. He said the Soviets had thought they might be able to find some opportunity for gain in these negotiations following the death of Mao, instead they had discovered that in Peking there were “real Communists” who did not abandon their principles. Nothing was accomplished during Ilychev’s recent period in Peking.

Huang said the PRC did not object to the U.S. dealing with the Soviet Union because they believe that the better we get to know the Soviets the more we would realize they could not be trusted. The Chinese had learned this by bitter experience.

He asked me if I was aware of his conversation with the President.³ I said I was and believed he had had his basic question answered in what the President had said to him. He agreed. I noted that the question of claims and assets had come up in that conversation and said we were considering that matter and intended to approach the Chinese if they were serious about making progress.⁴ He responded vigorously by saying they were prepared to make progress. There had been agreement at one stage, he said, but the United States had introduced extraneous considerations. It was unfortunate, he went on, that as a result benefits which would stimulate trade were denied, (MFN?), the opportunities to expand trade were thus limited, Chinese airplanes could not come to the United States, and general economic opportunities could not be pursued. I said the matters he considered to be extraneous which had been introduced could be fairly easily resolved if the Chinese would understand that our requirements had no nefarious purpose and were not directed against them but were to enable us to proceed without facing obstacles later. I said the East Asian Bureau would be in touch with his Counselor Tsien Ta-yung for further discussions on this matter. He asked if I knew of David Rockefeller’s interest in this and reminded me of the conversation Rockefeller had with Deputy Prime Minister Li in Peking.⁵

Following upon this, and possibly but not necessarily related to the claims issue, Huang commented that in 1972 Nixon made the move toward China. Thereafter the Soviet Union made concessions in its ne-

³ See Document 5.

⁴ An unknown hand underlined the last part of this sentence, beginning with “intended.”

⁵ See footnote 3, Document 5.

gotiations with the United States. The United States should take a lesson from this, he said, and realize that when it made moves toward China the Soviets became more cooperative.⁶ I took this as a rather open invitation either to make limited progress with the Chinese on such things as the claims issue in order to impress the Soviets or more probably that we should revive the dialogue on normalization to put pressure on the Soviets as we move into discussion of SALT and other bilateral matters.

At one point in the evening Huang mentioned that the Chinese would be inviting two delegations of Congressional visitors to the PRC this year and would inform Ambassador Gates in Peking of this within the next few weeks.

Huang was more loquacious in this conversation than any I have had with him previously. He seemed anxious to discuss issues and was genuinely appreciative of the openness with which I had discussed the Middle East trip.

⁶ An unknown hand underlined this entire sentence.

14. Intelligence Memorandum Prepared in the Central Intelligence Agency¹

RP 77–10038

Washington, March 1977

THE VALUE OF THE UNITED STATES TO CHINA'S NATIONAL SECURITY

Key Judgments

Mao's successors seem to believe that the US is somewhat irresolute in its attitude toward Soviet deployments globally, and they probably have reassessed the value of the US to China's national security. They, however, have apparently decided not to downgrade Sino-US relations or upgrade Sino-Soviet relations. The Chinese leaders clearly do not want to return to the pre-1971 situation when the Russians could

¹Source: Central Intelligence Agency, Office of Current Intelligence, Job 78 T02549A, Box 3, Folder 9, RP 77–10038. Secret; [*handling restriction not declassified*]. A footnote on the first page indicates that the memorandum was prepared in the Office of Regional and Political Analysis and was coordinated with the Office of Strategic Research and the Office of Economic Research.

take comfort from Peking's actively hostile relations with both superpowers.

The US connection is primarily important to China as a deterrent to a major Soviet attack. This deterrence derives primarily from the US role in NATO. Mao's successors believe that this would be reduced if the US had to contend with a hostile China in the Far East. They calculate that:

—NATO, with US support, and especially as a symbol of a US intention to intervene in Europe if necessary, poses a serious threat to the Russians, in that, in the event of a major Soviet attack on China, the USSR's western front would have to be seriously weakened.

—Without considerable provocation, the Russians would not attack China unless they had already drastically changed the strategic balance in the west to their favor.

They do not believe that there are sufficient Soviet forces deployed against China in the Far East to gain major objectives deep within China; they calculate that they have the capability to protract a war started by the Russians, eventually requiring their adversary to transfer troops from the west. Thus, the Russians are effectively deterred by the need to maintain equilibrium in the west.

Mao's successors do not expect that US *military* forces will be used on China's behalf in the event of a major Soviet attack on China. The current leadership also almost certainly believes that the US would not assist China (by such actions as deploying American conventional forces or nuclear-capable aircraft and ships) to deter a Soviet attack on China, nor would the US act militarily against the USSR following such an attack.

Their attitude toward acquiring US arms is strongly "self-reliant," and while they acquire some things from the West that they cannot manufacture themselves, these generally are "spot" and secondary purchases.

Thus, in Peking's view, the primary military deterrents necessarily will be those offered by China itself. These are its capability to wage a long conventional war against the attacking Russians and its small, but to the Russians worrisome nuclear-weapons force. The Chinese have indicated that they will not permit the Russians to engage in "nibbling" tactics; even a limited attack beyond China's border defenses would provoke a general war, as the Chinese would not permit the Russians to disengage after an attack. They have also indicated that if the USSR attacks China with nuclear weapons, they will strike back with China's small nuclear-weapons force, which, as the Russians know, is not completely vulnerable to a Soviet first strike.

The Chinese envisage the role of the US as primarily a *peacetime* one, blocking expansion of Soviet influence without engaging in a war

with the USSR. There is no good evidence that the Chinese desire a US–USSR military conflict, as they cannot be sure that such a conflict, which would greatly increase international tensions, could be confined to those two powers.

They value highly the stationing of US troops in Europe, considering that this unequivocally commits the US to NATO's defense. They care less for the concept of a US "nuclear umbrella" for Europe, fearing that the US might not use its nuclear weapons in the event of a Soviet conventional attack.

Elsewhere in the Far East, they look primarily to American power to offset the Soviet presence. The US Seventh Fleet is no longer a "menace" but rather an important force challenging Soviet dominance of the seas near Japan, which the Chinese view as "the most Munich-minded" country, unlikely to resist the USSR effectively and, therefore, requiring strong bolstering by the US. The chances are good that they will continue well into the 1980s avoiding challenges to the Fleet (such as trying to attack Taiwan or the Nationalist-held offshore islands). Such restraint probably would continue even if the Washington–Taipei defense treaty were abrogated, as such an abrogation would improve Sino-US relations. They seem to believe that they will eventually have to use force to annex Taiwan, but that is a *distant* prospect; the political and military costs of such a move deter them at present.

The Chinese leaders do not desire further US pullbacks from bases in the Far East. However, they are confronted by a basic contradiction in their Korea policy. They privately favor a two Koreas policy and maintenance of the status quo on the peninsula, but they are impelled, primarily by their competition with the Russians for Kim's favor, to support his one Korea policy. This requires them to demand the withdrawal of US troops from the South. They have viewed the US troop presence as a stabilizing factor, but they probably calculate that if US troops were to be reduced in number, the remaining troops (and remaining command-and-control as well as air force units) together with the big South Korean army would still be adequate deterrents to Kim's occasional military adventures. A further deterrent to instability is the silent convergence of interest in Peking and Moscow in keeping Kim cool.

Regarding the Russians, Mao's successors show the same hostility that Mao had shown. Even if Hua Kuo-feng wanted to reduce the scope and intensity or the dispute with Moscow—and it is not clear that he wants to or will soon want to—Hua is forced to operate by consensus, and anti-Soviet sentiment seems dominant in the Politburo. It may take Hua several years to consolidate his position completely, after which time, if he succeeds, he may *still* desire on his own authority to sustain the Sino-Soviet dispute.

By indicating to the new US administration that they, in fact, have not moved closer to the Russians, the Chinese indirectly have suggested that there is no reason for the US to do so.

They seem to believe that the US is still militarily a powerful adversary of the USSR and intends to remain so (despite their privately expressed concern about some erosion in the US position in the US–USSR strategic balance). They perceive no alternative to the US as a counterweight to the USSR.

[Omitted here are the introduction and main body of the report.]

15. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of the Treasury Blumenthal and Secretary of Commerce Kreps¹

Washington, March 7, 1977

SUBJECT

U.S.–PRC Trade Relations

The President has noted the sharp downturn in U.S. exports to China which began early last year. As you know, this downturn has led to the first U.S. trade deficit with China since U.S. import controls were lifted in 1971.

The President would like to know what we can/should do about this. Please let me know by Thursday, March 10.

Zbigniew Brzezinski

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3–6/77. Confidential.

16. **Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter**¹

Washington, March 8, 1977

SUBJECT

Nixon and Kissinger Memcons with Mao and Chou, 1971–73: A Preliminary Assessment

All memcons of conversations between Nixon–Kissinger and Mao–Chou—the verbatim transcripts exceed 1,000 pages—are being digested by my staff.² But an interim report is possible.

We have not located a formal, secret agreement. Probably none exists.

However, in the course of the remarkably frank, wide-ranging conversations, each side made many statements about their policies and expectations. The Chinese made no promises. On our side, however, Nixon–HAK carefully repeated five points on several occasions. Stated first before the Nixon trip, these so-called “Five Points” constitute a SECRET PLEDGE:

—There is one China and Taiwan is part of it. We will not assert the status of Taiwan is undetermined.³

—We will not support any Taiwan independence movement.

—We will use our influence to discourage Japan from moving into Taiwan as our presence diminishes.

—We will support any peaceful resolution of the Taiwan issue that can be worked out.

—We seek normalization. (Nixon–HAK suggested the process would be completed by 1976.)

Nixon–HAK made two other pledges as well:

—We will not participate in arrangements that affect Chinese interests without prior consultation.⁴

—We will reduce our military forces on Taiwan as progress is made toward normalization.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, Chron: 3/77. Top Secret; Eyes Only; Nodis. Brzezinski later sent another memorandum to Carter revising the views he expressed here. See Document 20.

² The records of all the meetings between Nixon and Kissinger and their Chinese counterparts are printed in *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, and vol. XVIII, China, 1973–1976.

³ Carter made a checkmark in the margin next to each of these five points.

⁴ Carter made a checkmark in the margin next to both of these points.

Secret actions gave meaning to the Sino-American relationship as well. We gave extensive intelligence on Soviet troop deployments until 1973, after which Peking spurned our briefings. We sought—the record does not indicate how—to deter a Soviet attack in the event of Chinese involvement in the late 1971 Indo-Pakistani war.

The record raises several profound questions we now must address: (1) Should the secret pledges remain in force?⁵ Without these commitments, the Sino-American relationship could not have evolved to their present state. To retract them would destroy the “spirit” behind the Shanghai Communique. (2) Should the pledges be kept secret?⁶ If they are made public prior to normalization, the Taiwan lobby would raise a political storm. (3) If the pledges and actions are to be kept secret, how many people can safely see the record and become full partners in the making of China policy? Given the danger of leakage, should the circle remain tight?⁷

Finally, the transcripts reveal the opening to China succeeded because of the U.S. flexibility on the Taiwan issue. The “five points” enabled our two countries to pursue our parallel strategic interests vis-a-vis the USSR. What leverage will we surrender over the Soviets should we fail to demonstrate continued movement on the Taiwan issue?⁸

⁵ Carter underlined the last five words of this sentence and in the margin wrote, “Yes.”

⁶ Carter underlined this sentence and in the margin wrote, “Yes.”

⁷ Carter underlined the last five words of this sentence and in the margin wrote, “Yes.”

⁸ In the margin next to this final question, Carter wrote a question mark. He initialed “J.C.” at the bottom of the page.

17. **Memorandum From Secretary of Commerce Kreps to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, March 11, 1977

SUBJECT

United States Trade Deficit With China

Your memorandum of March 7 states that the President has noted the sharp downturn in our exports to China and has asked what we can or should do about it.² I believe it is useful that we understand the circumstances surrounding the turn-around in the Sino-American trade balance. The gross data do not reflect the distortion caused in 1973 and 1974 by Chinese purchases of huge amounts of U.S. agricultural commodities. With agriculture removed, the attached table shows an adjusted "balance" far more modest in the U.S. favor until the recent downturn.³

In 1976, however, total exports to China by the non-communist countries were off about 15%; Japan was down 26% and the U.K., 30%. Only West Germany showed a significant gain at 28%. The causes of this decline are attributable primarily to hard currency difficulties, political disruptions, and natural disasters. It is not surprising, therefore, that U.S. exports declined. The sharpness of that decline is traceable to a variety of bilateral factors.

Foremost among the factors currently affecting our ability to export to the People's Republic of China (PRC) is the lack of fully normal diplomatic and trade relations. Diplomatic recognition of Peking, while no guarantee of increased trade in and of itself, would almost certainly result in greater purchases of American technology and equipment since Chinese commercial decisions are clearly affected by political perceptions. For this reason, the United States to some extent has been a residual supplier of goods to which China turns only after having obtained most of what they need from those industrialized nations which recognize the PRC.

Extension of nondiscriminatory tariff treatment (MFN) to China, now governed by the requirements of the Trade Act of 1974, including

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3-6/77. Confidential.

² See Document 15.

³ The attachment was not found.

the Jackson–Vanik Amendment,⁴ would assist Chinese exports, but the removal of this stigma of second-class status as perceived by the Chinese would be an even more significant stimulant of Chinese decisions in favor of placing more orders with American suppliers.

Absent fully normal diplomatic relations and the extension of MFN, resolution of the claims/assets issue would certainly facilitate the exchange of trade exhibitions, direct banking relations, and direct sea and air connections between the two countries.

From the viewpoint of the Department of Commerce, normalization of relations or, short of that, settlement of the claims/assets issue are the steps that should be considered. These steps would set the stage for easing or eliminating the imbalance in trade. However, trade is only part of the equation in the Sino-American relationship. Political aspects are paramount. An assessment as to politically feasible steps that can be taken lies within the province of the Secretary of State.

Juanita M. Kreps

⁴ The Jackson–Vanik amendment to the 1974 Trade Act denied most-favored-nation trade status and trade credits to countries with non-market economies that restricted emigration.

18. Memorandum From Secretary of the Treasury Blumenthal to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, March 12, 1977

SUBJECT

U.S.–P.R.C. Trade Relations

Total U.S. trade with the P.R.C. has fluctuated wildly since 1973, reflecting sharp changes in the volume of U.S. agricultural exports. Agricultural commodities accounted for more than 80 percent of U.S. exports to the P.R.C. in 1973 and 1974, but dropped to around a third of total exports in 1975 and to virtually nothing in 1976. U.S. exports of manufactured goods also declined in 1976, after showing a consistent

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3–6/77. Confidential.

rise from 1973 to 1975. As you correctly pointed out in your memo of March 7,² the U.S. trade balance with the P.R.C. registered a negative balance of \$66.5 million in 1976, the first such deficit since 1971.

The reasons for the reduction in U.S. exports to the P.R.C. in 1976 are numerous and to a large extent reflect China's global trade policy last year. Partial returns from most of China's major Western trading partners show 1976 Chinese imports down 7 percent from 1975. In 1976 Peking tried to hold down imports because of a tight foreign exchange situation and rising debt service obligations. A drop in agricultural imports from Canada, Australia, and the U.S. and lower fertilizer imports from Japan accounted for most of the reduction in imports. Relatively good harvests served to decrease dependence on foreign sources of agricultural commodities. Failure to increase oil exports, dampened export earnings in 1976 thus adding to existing hard currency difficulties. Earthquakes and the deaths of Premier Chou and Chairman Mao and the succession struggle all have had negative effects on the trade sector.

The controversy between the radicals and moderates within the P.R.C. in 1976 over foreign trade policy apparently stalled the drafting of a new five-year plan that was to begin last year. Although many foreign trade corporations—particularly the one handling imports of whole plants and technology—remained active throughout the year, uncertainty over the overall plan undoubtedly constrained trade flows.

Recent public and private statements by Chinese officials suggest a new emphasis on foreign trade. Trade initiatives, sidetracked since 1974 by foreign exchange constraints and planning delays arising from the political power struggle, appear to have been resolved. Peking's financial policies nonetheless will remain quite conservative, and the effects on trade flows probably will not show up until late this year.

With regard to trade with the U.S., it appears that the Chinese will not increase dramatically their imports until normalization of our bilateral political relations takes place. In fact, because we do not have diplomatic relations with them, the Chinese appear to favor other sources of supply, when available, in purchasing commodities from the West.

Until the obstacles blocking normalized relations with the P.R.C. are overcome, the U.S.G. has a limited role in expanding economic relations. We can, however, continue to encourage U.S.–P.R.C. trade and economic cooperation within the existing framework by supporting the U.S. business community in their attempts to increase trade with the P.R.C. We should take an active role in supporting the activities of the National Council for U.S.–China Trade, a private organization founded in the spirit of the Shanghai Communique (February 28, 1972) to facili-

² See Document 15.

tate the development of Sino-U.S. commerce. We should also continue to make clear to the leadership of the Peoples Republic of China that we strongly favor increased economic and political cooperation between our two countries.

W. Michael Blumenthal³

³ Blumenthal signed “Mike” above this typed signature.

19. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, March 14, 1977

SUBJECT

Brzezinski’s Memorandum to Treasury and Commerce on U.S.–PRC Trade Relations²

You inquired into our 1976 trade deficit with the PRC. The deficit—but a small part of our total national trade deficit—arises from:

—Slow but steadily growing PRC exports to the U.S., in sectors with a steady demand (particularly sales in such labor intensive commodities as cotton textiles); and

—A drop in U.S. exports, which were composed of discrete items of high technology equipment and large agricultural sales.

The growth in PRC exports is due to increasing Chinese awareness of U.S. markets. Their success has been obtained without MFN. One way to decrease their exports would be to impose self-restraint agreements on them, but given the state of our relationship, this would be unwise.

The sluggish U.S. exports are due to: (a) Peking’s penalizing us for not having full diplomatic relations (they treat us as a residual supplier); (b) an overall balance of payments problem, which caused them to reduce total imports; and (c) their domestic economic and political difficulties which reduced their desire for and capacity to absorb for-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People’s Republic of): 3–6/77. Confidential. Sent for information. A handwritten “C” at the top of the page indicates Carter saw the memorandum.

² See Document 15.

eign plants and technology. Their bad agricultural and industrial performance in 1976 will force the PRC to spend a high portion of available foreign exchange on grain and steel—commodities where we clearly are the residual supplier.³

³ A draft of this memorandum prepared by Oksenberg apparently before he received the responses from the Commerce and Treasury Department (See Documents 17 and 18), contains four sentences that were crossed out and do not appear in the final version sent to the President: “The only sure way to increase sales is to recognize the PRC. Settlement of the claims and assets issue may narrow the gap, but is as likely to increase Chinese sales in the U.S. as much as it will increase Chinese imports. In any case, a desire to remedy the deficit should not be the determinant of our China policy. In fact, it may not be a bad idea from a broader strategic point of view to encourage Chinese sales in the U.S.—so we can accrue leverage over them by being able eventually to threaten their access to U.S. markets.” (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People’s Republic of): 3–6/77)

20. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, March 18, 1977

SUBJECT

Further Comment on the Nixon and Kissinger Memcons with Mao and Chou

With reference to my memorandum of March 8 (attached),² it seems to me, on further reflection and following a conversation with Cy Vance, that it would be wrong to consider the points of view expressed by Nixon and/or Kissinger as “secret pledges.”

A more appropriate definition of their statements would be “the Nixon Administration’s point of view.”

Though the distinction may strike you as formal, and though we might very well continue to abide by the points of view expressed to the Chinese, it might be a mistake to consider them as “secret pledges,” a wording that implies a much more formal commitment.

I think it is important to introduce this qualification for the record, especially since the previous memorandum bears your initials. Accord-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 42, Meetings: 1–3/77. Top Secret; Eyes Only; Nodis.

² Printed as Document 16.

ingly, if you approve, you might wish to initial this memorandum as well and I will make certain that it is attached in the official records to my earlier memorandum of March 8.³

³ An initialed copy of this memorandum was not found.

21. Memorandum of Conversation¹

Washington, March 23, 1977

SUBJECT

SALT; CTB, Indian Ocean; Africa, Middle East; Belgrade Conference; Vietnam; Fukuda Visit; Claims/Assets; Exchange Program

PARTICIPANTS

People's Republic of China
Ambassador Huang Chen
Counselor Tsien Ta-yung
Third Secretary Hsu Shang-wei

United States
The Secretary
Richard Holbrooke, EA
Harry E.T. Thayer, EA/PRCM (Notetaker)
Michel Oksenberg, NSC

SALT

After a brief discussion of Ambassador Huang's recent trip to Georgia and Florida, the Secretary said he wanted to brief the Ambassador on his trip to the Soviet Union and to provide a general outline on matters to be covered there;² this would enable Huang to report to his Government. The main subject in Moscow, the Secretary said, would be SALT, on which he would proceed as outlined in the President's speech to the UN³ by suggesting two basic alternatives for discussion.

¹ Source: Department of State, Executive Secretariat Files: Lot 84 D 241, Box 10, Vance NODIS Memcons, 1977. Secret; Nodis. Drafted by Thayer (EA/PRCM). Holbrooke sent Vance a briefing memorandum in anticipation of this meeting. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 42, Meetings: 1-3/77)

² Vance visited the Soviet Union March 27-30.

³ Carter's March 17 address before the UN General Assembly is printed in *Public Papers: Carter, 1977*, pp. 444-451.

The Secretary identified the first alternative as a comprehensive arms control package involving substantial reduction of the Vladivostok numbers on both sides,⁴ coupled with a freeze on development, testing and deployment. If this agreement is acceptable for negotiation, this would lead to substantial arms control progress on both sides. Alternatively, the US would propose a more limited package, based on elements of the Vladivostok accord on which the two sides could reach agreement at this time. The two sides might set aside for action in the future the more contentious issues and the deeper reductions outlined in the more comprehensive package. In other words, Backfire and Cruise Missile would be set aside for discussion at a later date. Our preference would be for the more comprehensive package, but we are willing also to discuss the deferral package. The Secretary invited Huang to ask any questions on this subject. Huang said he had none.

CTB

The Secretary said that another subject for discussion would be the issue of a comprehensive test ban. We would discuss the possibility of negotiating for a ban on all tests of nuclear weapons for a limited period. As the President had indicated to Huang,⁵ this is an issue between the Soviets and ourselves; but we would hope that some time in the future other nations would join such an agreement.

The Secretary said he expected that a number of issues would be raised in this connection, such as peaceful nuclear explosions being permitted under this test ban. Second, what kind of verification would be required under such an agreement? Third, whether or not the Soviets are prepared to enter such an agreement if it is only a bilateral one. The Secretary said that, at this point, we have no idea as to how the discussions will come out or if the Soviets have a serious interest in such a discussion.

Indian Ocean

The Secretary told Huang that the Indian Ocean would be a third issue to be discussed in a very preliminary fashion. The Soviets had for a considerable period of time made propaganda out of the suggestion of a peaceful initiative with respect to the Indian Ocean. President Carter decided that he wanted to find out whether the Soviets were merely making propaganda or had a serious interest in discussing the issue. The Secretary said he planned to ask the Soviets very specifically and precisely what they have in mind when they talk about limits on

⁴ In November 1974, President Ford and Soviet General Secretary Brezhnev met at Vladivostok and reached an agreement that set limits on various strategic weapons.

⁵ See Document 5.

activity in the Indian Ocean and find out the precise nature of any proposal they might have. As in the case of the comprehensive test ban, the US does not plan any negotiations on this issue on this trip; rather, the discussions will be exploratory in nature to find out how serious the Soviets are.

Africa

The Secretary said he would also probe the Soviet intentions toward both central and southern Africa. As Huang knew, we had already protested the Soviet Union's supply of arms to southern Africa which has not been helpful and, if continued, would have an adverse effect on bilateral relations.

In Moscow, the Secretary continued, he would also seek to ascertain Soviet intentions toward the Horn of Africa. Quite frankly, the US is concerned: the Soviets seem very active there now and this may contribute to destabilization of the area.

Middle East

The Secretary said that another subject to be discussed in Moscow is the Middle East. He noted that Huang had received a briefing from Under Secretary Habib, who had brought Huang up-to-date on what took place during his trip.⁶ As Habib had pointed out, it is quite clear that we have influence on and the confidence of the parties on both sides of the conflict. We intend to be very active in working with the parties to find a solution to the Middle East problem. We will indicate to the Soviet Union that we believe we are the ones who should continue to play the leading role. We recognize their position as Co-chairman but it would not be useful for the Soviets to play an active role at this moment. If the Geneva Conference is reconvened, obviously they will have to be present as one of the Co-chairmen. However, the job of working with the parties to negotiate an agreement has to be the role of the U.S.

Belgrade Conference

The Secretary told Huang that the Soviets have also indicated they wish to discuss the Belgrade Conference.⁷ We have said that we are prepared to do so. The Secretary said he would tell them that we wish to review at the Belgrade Conference the implementation of all three "baskets": one, two and three. We will indicate that we believe this should be the central focus of the Belgrade Conference and that it would be a mistake to introduce new issues instead of reviewing the re-

⁶ See Document 13.

⁷ The Belgrade Conference, held October 1977–March 1978, was the first follow-up meeting of the Conference on Security and Cooperation in Europe.

sults to date of the existing agreement. The Secretary said we think the Soviets want to discuss new issues and thus avoid discussing the lack of progress in implementing the three baskets.

Vietnam

The Secretary said he thought Huang would be interested in a brief report on our relationships with Vietnam as they developed on the Woodcock mission for the President.⁸ The mission, we judge, has been helpful, but until we assess the results we won't know what the process of normalizing our relations with Hanoi will be. We think that the atmosphere between our two countries is much better as a result of the mission and that both sides, in moving toward discussions of normalization, will be able to avoid extreme positions.

Ambassador Huang interjected that he had just heard on the radio that President Carter had decided to accept the invitation to resume negotiations in Paris. The Secretary confirmed this, adding that he hoped the end of the road was near, and that we could resume normal relations. He thought it would be in the interest of both the U.S. and Vietnam and in China's interest as well.

Fukuda Visit

Turning to the visit of the Japanese Prime Minister,⁹ the Secretary said the visit, in our judgment, was highly successful, and he believed Fukuda shared this view. The visit confirmed that our relations are in excellent condition. This is important since Japan is central to our position in East Asia. He believed Huang's view was the same.

Claims/Assets; Exchange Program

The Secretary mentioned that he hoped the PRC would give serious attention to our March 17 proposal for making an effort to resolve the claims/assets issue,¹⁰ and then turned to the Sino-U.S. exchange program. He said we are pleased about the increase in the number of

⁸ The mission led by Leonard Woodcock visited Hanoi to discuss POWs/MIAs, assistance to Vietnam, and normalization of relations.

⁹ Fukuda met with Carter on March 21 and 22.

¹⁰ On March 17, Holbrooke proposed to Han Hsu that the agreement in principle reached in February 1973 be used as a starting point for a new effort to work out a settlement on the claims/assets issue without reference to the subsequent negotiating history. Holbrooke said that the U.S. understanding of that agreement was that all of the blocked Chinese assets would be available to reimburse the U.S. claimants, and all of the private U.S. properties left in China would be used to satisfy the Chinese claims. (Telegram 62960 to Beijing, March 22; National Archives, RG 59, Central Foreign Policy File, D770097-0716) In the 1973 agreement, reached in counterpart meetings during Kissinger's February 1973 visit to China, the PRC agreed to settle U.S. private claims through an assignment of blocked Chinese assets to the U.S. Government for use in compensating American claimants.

exchanges this year. As President Carter had indicated to Huang, we hope we can grow closer together in the cultural field.

The Secretary said he had concluded his brief review and would be glad to answer any questions and have any advice.

Ambassador Huang

Ambassador Huang, after thanking the Secretary, said that some of the issues already had been touched on in his meeting with the President. Nevertheless, he would repeat some points made then. With respect to the US-Soviet talks and relations, China's basic view was still the same. The US had vested interests to protect around the world and the Soviet aim is expansion. This is unalterable.

SALT, CTB

As he had said to President Carter, the PRC had never been interested in the so-called disarmament agreements reached by the Soviet Union and the US. He had already explained the reason to President Carter. President Carter had mentioned the comprehensive test ban, including asking others like France and China to join following Soviet and U.S. agreement. China's consistent policy, Huang told the Secretary, is to oppose nuclear blackmail proposed by the Soviet Union and the U.S., and China will not take part in any of these activities. The PRC felt that the Soviet Union and the United States now had conducted enough tests and don't want to allow others to do so. There is no reason for this under Heaven.

Indian Ocean

Huang noted that the Secretary had spoken of probing the real intention of the Soviet Union in the Indian Ocean. The U.S. may try its best. China had always believed that the Soviets were stepping up their expansion efforts behind a smokescreen. The Secretary jokingly asked Huang if he thought we would find the Soviets were just making propaganda. Huang answered, in the same spirit, that perhaps the Secretary would make a new discovery. Both laughed.

Africa

Referring to recent Soviet expansion in Africa, Huang recalled that the "People's Daily" had recently carried a "Commentator" article that strongly condemned Soviet mercenaries from Angola invading Zaire. The PRC had expressed firm support for Zaire's resistance against foreign aggression. Since the Soviets had started influencing Angola, the Soviet Union not only had sent 10,000 mercenary troops but also had mustered old colonialist forces there to serve its aggressive activities. This was another demonstration that the Soviet Union was stepping up its criminal activities of aggression and expansion in Africa. Huang

said he had told Dr. Kissinger that today's developments were inseparable from U.S. policy toward the Soviet Union. Repeated U.S. concessions had served to boost Soviet ambitions. The U.S. should draw a lesson.

The Secretary said he would add a comment on Zaire. The U.S. had given assistance at Zaire's request and had been working with other countries in the region. We had received a good response, particularly from the Nigerians, who are much concerned about territorial integrity.

Middle East

Huang told the Secretary that the Chinese were grateful that Under Secretary Habib, with the Secretary's instructions, had provided a detailed briefing on the Middle East. Huang had summarized China's basic position to Habib, and therefore, he would not repeat it.

Vietnam

Huang noted that the Presidential Commission had successful talks, and that the U.S. was going to probe the road to normalization. As he had said to President Carter, this was good. (Huang at this point asked his staff if that covered everything. Tsien reminded him of other topics.)

Japan

Huang noted that the Secretary had reported that Fukuda's visit had reinforced good relations between the U.S. and Japan. As China had said before, Japan–U.S. relations should come first and Japan–China relations second.

Claims/Assets

Huang said he had addressed this issue after President Carter had raised it. A few days ago Han Hsu and Mr. Holbrooke had discussed the issue. The PRC's principled view had already been expounded. It is up to the U.S.

The Secretary asked Mr. Holbrooke if he wished to comment. Mr. Holbrooke said we had outlined our understanding, specifically referring to our hope that we could resume discussions started in February 1973. He said he didn't want today's meeting to leave the wrong impression. We had made a proposal for which we were awaiting a reply. At the March 17 meeting, Han Hsu asked what the new proposal was, and we expressed our wish to sweep away diverting and side issues introduced since February 1973. That was a serious proposal we had made on behalf of the Government.

Ambassador Huang noted that Counselor Tsien had attended the March 17 meeting. Tsien then said that Ambassador Huang had mentioned that he had already expressed the PRC's basic position to Presi-

dent Carter. Mr. Holbrooke, Tsien continued, had just mentioned what had been discussed in the meeting with Han Hsu. The Chinese side had no expectation that the issue would be discussed today, since Ambassador Han had expressed his view at the last meeting.

Exchange Program

Referring to the increase, Huang said that China's basic attitude is that it will always act in accordance with the principles of the Shanghai Communiqué. People to people contacts, according to the Shanghai Communiqué, are helpful to increased friendship and understanding between our two peoples. A couple of days ago, Mr. Oksenberg had informed the PRC Liaison Office that the U.S. would like to send a Congressional delegation in the near future. This has been reported to Peking.

The Secretary concluded the meeting by saying that Huang would be reading in the newspapers much about what was happening in Moscow. If the Ambassador would like, the Secretary would be pleased, when he returns, to tell Huang what really happened. Ambassador Huang laughed in appreciation.

22. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, March 26, 1977, 0129Z

67316. Subject: Nuclear Representation to the ROC.

1. We have decided that determined and far-reaching action is required to eliminate the nuclear proliferation risk we now face on Taiwan. Accordingly, the Ambassador is requested to call on Premier Chiang at the Premier's earliest convenience to make a representation on the nuclear issue based on the talking points presented below. Following oral presentation, Ambassador should leave formal note embodying our position. We also wish to provide the ROC a suggested response to our note (texts provided). It would probably be awkward for the Ambassador to do this with the Premier; we leave it to the Embassy as to how this might be best handled.

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850106–1942. Secret; Nodis. Drafted by Levin (EA/ROC); approved by Holbrooke; and cleared by Christopher (D), Nye (T), Mink (OES), Davies (ACDA), and Romberg and Kalicki (S/P). Repeated on March 26, 0507Z, to the White House for Brzezinski.

2. Department appreciates Embassy's helpful comments and suggestions which contributed significantly to this important effort.² The Embassy's recommendation on the modalities of the approach was given careful consideration, but we believe that our objectives would be best served by confining our effort to the highest level. The presentation of our position in writing should minimize the danger of confusion over technical issues.

3. At the present stage, we seek ROC agreement to basic principles. There is no give in our position on these principles, although obviously implementing details will have to be worked out between the two countries at a technical level. Once the ROC agrees to our basic position this process can begin shortly.

4. You should inform the ROC that a prompt response would be greatly appreciated.

Talking points:

—I have been instructed to impress upon you President Carter's determination to do everything in his power to prevent nuclear proliferation.

—We welcome your recent statement of support for the President's position, as well as the ROC's adherence to the NPT, your own public avowals that the ROC would not manufacture nuclear weapons and your assurances of last September on reprocessing.³

—As you probably realize, our non-proliferation policy is global in scope and must be based on long-term considerations. We must be able to demonstrate that assurances and obligations are not subject to violation, particularly in countries where there is a high potential for the development of a nuclear explosive capability. This is especially true in those countries which have been closely associated with us in the nuclear field.

—The ROC clearly fits into this category. You have publicly acknowledged that the ROC has the capability to develop nuclear weapons.

² Telegram 1050 from Taipei, February 25, suggested approaching Taiwanese scientists and Foreign Ministry officials before meeting with Jiang. (National Archives, RG 59, Central Foreign Policy File, P850106–1955)

³ On January 27, the Republic of China released remarks by Jiang that expressed support for Carter's statement in his January 20 inaugural address advocating global elimination of nuclear weapons, preceded by the halting of all nuclear tests. Jiang also noted, "the Government of the Republic of China has been consistently advocating the peaceful use of atomic energy; and although the Chinese Government has the capability of developing nuclear weapons it will never engage in the production of such weapons." (Telegram 532 from Taipei, January 28; National Archives, RG 59, Central Foreign Policy File, D770031–0703) In September 1976, Taiwan reportedly agreed to stop reprocessing nuclear fuel. (Don Oberdorfer, "Taiwan To Curb A-Role," *The Washington Post*, September 23, 1976, p. A1)

—By now you are probably aware that the US team found serious problems with the activities carried out at the Institute of Nuclear Energy Research (INER).

—I must frankly state that following a review of all the available evidence, the US is convinced that much of INER's current activities have far greater relevance to a nuclear explosive research program than to the ROC's nuclear power program.

—This is of greatest concern to us and unless the ROC's nuclear program is significantly modified to eliminate all proliferation risks, we will not be able to continue cooperation on peaceful nuclear energy matters. Other important relationships between us will also suffer.

—We recognize that we are requesting major changes in the ROC's nuclear program, some of which arise from a change in our own attitude toward certain types of research. Nevertheless, we see no other means of sustaining both our deep commitment to non-proliferation and our peaceful nuclear relationship with the ROC.

—We believe our mutual interests are served by continued cooperation on peaceful nuclear energy matters. For us to be sufficiently assured about the ROC's nuclear program to permit such cooperation, we desire your government's agreement on the following steps:

1. Include all present and future ROC nuclear facilities and materials under the US/ROC bilateral agreement for cooperation.

2. Dispose of spent fuel from existing and future reactors under mutually acceptable conditions.

3. Terminate all fuel cycle activities and reorient facilities involving or leading to weapons-usable materials, such as the separation or handling of plutonium and uranium-233, and development of uranium enrichment and heavy water production capabilities.

4. Avoid any program or activity which, upon consultation with the US, is determined to have application to the development of a nuclear explosive capability.

5. Transfer all present holdings of plutonium to the US under appropriate compensatory arrangements.

6. Pending establishment of a mutually acceptable research program, disposition of spent fuel in a mutually acceptable manner, and a mutual determination that effective safeguards could be applied to the reactor and associated facilities, suspend operation of the TRR and notify the IAEA of your government's action.

—We have heard that the IAEA is also concerned about the direction of your government's nuclear research program. Prompt and favorable ROC action on the above points might ease these IAEA concerns and perhaps reduce the possibility of IAEA measures which could complicate both our efforts to deal with this problem.

—While these steps will involve substantial reorientation in your nuclear research program, in our view they will not have an adverse impact on your current nuclear power program.

—To avoid misunderstanding, we are providing you the US position in writing and would appreciate your government's reply in writing.

—Following receipt of your reply, we would be prepared to send a team of nuclear experts to work out with your scientists the details and technical arrangements required to give effect to the basic agreement reached between our governments.

—Additionally, we are willing to provide technical advice and assistance in reorienting INER's research activities toward exclusively peaceful purposes.

—In conclusion, I again wish to stress that we are counting on complete ROC cooperation in our effort to reduce the dangers of proliferation facing mankind. I believe we both have an opportunity to demonstrate to the rest of the world our joint commitment to non-proliferation.

—If asked about the US attitude toward ROC development of a heavy water reactor, you should state that we would have to study the matter. Implementation of the other steps we discussed should not await a decision on this question.

—If asked whether compliance with our requests will result in a guaranteed nuclear fuel supply, you should reply that while we cannot make an absolute commitment because of congressional and independent regulatory agency prerogatives, we would do our best to satisfy ROC requirements.

US Note to the ROC:

(Complimentary opening)

The Government of the United States views the prevention of further proliferation of nuclear weapons as one of the most important tasks facing the international community, and considers it vital that countries avoid activities which in any fashion cast doubt as to their nuclear intentions.

The US believes it important in that regard, that the Republic of China take certain steps to reorient its program for the peaceful uses of atomic power in order to dispel any residual doubts as to ROC intentions or capabilities. Toward that end, the US believes the following measures should be adopted:

1. All nuclear materials, equipment and facilities currently in the Republic of China or which may subsequently be acquired or constructed would henceforth be covered by the provisions of Articles VIII, X, XI, XII of the Agreement for Cooperation Between the Govern-

ment of the United States of America and the Government of the Republic of China Concerning Civil Uses of Atomic Energy, signed at Washington, April 4, 1972, as amended,⁴ in the same manner as if such materials, equipment and facilities had been received from the United States. In that regard, we would appreciate reaffirmation by the ROC of its offer to open all of its nuclear facilities to the US Government on a continuing basis.

2. All spent fuel from existing and future reactors located in the ROC would be disposed of under conditions mutually acceptable to our two governments.

3. The ROC would terminate all fuel cycle activities and reorient facilities involving or leading to weapons-usable materials, such as the separation or handling of plutonium and uranium-233, and the development of uranium enrichment and heavy water production capabilities.

4. The ROC would transfer all present holdings of plutonium to the US under appropriate compensatory arrangements.

5. The ROC would henceforth avoid any program or activity which, upon consultation with the US, is determined to have application to the development of a nuclear explosive capability.

6. Pending establishment of a research program acceptable to our two governments, disposition of spent fuel in a mutually acceptable manner, and a mutual determination that effective safeguards could be applied to the reactor and associated facilities, the ROC would suspend operation of the TRR and would so notify the IAEA.

Agreement to these measures by the Government of the Republic of China will be of significance in assuring a continuation of our mutual cooperation in the use of nuclear power to produce electricity. Moreover, by undertaking these measures the ROC can make an important contribution to a reduction in the dangers of nuclear proliferation, and to the solution of global energy problems.

(Complimentary closing)

Suggested ROC Reply:

(Complimentary opening)

The Government of the Republic of China, as a party to the Treaty on the Non-Proliferation of Nuclear Weapons, and as a party to safeguards agreements with the International Atomic Energy Agency strongly supports the goal of non-proliferation, and reiterates its determination to utilize nuclear power exclusively for peaceful purposes. To

⁴ The U.S.–ROC Agreement for Cooperation Concerning Civil Uses of Atomic Energy was signed on April 4, 1972, and entered into force on June 22, 1972. (23 UST 945) It was extended and amended on March 15, 1974. (25 UST 913)

that end, the Government of the Republic of China in its note of September 17, 1976, indicated that it would henceforth not engage in any activities related to reprocessing.⁵

In order to put permanently to rest any question as to its determination to utilize the atom solely for peaceful purposes, the ROC has decided upon the following additional policies:

1. All nuclear materials, equipment and facilities currently in the Republic of China or which may subsequently be acquired or constructed shall henceforth be covered by the provisions of Articles VIII, X, XI, and XII of the Agreement for Cooperation Between the Government of the United States of America and the Government of the Republic of China Concerning Civil Uses of Atomic Energy, signed at Washington, April 4, 1972, as amended, in the same manner as if such materials, equipment and facilities had been received from the United States. In that regard, the Government of the Republic of China reaffirms its offer to open all of its nuclear facilities to the US Government on a continuing basis.

2. Any spent fuel from existing and future reactors located in the ROC will be disposed of under conditions mutually acceptable to our two governments.

3. The ROC will terminate all fuel cycle activities and reorient facilities involving or leading to weapons-usable materials, such as the separation or handling of plutonium and U-233, and the development of uranium enrichment and heavy water production capabilities.

4. The ROC will transfer all present holdings of plutonium to the US under appropriate compensatory arrangements.

5. The ROC will henceforth avoid any program or activity which, upon consultation with the US, is determined to have application to the development of a nuclear explosive capability.

6. The Government of the Republic of China has decided to reorient the activities at INER. Accordingly, the ROC has suspended operation of the TRR pending establishment of a mutually acceptable research program, disposition of spent fuel in a mutually acceptable manner, and mutual determination that effective safeguards can and

⁵ Vice Foreign Minister Chien delivered a note, dated September 16, 1976, to the Embassy in Taipei setting forth non-proliferation assurances. (Telegram 6330 from Taipei, September 17, 1976; National Archives, RG 59, Central Foreign Policy File, D760351–0199) Unger proposed revisions to this note. Chien gave a revised version of the note to the Embassy, which informed the Department that the new note “fully meets our request for assurances regarding ROC’s nuclear intentions.” (Telegram 6336 from Taipei, September 18, 1976; National Archives, RG 59, Central Foreign Policy File, D760352–0983)

will be applied to the reactor and associated facilities and has so notified the IAEA.

Vance

23. Editorial Note

On March 28, 1977, Leonard Unger, Ambassador to the Republic of China, called on Premier of the Republic of China Jiang Jingguo. As instructed, Unger made an oral presentation to Jiang concerning non-proliferation of atomic weapons based on talking points he had received from the Department; he then left with Jiang a written copy of the talking points and a formal note embodying the U.S. position (see Document 22). During this meeting, Jiang reiterated his support for Carter's non-proliferation policy. (Telegram 1720 from Taipei, March 29; National Archives, RG 59, Central Foreign Policy File, P850106–1836) In response to a question from Vice Minister Chien Fu of the ROC Ministry of Foreign Affairs, telegram 76252 to Taipei, April 6, clarified that the "proposed exchange of notes would constitute a formal agreement between the United States and the Republic of China." (National Archives, RG 59, Central Foreign Policy File, P850106–1863)

On April 12, Vice Minister Chien responded, delivering a note to Deputy Chief of Mission Paul M. Poppo. The Embassy in Taiwan later reported that Chien's explanatory remarks confirmed that the note "represented full GROC acceptance [of the proposals] put forward by USG with minor exception regarding notification to IAEA of suspension operation of TRR." (Telegram 82523 from the Department of State to the White House, April 13; National Archives, RG 59, Central Foreign Policy File, N77002–0574)

In an April 29 memorandum, the President's Assistant for National Security Affairs, Zbigniew Brzezinski, informed President Jimmy Carter: "It is now quite clear that the Taiwanese Institute of Nuclear Energy Research has been ordered to terminate its heavy water reactor project and close the hot laboratory. The American effort to crack down on this project clearly yielded its desired results." In the margin next to this statement, Carter wrote, "Good." (Weekly National Security Report #11, April 29; Carter Library, Brzezinski Donated Material, Subject File, Box 41, Weekly Reports [to the President], 1–15 [2/77–6/77])

24. Presidential Review Memorandum/NSC 24¹

Washington, April 5, 1977

TO

The Vice President
The Secretary of State
The Secretary of Defense

ALSO:

The Secretary of the Treasury
The Secretary of Commerce
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence
The U.S. Representative to the U.N.

SUBJECT

People's Republic of China

The President has directed the Policy Review Committee to undertake a three-part review of our policies toward the People's Republic of China: 1) an analysis of our broad options toward the PRC; 2) an analysis of the ways we can continue to withdraw our troops from Taiwan; and 3) an analysis of the transfer of defense-related technologies to the PRC.

This review, due June 1, will be undertaken in the following manner:

I. Options Toward the People's Republic of China.

Under the chairmanship of the Department of State, the PRC should:

1. Assess the benefits and costs which have accrued thus far from improved relations with China.

2. Assess the stability of current U.S.–PRC relations, the implications of a failure to advance them, and the advantages, if any, to be derived from normalization.

3. Assess our minimum requirements of Peking concerning their actions and attitudes toward a peaceful settlement of the Taiwan issue.²

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Institutional File, Box 26, INT Documents: 1500s–1800s: 2–4/77. Secret.

² Carter responded to a draft of this PRM by writing that it should address the “minimum requirements” for a “‘peaceful settlement’ attitude toward Taiwan.” (Memorandum from Brzezinski to Carter, April 2; Carter Library, National Security Affairs, Staff Material, Office, Institutional File, Box 26, INT Documentation: 1500s–1800s: 2–4/77.) The draft of the PRM is *ibid.*

4. Develop and assess several basic options (with scenarios) for seeking an enhanced relationship with the PRC. Each option must be within the framework of the Shanghai Communique, enable the U.S. to retain a full range of economic and cultural ties with Taiwan, and enable Taipei to provide for its security. Each option should address these series of problems:

- (a) Its effect upon the USSR, our Asian allies, Western Europe, and the Third World;
- (b) Its effect on our global strategic position;
- (c) Its effect on our relations with Taiwan;
- (d) Peking's likely response.

II. Taiwan Troop Drawdowns

Under the chairmanship of the Department of Defense, the PRC should review alternative plans for possible additional withdrawals of U.S. forces from Taiwan. It should:

1. Assess alternative schedules for removing the remaining forces, including a 50 percent reduction by December 31, 1978, a 50 percent reduction by December 31, 1977, or a complete withdrawal by December 31, 1977.
2. Develop alternative withdrawal plans to meet each schedule, with each including the alternative of a total withdrawal of the Army Communication Command and the War Reserve Materiel storage by December 31, 1977.
3. Examine the impact of each plan on various U.S. force activities on Taiwan.

III. Defense-Related Technology Transfer to the People's Republic of China

Under the chairmanship of the Department of State, the PRC should undertake a broad review of our policies toward sale of defense-related technology and equipment to the People's Republic of China. Although the PRC has not sought to purchase U.S. arms,³ it has purchased defense equipment from our allies and defense-related technology from the U.S. Hence, the review should:

1. Identify U.S. interests and objectives in facilitating or impeding the flow of the different types of defense-related technologies and equipment to the PRC.
 - (a) Assess the likely Soviet perceptions and implications for U.S.-Soviet relations of alternative modes and degrees of U.S. strategic export controls vis-a-vis the PRC.

³ Carter responded to the draft of this PRM by writing that it "Probably should point out that PRC has requested no arms sales."

(b) Discuss the potential direct threat to the U.S. of liberalization of controls and the threat of not liberalizing controls.

(c) Assess the effect on other countries: Japan, other East Asian countries, and our European allies.

2. Review current PRC technology levels, needs, and interests by principal sector (i.e., computers, aircraft, machine tools, metallurgy, communications, petroleum exploration, etc.)

3. Assess how technology transfers and purchase of equipment might affect the development of these sectors.

4. Discuss the state of existing legislative and regulatory restrictions, including export controls administered by Commerce and State as well as the COCOM structure and procedures.

5. Consider alternative courses of unilateral and/or multilateral (COCOM) action on these issues:

(a) The controls to be exercised against the PRC compared to those against the USSR.

(b) The advantages and disadvantages of allowing or encouraging sales by Third Countries which we would not license for U.S. exports;

(c) Review the procedural and administrative modifications implied by these alternative courses of action, including a review of NSDM 246 and the applicable section of NSDM 247.⁴

Zbigniew Brzezinski

⁴ NSDM 246, March 7, 1974, is entitled "End-Use Information Required by US and COCOM Export Controls." NSDM 247, March 14, 1974, is entitled "US Policy on the Export of Computers to Communist Countries."

25. Memorandum of Conversation¹

Washington, April 11, 1977

SUBJECT

Leonard Woodcock Appointment; Secretary's Visit to Peking; SALT; CTB; Indian Ocean, Africa; Middle East; Belgrade Conference

PARTICIPANTS

People's Republic of China
Ambassador Huang Chen
Ambassador Han Hsu
Counselor Tsien Ta-yung
Third Secretary Hsu Shang-wei

United States
The Secretary
William Gleysteen, EA
Harry Thayer, EA/PRCM (Notetaker)

Chip Carter's Visit

The Secretary opened by expressing appreciation for Ambassador Huang's help in facilitating the visit of Chip Carter with the Congressional delegation.² Ambassador Huang said the President's son is welcome to visit China.

Appointment of Leonard Woodcock

The Secretary said he would like to mention two points before discussing his Moscow visit. He wanted to let Huang know that we would be forwarding the name of Leonard Woodcock as the man to be appointed our representative in Peking. The Secretary said he was sure Huang knew of him: he had headed the Presidential Commission to Vietnam; he is one of our most distinguished citizens; he is a superb representative of our country, and the Secretary was sure the Chinese would find him to be so. Huang said he would report this to his Government. The Secretary thanked Huang, adding that Mr. Woodcock has the total and complete confidence of President Carter and of himself. When the Chinese side gets to know him, the Chinese would agree that he is a superb man.

¹ Source: Department of State, Executive Secretariat Files: Lot 84 D 241, Box 10, Vance NODIS Memcons, 1977. Secret; Nodis. Drafted by Thayer.

² The Congressional delegation, headed by Representative John Brademas (D-Indiana) and Senator Richard Schweiker (R-Pennsylvania), visited Japan and China. The delegation included a number of Senators and Representatives as well as James Earl Carter III ("Chip"), the President's son. Oksenberg and Roy accompanied the group.

Secretary's Visit to Peking

The Secretary said he would like to mention one other thing. He had been considering the possibility of making a visit to the People's Republic of China in the latter part of the summer if this would be convenient to the PRC. The Secretary thought it important that he have the chance to meet and visit with the leaders there. He would appreciate the opportunity very much if a visit and the timing would be convenient. Huang asked what was meant by late summer. He was told "August." He said he would report this but he was certain that the Secretary would be welcome. He added that August is a hot month, and all agreed that late August is not so hot as early August.

Moscow Visit

The Secretary told Huang he wanted to fill him in on the Moscow trip. Huang, he said, had undoubtedly been seeing a good bit about this in the newspaper and now the Secretary wanted to tell him what happened. Huang recalled that the Secretary had said March 23 the press would report much about the trip and that the Secretary then had promised to tell him the real facts.³

SALT

The Secretary said we had put before the Soviet Union two proposals, both of which we felt were eminently fair and reasonable. One of them was a proposal for a large reduction in the use of weapons and a freeze of deployment of new weapons systems in the ICBM field. This proposal and its alternate were rejected. The alternate proposal was to ratify the Vladivostok numbers and set aside the Backfire bomber and cruise missile, leaving those to be encompassed in SALT III. The Russians gave us only the simplest of reasons for their decision to reject our proposals. As to the comprehensive package, they said it was one-sided and unfair. Therefore they rejected it. We disagreed with their interpretation, saying our proposal was eminently fair and reasonable.

In regard to the other proposal, the Secretary continued, the Russians said it did not comply with the Vladivostok agreements. The Secretary told Huang that our records of the Vladivostok meeting and his consultations with Dr. Kissinger are in complete agreement. Therefore, we and the Russians had a major difference of view as to what had been agreed upon at Vladivostok. The two sides agreed to hold further discussions of SALT in May, when Foreign Minister Gromyko and the Secretary would meet in Geneva. In the meantime, there are some indications that the Russians would like to have some conversations before then to see if a basis for agreement could be reached. We intend to be

³ See Document 21.

patient and persevering because we believe that what we proposed is fair and reasonable. But no one could say now what would happen in the future. We shall have to wait and see.

CTB

The Secretary said that, among the other subjects discussed, perhaps of most interest to Huang would be the comprehensive test ban and the Indian Ocean. Regarding the CTB, the Soviets indicated that they want to discuss at a working group level a possible treaty on the comprehensive test ban. They indicated that they are willing to consider entering into such a treaty just with the Soviet Union and the US for a short period of one-and-a-half to two years. They went on to say that if others didn't join them, either of the two parties could renounce the treaty and resume testing.

We had sharp differences as to when there should be an exemption for peaceful nuclear explosions in any such treaty. We took a strong position that there should be no such exemptions because our study indicated that it is impossible to tell if any such explosions were being used for weapons development purposes. They responded that there might be on-site inspections, so why should we be concerned? The Secretary had asked them if they would be prepared under such circumstances to let us examine their explosive devices. They would not give an affirmative answer, saying only that that would be something to be discussed in the future. We set up a working group to discuss the matter further.

Indian Ocean

The Secretary said he had found that they had done very little thinking about what demilitarization of the Indian Ocean meant. It appeared that all they had thought about was that they wanted us to give up Diego Garcia. The Secretary asked the Russians about Berbera. They said that Berbera is not a military place, but is just a place for them to get food and water. The Secretary responded that that did not meet with his information, and that he would send photographs so that they could see for themselves. The Secretary told Huang he intends to do that. The Secretary said he asked the Soviets how they would define the Indian Ocean; they said they were not prepared to define it. He asked if they were talking about limiting the number of ship days, and they said no, that they believe in the right of free passage.

In short, the Secretary concluded, it was fairly clear that they had been talking propaganda and had not been talking seriously. We and they agreed, however, to continue to explore the matter in a working group in the near future.

Africa

The Secretary told Huang we also discussed questions about Africa. He expressed to the Russians his concern about what was hap-

pening in various parts of Africa, including intervention by non-African nations. There was discussion of Southern Africa, Central Africa and the Horn of Africa. The discussion from the Secretary's standpoint was not satisfactory. We received no assurance that the Russians would change the course of action that they were following.

The Secretary said he would digress for a moment to tell Huang what we expect to do concerning Zaire. We have decided that we are going to continue to give limited economic and military assistance to Zaire and to support diplomatic efforts now underway to reach a political solution to the problem. We informed Zaire of this within the last 48 hours. We have been in consultation with a number of African nations and with the French, Belgians and also the Egyptians about the situation in Zaire. That situation is very cloudy. The principal difficulty is that Zaire soldiers are fighting very badly. Their very best troops are being kept in Kinshasha rather than being sent to the battlefield.

Middle East

Resuming his briefing on the Moscow meetings, the Secretary said he also discussed there the situation in the Middle East, reviewing unresolved substantive and procedural issues. He had found the Soviet position to be virtually unchanged.

Belgrade Conference

The Soviets expressed concern that at Belgrade there would be confrontation with Western countries over the human rights issue. We indicated that we did not intend to seek a confrontation, but we insisted on a full review of the Helsinki principles, to find whether there was adherence or non-adherence to them. The Soviets proposed to discuss new material rather than implementation of earlier agreements. We disagreed, and insisted that the focus should be on implementation, although some new matters might be discussed.

Huang's Response

Huang thanked the Secretary for the briefing. As he had said to former Secretary Kissinger time and again: the Russians always bully the weak and are afraid of the tough. The practice of appeasing always leads to such consequences. The Chinese have a saying that "to feed the tiger is to engender danger."

Regarding Zaire, Huang said the Chinese had noticed that the latest issue of *Newsweek* magazine published an interview with President Mobutu. Mobutu told *Newsweek* he was disappointed about the US attitude toward the USSR-engineered invasion. The Secretary said the US is dissatisfied with the way Mobutu's troops fight. Huang replied that it may not be so easy for a country like Zaire to cope with a mercenary invasion engineered by the Soviet Union and Cuba. He

asked what the Secretary thought about Morocco sending troops to Zaire. The Secretary said we hope their troops are good and are able to fight; Zaire needs good troops to protect Kolwezi.

Huang said the Chinese see the Zaire situation as one where the Soviet Union engineered a mercenary invasion. It is part of the Soviet global strategy for contending with the US for hegemony. If the US lets things go adrift without doing anything, it will only boost USSR expansionism and in the final analysis only the US will get hurt. As the press has said, Huang added, the Soviet Union last year engineered a mercenary invasion of Angola and took over Angola and occupied it. This year the Soviet Union engineered a mercenary invasion of Zaire, and next year they will engineer an invasion of other countries, using Cuban troops and Soviet weapons. It is hard for other African countries to protect themselves. The Secretary told Huang that we share these concerns. Huang said it will not be too difficult for the Soviet Union to control the seaways and to control resources on the African continent.

Huang concluded his response by promising that he would report on the nomination of Mr. Woodcock and on the Secretary's visit to China, and would provide a reply.

26. Memorandum From Secretary of State Vance to President Carter¹

Washington, April 15, 1977

SUBJECT

Normalization of Relations with the People's Republic of China

A Study of the Problem

Shortly before the Inauguration I asked a small team of China specialists in the State Department, working with members of the NSC staff, to produce a study on normalization of relations with the PRC. My guidance to them was not to write an options paper or an overview of China's role in the world, but rather to argue the case for normaliza-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 42, Meetings: 4-5/77. Secret; Nodis. Brzezinski sent the memorandum to Carter under an April 23 covering memorandum on which the President wrote, "Kept enclosure. J." (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3-6/77)

tion in a relatively short period of time, including full discussion of the problems involved. The team that worked on the question included people who had full access to the Nixon–Kissinger papers (which are being very tightly held) and people who had worked with Kissinger on US–Chinese relations.

The paper they have now produced is attached to this memorandum.² It addresses the global context of the relationship, reviews the negotiating record, and identifies the important issues which we would face in future negotiations. I recommend it to you as an important background document.

The response to the PRM on China, which will include a general review of our China policy, is now in process.³ But while the PRM proceeds, I thought I would give you my current views on the issue of normalization.

The Taiwan Problem

As the paper makes clear, the only obstacle to normalization is the Taiwan question. The Chinese have said they would not object to continuing private American economic and cultural ties with the island, but as a condition for establishing full diplomatic relations they insist we break diplomatic and all other official ties with Taiwan, including the mutual defense treaty.

The most difficult of these issues is our responsibility toward Taiwan's security. For a number of years, Peking will not be capable of taking the island by force except at a cost it would probably consider unacceptable both in military terms and in terms of China's international relations. But PRC military strength will increase over time. We must consider whether American interests will be best served by continuing our formal involvement in the Peking–Taipei problem or whether we should start to disengage, maintaining substantial support for ROC military capabilities at the same time we develop a firmer po-

² The paper, which is attached but not printed, has five sections addressing the "Normalization of US/PRC Relations": 1) the costs and benefits of normalization; 2) the background of normalization from 1971 until 1976; 3) the setting for normalization; 4) negotiating history; and 5) negotiating problems. Oksenberg forwarded the paper to Brzezinski under a covering memorandum that stated that it was a "frankly somewhat diffuse and disappointing paper." Oksenberg recommended that the paper and Vance's covering memorandum be transmitted to Carter with minimal comment: "Both Mike Armacost and I believe that it would be inappropriate, given the good personal relations we have cultivated with Dick Holbrooke, et al., at State to slap a covering memorandum on this particular set of communications." (Memorandum from Oksenberg to Brzezinski, April 22; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3–6/77)

³ PRM 24 is Document 24. Regarding the papers written in response to Parts I and II of PRM 24, see Document 32. The executive summary of the paper produced in response to Part III of PRM 24 is Document 67.

litical relationship with Peking which will reduce the PRC's incentive to attack Taiwan.

The Case for Normalization

The advantages of moving ahead with a serious effort to normalize now include:

—The Soviet factor. Continuing Sino-Soviet rivalry is an important and tangible benefit to the United States strategically. In the past, the PRC and USSR have each been most cooperative with us when we were actively engaged with the other. We cannot automatically assume their continued hostility at present levels and there are limits to what we can do to affect their bilateral relations. However, placing our relations with the PRC on the best possible footing would help position us to deal most effectively with any changes in the Moscow–Peking leg of the triangular relationship.

—The regional factor. Improvement in US–PRC relations has coincided with a significant easing of confrontation in Asia. Normalization would put us in a good position to maintain or improve this situation.

—The Taiwan factor. Despite the new hope which the stagnation in US–PRC relations since 1974 created in Taipei, the ROC leaders and people are still braced for normalization. Assuming we maintained our economic and other crucial relationships (including military sales), they could probably accept the blow with only temporary and minimal set-backs. Moreover, delaying would give the ROC opportunities to attempt spoiling efforts (lobbying with Congress, the Japanese, etc.) and would continue to inhibit any accommodation with Peking, which will be necessary to a long-term peaceful solution.

—The Japan factor. Tokyo moved to full relations with Peking in 1972 following our dramatic reverse in policy. Increasingly, however, the Japanese are beginning to express satisfaction with the status quo and concern over the impact of US–PRC normalization. Prime Minister Fukuda made essentially this pitch to you in March. If the current state of Sino-US relations is unchanged, the pressures from Japan to hold our ground may grow, thus complicating our relations with both Peking and Tokyo.

—The US factor. While the American people overwhelmingly favor continued close ties with Taiwan, they also overwhelmingly favor better relations with the PRC; they do not see the inherent conflict. Thus, although a demonstrable “sell-out” of Taiwan would evoke a serious outcry, failure to move ahead on a reasonable basis would generate pressures from highly vocal elements of the press, academia, and the business world. On the positive side, normalization would enhance trade and cultural exchange prospects. It would also give us a

better opportunity to engage the Chinese in a dialogue on global issues, even if their firm positions made early progress unlikely.

The Case for Moving Cautiously

The case for normalization is obviously not one-sided. There are also strong arguments for moving cautiously.

—Despite PRC unhappiness with the lack of forward movement and the US failure to live up to pledges to normalize relations by 1976, the underlying strategic factors which brought us together have not fundamentally changed nor are they likely to do so for the foreseeable future. Perceptions may shift, but the Chinese themselves continue to state that the Soviet question is the major one in our relations and that Taiwan is a secondary matter.

—No matter how braced Taiwan is, normalization, and particularly the termination of our security treaty, would be a psychological blow. There is some risk both on the economic side (e.g. capital flight) and on the political side (e.g. consideration of formalizing an “independent” status for Taiwan—which could force Peking’s hand).

—Even if we normalized, the Taiwan issue would not go away as a problem in our relations with Peking. At some point, PRC tolerance of continuing American involvement on the island might wane. PRC displeasure could be expressed directly in governmental channels, it could take the form of pressure on foreign firms dealing with Taiwan, or it could even find expression in a blockade of the island. Given the fact that we would, through normalization, have recognized only one China whose government resides in Peking, we would have weakened our grounds for any counter-action.

—Peking might well refuse to accept our minimum requirements for normalization (e.g. continued arms sales to Taiwan, contacts which are unofficial in form but governmental in substance, etc.). In those circumstances, the process would probably be stalemated for the remainder of the Administration.

—We could seek to improve the individual aspects of the relationship even in the absence of normalization. The Chinese have made clear that formal agreements on most issues will not be possible in the absence of diplomatic relations. However, improvement could take other forms, including not only trade in high-technology items but also—although at high risk—development of security cooperation as well.

—There is little reason to believe that normalization will reverse Peking’s unwillingness to cooperate on global issues of major concern to us (e.g. food, energy, arms control) or on regional issues such as the search for a permanent Korean settlement.

My View

The principal condition for good relations with the PRC will be to convince the Chinese that this Administration has a mature and realistic view of the world situation and the strategic balances. We will need to demonstrate our determination to remain strong and to stand up to the Soviets.

The Chinese must also be made to understand that we do not perceive our relations with them as one-dimensional (i.e. vis-a-vis the USSR), but that we also look at our relationship in the context of key bilateral and international issues. I would not expect a positive reaction from the Chinese if we urged that they take a more active part in ongoing negotiations on the international problems, but they should be aware that we intend to engage them on these questions as part of a "normal" relationship.

On normalization itself, I do not believe we should feel so compelled to establish diplomatic relations with Peking that we jeopardize the well-being and security of the people of Taiwan. Neither should we place ourselves under artificial deadlines.

I do believe, however, that in terms of our strategic position normalization is highly desirable. We will be seeking—and presumably reaching—some major agreements with the Soviets. Those are going to intensify our need for offsetting moves with Peking, even though there are no fully comparable steps we can take. The Chinese have already rejected half-way measures such as trade agreements.

Some people have suggested that we look for ways to establish a direct US-Chinese security tie without addressing the normalization issue. This approach can be quite dangerous and going very far down this road would pose real risks. The Chinese might be receptive, but I would be concerned at the Russian—and Japanese—reaction. Nothing would be regarded as more hostile to the Soviet Union than the development of a US-Chinese security arrangement.

Right now the United States has a closer relationship with each Communist superpower than either has with the other. We must continue to maintain that fragile equilibrium recognizing always how dangerous it is, but recognizing also that some other relationship between the three nations could be more dangerous.

In this context, normalization is the best way to move our relations with Peking forward. It would be quite convincing evidence that US-Soviet collaboration is not to be used against China. It would also be the best way to insure maintenance of a favorable Chinese disposition toward our security posture in East Asia and to reduce the degree to which our China policy is hostage to developments in Peking and Taipei over which we have no control. And it would put us in the best

position both domestically and internationally to deal with evolutions in Sino-Soviet relations.

As spelled out in the attached paper, our China specialists see no chance that Peking will relent on any of its key “three principles” regarding Taiwan (no US forces, no diplomatic relations, no defense treaty). Although the experts, like most of us, have been wrong in the past, my reading of the record inclines me to agree with them.

This means that Peking will not give us assurances on a peaceful settlement of their differences with Taipei, although they might be willing to say something about “patience” on the issue. In any case, we would want to consider issuing a unilateral statement which could either firmly express our interest in a peaceful settlement or which, as suggested by John Fairbank, could use more rounded language about our commitment to “maintain the stability of the Western Pacific.”

Regardless of what we said publicly, in any negotiations with Peking, we would want to make absolutely clear the seriousness of American concern for peace and stability in Asia and the fact that any attempt to resolve the Taiwan question militarily would have the most serious consequences for US–PRC relations (even leaving open the possibility of direct intervention).

But I am persuaded that the security of Taiwan does not rest primarily on our present treaty assurances. In the long run, the island’s interests—and our own—will be best served by giving Peking a stake in preserving its relationships with the United States, Japan and others, thus reducing the PRC’s incentive to seek military resolution. Normalization would be a significant step in that direction.

To protect Taiwan’s stability in the short run, we must maintain a military supply relationship with Taipei. In addition, continuing government-level ties, however disguised, will be critical to our ability to help sustain Taiwan’s prosperity and stability through trade and investment and cooperation with—and control over—their nuclear power program.

These will not be attractive prospects for Peking. The question is whether the Chinese will decide to live with them or reject them. If they say our terms are unacceptable, we will be faced with an indefinite postponement of diplomatic relations. Even so, we could still try to avert any deterioration in our relationship with Peking, largely by unilateral action. Such moves could not be a substitute for normalization, but they might serve a number of useful purposes vis-a-vis not only the PRC but Taiwan and other audiences as well.

The China PRM will examine what unilateral steps we might take now, during negotiations, or afterwards both to enhance the likelihood of success in normalization negotiations and to position ourselves most advantageously in case we cannot normalize to minimize the risk of de-

terioration in the relationship. The two areas I have particularly in mind are the lowering of our diplomatic presence in Taipei and further reducing our military contingent on Taiwan.

While domestic political disputes in Peking could harm the climate for negotiations, we do not see that as a factor at this point. There has been far more serious factional fighting in the past than there is currently, and all of the evidence suggests that any present differences are over personal power rather than policy.

Next Steps

In my April 11 meeting with PRC Liaison Office Chief Huang Chen, I said I would like to visit China in August. Huang seemed to welcome this suggestion and gave his preliminary view that Peking would agree.⁴

I could focus the visit on a review of world issues and confine any normalization discussion to generalities or hearing out the Chinese. But I am convinced, in light of the considerations I have outlined, that we should do more.⁵

⁴ See Document 25.

⁵ Another copy of Vance's memorandum to Carter is followed by Carter's undated handwritten note to Brzezinski, at the top of which someone wrote: "Appendix to State's April 15, 1977 paper." The note reads: "a) This is an excellent paper; b) I'm not in any hurry right now & neither are the Chinese (PRC), apparently; c) Taiwan should be kept strong but non-nuclear; d) Let's see how the claims negotiations go—as a test of PRC attitude; e) Vance's visit this fall can help us begin further talks; f) My guess is that for a long time—with arms purchases—Taiwan will be able to withstand any attack; g) Our goal should be that ROC be defensible without our troops; h) Japanese always want best of both worlds; i) Just as PRC have firm basic positions, so should we, & PRC should understand them." In point g, Carter wrote and struck through "& ROK" after "ROC." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 55, Policy Process: 10/76–4/77)

27. Memorandum of Conversation¹

Washington, April 29, 1977

SUBJECT

Claims/Assets

PARTICIPANTS

Ambassador Han Hsu, Deputy Chief, PRC Liaison Office

Tsien Ta-yung, Counselor, PRCLCLO

Yang Yu-yung, Third Secretary, PRCLCLO, (interpreter)

Richard Holbrooke, Assistant Secretary, EA

Michel Oksenberg, National Security Council

Elizabeth G. Verville, L/EA

J. Stapleton Roy, Deputy Director, EA/PRCM

Ambassador Han came in at his request to discuss the claims/assets issue.

The meeting began with an exchange of pleasantries, during which Mr. Holbrooke noted that he had just completed a trip to East Asia, during which he had visited Indonesia, Malaysia and the Philippines. Holbrooke also noted that the Secretary had met that morning with Codel Brademas/Schweiker and with the President's son, Chip Carter, and had spent one and one-half hours talking about the delegation's trip to China.² He had attended the meeting along with Oksenberg and Roy. The Secretary had expressed appreciation for the comments of the delegation on their trip; they had given a very good report. Holbrooke noted that the Secretary had referred to his hope that we could move forward toward normalization on the basis of the Shanghai Communique. It had been an interesting discussion.

Ambassador Han expressed appreciation for this information. He said that he had come to reply to Holbrooke's presentation of March 17 on the assets question.³ The Chinese side had studied the position stated by the US side on March 17 and wished to reply as follows (Han then read the following statement from a notebook in his hand):

"The blocking of properties of Chinese nationals by US elements after the founding of the People's Republic of China is in itself illegal. The Chinese side absolutely does not recognize it. As for the so-called properties of US nationals in China, even if the figures supplied by the

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 51, People's Republic of China (PRC): Chron File: 3-9/77. Confidential; Nodis. Drafted by Roy.

² See footnote 2, Document 25.

³ See footnote 10, Document 21.

US Government were to be established, without taking into account their one-sided nature, they would not in any way be comparable to the exploitation of the Chinese people and the plundering of Chinese resources by US capital over a long period of time.

“The US side should be clearly aware: it is the US that owes the Chinese people debts. The Chinese side has the right to settle accounts with the US side. Nevertheless, during Dr. Kissinger’s visit to China in February 1973, proceeding from the over-all situation, in which a new beginning in Sino-US relations had appeared after the issuance of the Shanghai Communique, the Chinese side, in order to promote the development of friendship between the Chinese and American peoples, agreed to solve the issue between China and the US by a package settlement, that is, by having the properties of US nationals in China and the blocked properties of Chinese nationals in the US offset each other.

“Throughout the entire course of the negotiations since then, the Chinese side has always adhered to the spirit of a package settlement and has endeavored to promote a reasonable settlement of the issue. The principles upheld by the Chinese side are as follows: First, US laws can by no means govern China. No wordings such as ‘designated and special designated nationals of the PRC’, which one-sidedly give consideration to US laws, should be used in documents and agreements between the two sides. Second, bonds and bonded debts issued by defunct governments of old China are all null and void. The Chinese side has absolutely no obligation to repay them. Third, deposits already withdrawn by the Chinese side from third country banks, from accounts blocked by the US side, are not included within the scope of the assignment of assets to the US. All three of these principles are reasonable and are entirely in conformity with the understanding concerning a package settlement.

“Therefore, so far as the Chinese side is concerned, the question of returning to the understanding originally reached does not exist. The responsibility for causing complications does not rest on the Chinese side. We have always maintained that settlement of the assets issue between China and the US should not be difficult as long as the US side really has a sincere desire to do so. That is the position of the Chinese side.”

Holbrooke said that he could assure Han of the sincerity of the President and the US Government in seeking a resolution of this issue. He said that the US side would have to study the Chinese position and asked if there were any questions from others present.

Mr. Roy asked Ambassador Han to confirm his impression that the present Chinese statement was essentially a repetition of the position taken by the Chinese in November, 1973. Han said that the position he

had stated had been the consistent Chinese position, as stated both in November 1973 and on June 14, 1974.⁴

Holbrooke expressed appreciation to the Chinese Government for considering our proposal and assured Han that we would give the same serious consideration to their proposals that the Chinese had given to ours.

The meeting then turned to other matters.

⁴ Following Kissinger's 4-day visit to China in November 1973, he summarized his discussions for President Nixon. On the subject of claims and assets, which was discussed primarily in counterpart meetings, Kissinger noted that the discussions were sometimes "harsh" but that eventually "we made some progress on this matter." See *Foreign Relations*, 1969–1976, vol. XVIII, China, 1973–1976, Document 62. See also Documents 57 and 59. The June 14, 1974, agreement is summarized in telegram 985 from Beijing, June 14, 1974. (National Archives, RG 59, Central Foreign Policy File, [no film number])

28. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 24, 1977

SUBJECT

Nixon/Kissinger–Mao/Chou Memoranda of Conversations

I enclose the lengthy memoranda of conversations from Nixon's February, 1972 visit to Peking.²

Since they are quite lengthy, I have marked the more pertinent or important (and, in some cases, amusing) passages for you. This will enable you to skip quickly the parts that are insignificant or mostly chit chat.

These papers do show a high degree of mutual understanding that developed in 1972, and they imply some US commitments. Compared to what was then being said, one cannot avoid the conclusion that the present state of US-Chinese relations is rather dormant.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 55, Policy Process: 5/24–31/77. Top Secret; Sensitive.

² Attached but not printed. For these memoranda of conversation, see *Foreign Relations*, 1969–1976, vol. XVII, China, 1969–1972, Documents 194–197, 199–202, and 204; and *Foreign Relations*, 1969–1976, vol. E–13, Documents on China, 1969–1972, Documents 88–107.

Especially striking are two items in Tab E: 1) a rather unique military briefing on the Soviet threat to China given by the US to the Chinese; 2) the extraordinary statement by Kissinger that the United States at one point was contemplating providing unilateral assistance to China against the Soviet Union on the assumption that the Soviet Union was about to act against China.³

The foregoing raises the question whether under some guise we might not wish to provide again some military information to the Chinese. For example, the Chinese might well be very interested in learning about the SS–20 deployments. Alternatively, we might consider giving the Chinese a detailed briefing on SALT, with special emphasis on those issues on which the US and the Soviets are still quite far apart.

Finally, I must say that I was quite favorably impressed by Nixon's ability to handle the Chinese and to be responsive to their wider concerns. He comes off quite well in these exchanges, as certainly do the Chinese themselves.

All in all, the papers are well worth some of your time. In addition to providing a useful background, they also are a good guide to negotiating with the Chinese.⁴

³ At Tab E is the memorandum of conversation, February 23, 1972, 9:35 a.m. –12:34 p.m. See *Foreign Relations*, 1969–1976, vol. XVII, China, 1969–1972, Document 92.

⁴ Below this paragraph, Carter wrote, "Zbig, I read all of it. Very interesting. I don't share your high opinion of Nixon. Obviously he was adept at assuaging the Chinese—at the expense of Rogers, American people, India, Soviets, etc. Also we were almost abject in our dealings with them. J.C."

29. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 25, 1977

SUBJECT

Claims/Assets Negotiations with the People's Republic of China

You requested that State probe the Chinese for their position on the claims/assets issues. This has been done, with the results which Vance summarizes at Tab A. Vance concludes that the Chinese position offers little prospect for successful negotiations at this time. I agree and share in his recommendation that no further probes be conducted. This is a complex issue, however, and I think you would be interested in the details and your options.

Issue

While we *believe* we have legally blocked nearly \$76.5 million (1976 value) of Chinese assets, the Chinese do not recognize the legality of our blockage. Our attempts at blockage extended to PRC deposits as of 1950 in third countries (Britain, Belgium, etc.), where we sought to block \$23.5 million. PRC has successfully drained \$17 million of their assets in third countries. We also blocked \$12 million in assets held by third country *agents* of the PRC (e.g., covertly sponsored PRC corporations in Hong Kong).

In short, of the \$76.5 million in blocked assets, only \$41.5 million are blocked, directly owned PRC assets here in the U.S.

The difference between \$41.5 million and \$76.5 million is crucial, given the \$196 million in private, U.S. Government certified claims against the PRC, for it is the difference between a 22¢ and 40¢ settlement. (Historically, Congress has tended to accept 40¢ settlements, though it rejected a 42¢ settlement with Czechoslovakia in 1974.)

In 1973, Chou En-lai offered to restore the \$17 million which the PRC had drained from third country accounts. Subsequently, the Chinese withdrew this offer. (*Neither the offer nor the withdrawal has been made public; in fact, very few people know about it.*) Our probe reveals the Chinese have no interest in sweetening the kitty at this time.

This leaves you with three options:

1. *Reach a settlement, and accept roughly 20¢ on the dollar.* This probably would not be acceptable to Congress.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3–6/77. Secret; Sensitive. Sent for action. A handwritten "C" at the top of page indicates Carter saw the memorandum.

2. *Persist in discussions with the Chinese*, to see whether an agreement can be reached which would yield 35¢–45¢ on the dollar. However, there is no sign the Chinese will be flexible.

3. *Let the matter rest*. An aura of good will, as existed in 1973, probably will be necessary in order to prompt Chinese to contribute to a settlement. Vance recommends this option, and I agree for the time being.

In broader terms, this unsuccessful probe probably underscores the importance the Chinese attach to the Taiwan issue and to wider political accommodation as a precondition for improving formal *bilateral* relations.

Recommendation:

That you approve Secretary Vance's request to defer this issue.²

Tab A

Memorandum From Secretary of State Vance to President Carter³

Washington, May 17, 1977

SUBJECT

Claims/Assets Negotiations with the People's Republic of China

Our probe of Chinese flexibility on the claims/assets issue has received a very negative response. We have carefully examined alternative ways of proceeding and have concluded that none of them is promising at this time. The Chinese have indicated that they are now unwilling to meet us part way. We believe, therefore, that a continued US effort to pursue these negotiations would be an unhelpful prelude to subsequent moves on normalization.

Background

When the Chinese confirmed earlier this year—both to David Rockefeller and to you—that a claims/assets settlement was not linked to normalization, they did not indicate that their position had changed on the key issues that had deadlocked our previous negotiations on this subject. While the claims/assets issues are highly technical, they cannot

² Underneath the recommendation, the President wrote, "OK. J."

³ Secret; Nodis.

be ignored because they significantly affect the dollar amounts that will be available to satisfy US claimants.

The basic objective is to secure a claims settlement that will be acceptable to Congress. In February 1973 we reached agreement in principle with the Chinese for a mutual assignment of claims, under which the frozen Chinese assets (valued at \$76.5 million in 1970) could have been used to pay off the \$196.8 million in US claims. A settlement on this basis would have provided approximately 39¢ on the dollar for the US claimants.

Historically, the Congress has accepted claims agreements which provided a return of at least 40¢ on the dollar. The Department has frequently been attacked by Congress and the claimants, however, for concluding “cheap” settlements, and in 1974 Congress (led by Russell Long) repudiated a settlement with Czechoslovakia which paid 42¢ on the dollar. Accordingly, we need an assignment from the Chinese that would convey to us all of the blocked Chinese assets (whose value is now estimated at \$81 million) or we will risk repudiation by Congress.

During the technical negotiations that followed the 1973 “agreement in principle,” the Chinese took positions that in effect denied us some of the blocked assets. Unless the PRC is assigning all the assets to us, the amounts available to reimburse US claimants could be reduced by as much as 6¢ on the dollar by disputes over whether certain assets are included. The Chinese also contend that funds already repaid to the PRC from blocked accounts in third country banks should be excluded from the terms of the settlement. (If these assets were omitted, it would reduce the amount of the settlement by some \$17 million or approximately 9¢ on the dollar. Importantly, an offer by Chou En-lai in November 1973 to make a lump-sum payment of \$17 million to the US Government to cover these funds was retracted by the Chinese in 1974 and was not reinstated by the Chinese in the talks we held in April.)

Unless we can satisfactorily resolve these issues, we would be faced with a settlement paying less than 25¢ on the dollar.

Our Latest Discussions

Our probe in March was designed to ascertain whether the Chinese were prepared to be more flexible in finding ways to meet US legal and Congressional concerns. We proposed to them that we return to the February 1973 “agreement in principle,” and disregard the subsequent negotiating history during which the technical problems had arisen. If the Chinese had accepted this proposal, we were prepared to make a new effort to work out a satisfactory settlement. Instead, the Chinese on April 29 not only rejected our proposal but reiterated their

earlier positions in a blunt and unyielding manner, choosing the most negative of their earlier stands.⁴

In light of the above, I recommend that we defer any further approaches to the Chinese until we have reached basic decisions on our normalization strategy.

I think it is clear now that if there is any prospect of a tolerable resolution of this problem, it will have to come in the context of normalization. We will need some movement by the Chinese, and this is most likely to occur, as it did in 1973, in the positive atmosphere produced by forward movement in our relations. I can explore this further during my trip to Peking, but I do not think it desirable to raise it again at the Assistant Secretary level before then.

At the same time, in the light of your press conference remarks May 12,⁵ we do not want to give either the Chinese or the public the impression that progress toward normalization is dependent on a claims settlement. We will continue, therefore, to avoid statements suggesting that agreement is near on a claims settlement, and not suggest any linkage between this issue and the question of normalization. Such linkage is not in the interests of either side, as it could make the vital issue of normalization hostage to highly technical factors on a secondary issue.

Recommendation:

That you authorize me to defer presenting the Chinese with any further proposals on claims/assets for the time being, in the expectation that we will again address the issue in preparing for my trip to Peking.⁶

⁴ See Document 27.

⁵ During a news conference on May 12, Carter was asked whether he had set a target date for normalization of relations with China. He replied: "Well, it's very difficult for me to set a target date, because this is a two-way negotiation. We have commenced discussions with the Chinese Government to resolve the first obstacle, and that is the claims settlement. Long years ago, we had roughly \$190 million worth of American property and other goods confiscated by the Mao Tse-tung government. We in our country confiscated in return about \$80 million, I believe, primarily in Chinese bank deposits. We've never been able to work out those differing claims. That would be the first step." (*Public Papers: Carter, 1977*, p. 863)

⁶ Carter checked the Approve option, under which he wrote: "We should assess before your visit what—if anything—China has done in the last 10 years that was flexible or constructive. I can't think of anything, J." In a May 26 memorandum to Vance, Brzezinski stated, "The President has approved the recommendation contained in your memorandum of May 17." (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 3–6/77)

30. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, June 6, 1977

SUBJECT

Chinese "Flexibility"

You may recall writing the following remarks on Vance's memorandum on the claims-assets issue: "We should assess what, if anything, China has done in the last ten years that was flexible or constructive."² This memorandum offers such an assessment.

It would be foolish, of course, to portray the Chinese as highly flexible. They are still revolutionaries strongly committed to ideological principles; it will take years before the leaders entirely lose their allegiance to Maoist doctrine and exhibit pragmatism as we understand the term. In addition, apparent inflexibility is a bargaining strategy of theirs. That is part of their style.

Even so, *if flexibility entails an ability to learn and change, the Chinese pass the test.* Within a relative short period of ten years, their approach to the Asian region has altered dramatically. *Ten years ago, they advocated and supported violent change throughout the region. Today, they place primary emphasis upon state-to-state relations and are a major force for stability. Without this change in their policy, we could not be carrying out our force reductions in the Western Pacific.*

Ten years ago, they reviled the Japanese-American Defense Treaty and encouraged their Japanese admirers continually to demonstrate against it. Today, they accept the Treaty and encourage their Japanese friends to support a good relationship with the U.S. Ten years ago, they supported, albeit modestly, subversive anti-American movements in Africa and Asia (e.g., Congo, Somaliland, Zanzibar, Southern Yemen, and Indonesia), but today they more frequently are aligned with the side which we also back. Ten years ago, given the intensity of their "anti-imperialist" rhetoric, no one would have forecast Mao would welcome two American Presidents to Peking, before the U.S. recognized the PRC as the legitimate government of China. Against domestic opposition, Mao prevailed and thereby damaged his revolutionary credentials. Ten years ago the Chinese adamantly pursued an economic development strategy of self-reliance, but today the Chinese

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 55, Policy Process: 6/77. Top Secret. Sent for information. At the top of the page, Carter wrote, "Zbig—Very good for me. J."

² See Document 29 and footnote 6 thereto.

are beginning to accept foreign credits and import foreign technology in large amounts. In sum, the Chinese have demonstrated flexibility in the sense of departing from their revolutionary rhetoric to meet some of their security and developmental needs.

If flexibility means a willingness to compromise, they have exhibited that capacity too. The establishment of a Liaison Office in Washington even while the Republic of China (Taiwan) Embassy remained was a major departure from 25 years of diplomatic practice. Chinese rhetoric on the Taiwan issue until 1973–1974 also demonstrated flexibility: expressions of patience and of hope for peaceful resolution of the issue. (Since then, their rhetoric has been less accommodating.) Most importantly, their behavior in the Taiwan Strait for the past decade has been marked by restraint and patience.

Finally, if flexibility means agility in playing balance-of-power politics, they have demonstrated their talents both in the Vietnam War—where they ultimately played a constructive role in helping to bring an end to the hostilities—and in Korea, where they play a restraining role on Kim Il-sung.

Some additional comments are in order. Undoubtedly dealing with the Chinese will be exasperating. We're dealing with very proud people, bearers of an ancient, distinctive culture, who believe that the West humiliated them for over a century. This makes them suspicious, tough, and quick to take insult. *One of our great challenges, however, is to draw them out of their isolation and to search for ways to deal with them as equals, something never done before in man's history.*

In the past, either the Chinese were on top or the West dictated the terms of interaction.

Further, their inflexibility to some extent just has to be tolerated. We have to cultivate this crotchety old fourth of mankind, in part because of what they are doing for us strategically: tying down a fourth of our main adversary's military effort.

And finally, we have to take the long view. In the late 1940s and 1950s, the Soviets were probably more inflexible and less constructive than the Chinese are today. But one reason we are able to make even a modicum of progress with the USSR now is our persistence from an early date in trying to engage them in talks, in the face of enormous frustration.

31. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, June 14, 1977

SUBJECT

Initiatives for Improving Relations with China

I am meeting tomorrow (June 15) for dinner with the head of the Chinese Liaison Office in Washington, Ambassador Huang. In the light of this meeting, I submit this memorandum for your consideration as well as for your approval or disapproval of two specific initiatives listed at its very end. One of these initiatives could be explored by me at the dinner with Huang. (Both items appear on Page 8.)

In addition, the memorandum sketches out more fully a series of discreet measures aimed at restoring momentum to our China relationship. We will soon be considering PRM 24,² but your general guidance is needed. Moreover, it may be useful for you to have a quick overview of our possible diplomatic, strategic, and commercial moves. The timing and the pace of individual moves should be determined with this larger framework in mind, and that is the reason for submitting this paper to you.

In addition to your decision on the action items on Page 8, you may wish to indicate through marginal notes either your reaction to specific proposed moves or your desire for fuller proposals or deeper analysis.

I. The Sequence for Improving Relations

We can try to improve relations in five areas: diplomatic, strategic, commercial, technological, and cultural. These analytically separable areas are in fact linked. Demonstration of our effectiveness as a global counterweight to the USSR in NATO, SALT, or the Middle East in the months immediately ahead, for example, will facilitate progress on the diplomatic front when Vance visits China later this year. Our global posture—including our policies toward Cuba, Vietnam, Korea, Turkey, Iran and southern Africa—will shape the environment in which the Vance talks take place. If we appear indecisive and yielding, then the Chinese probably will be less flexible on the Taiwan issue, both because it will seem less worthwhile and less necessary to be accommodating. Similarly, progress on the diplomatic front—particularly resolution of

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 43, Meetings: 6-7/77. Top Secret; Sensitive; Exclusively Eyes Only. At the top of the page, Carter wrote, "Zbig—J.C."

² See Document 24.

the Taiwan issue—would advance commerce and technological exchange and possibly would enable a level of strategic cooperation not now possible.³

Further, *since progress depends upon eliciting a Chinese response, the sequence in which we offer proposals becomes important.* Some sequences will produce a more positive response than others; some sequences may so alienate the Chinese that no further progress can be made. Without doubt, *addressing the Taiwan issue first (though not necessarily solving it immediately) is the best sequence.*⁴ In this regard, it is worth noting that in spite of the intense Soviet pressure which the Chinese faced in 1971 and their eagerness to make use of the U.S., the Chinese responded to Nixon only because his overtures explicitly indicated a U.S. willingness to discuss the Taiwan issue.

Finally, one can either propose substantive measures or cosmetic efforts to improve the relationship. By the end of the Nixon–Ford years, the relationship consisted almost entirely of cosmetics, the Russians knew it, and we reached a plateau in dealings with both Peking and Moscow.

II. Diplomatic Moves

A. Substantive:

1. *Embark on a good faith effort to establish diplomatic relations with Peking, in keeping with the commitment of the previous Administration.*⁵ This process need not be completed this year. On his visit, Vance could indicate to Peking that we intend to move in this direction over the coming 18–24 months, our intentions to be demonstrated by a series of smaller steps. The arrangement would involve abrogating our defense treaty,⁶ withdrawing the remaining forces from Taiwan, and severing our formal diplomatic ties with Taipei. But we would inform Peking that Taiwan would enjoy access to arms purchases for private U.S. firms, that we would retain a full range of economic and cultural ties with Taiwan, and that we would maintain an interest in a peaceful resolution of Peking–Taipei differences. *The key quid pro quo would be a clear though*

³ In the left margin, Carter wrote, “Vance talks can be quite frank.”

⁴ In the left margin, Carter wrote, “OK,” and at the bottom of the page, he wrote, “Zbig—PRC must show some willingness to meet us as equals. We should make our position clear—& hang tough.”

⁵ This option is the subject of the major State Department paper with a covering note of approval from Vance which you have already read. [Footnote in the original. Reference is to Vance’s April 15 memorandum, Document 26, and its attachment.]

⁶ In the left margin, with an arrow pointing to “our defense treaty,” Carter wrote, “simultaneous with estab. of diplomatic relations.”

*perhaps tacit Chinese acceptance of the continued U.S.–Taiwan security relationship which would substitute for the formal treaty.*⁷

In effect, this arrangement would enable Taiwan to survive as a separate entity in world affairs. The subsequent restraints on Peking would be considerable. First, continued security concern with the Soviet Union would make it impossible for China to concentrate all its forces for the major military effort that a takeover of Taiwan would entail; Second, a military effort to seize Taiwan, would have disastrous consequences for China's relations with Japan, its Southeast Asian neighbors, and obviously the U.S.; finally, Taiwan has the defensive capabilities to make such an attempted invasion prohibitively costly.

There are three variants to this move: a) Demand the Chinese explicitly renounce the use of force; b) Indicate to the Chinese we will make a unilateral statement declaring a continued American interest in non-use of force.⁸ In negotiations, if the Chinese remain silent to this U.S. position, we would interpret their silence as tacit acceptance of the U.S. position. If they reject the statement, then we would remain firm and there would be no deal; c) Simply assert a continued American interest in the Taiwan issue *after* recognition, trusting the Chinese will not condemn it. It is not clear whether the Chinese are prepared to accept any of the above formula at this time.

2. *Complete the withdrawal of U.S. forces from Taiwan* (the options for this step are under review in PRM 24, Part III) and/or reduce the number and scope of our joint military exercises with Taiwan.

3. *Reduce our level of diplomatic representation in Taiwan from Ambassador to Charge*, by withdrawing Ambassador Unger and not replacing him, and possibly also indicating to the Republic of China that their representation in Washington ought to be lowered as well; also reduce the level of our military representation in Taiwan from a three-star to a two-star admiral.⁹

*III. Strategic Measures*¹⁰

The most significant strategic measures involve our being an effective counterweight to the Soviet Union in those areas where Chinese

⁷ Carter underlined "Taiwan would enjoy access to arms purchases" and "retain a full range of economic and cultural ties with Taiwan," drawing an arrow to the latter phrase and writing "important" in the right margin. A second arrow from the handwritten word "important" points to the final sentence of the paragraph, concerning "Chinese acceptance of the continued U.S.–Taiwan security relationship."

⁸ In the left margin, Carter wrote, "b) is minimum."

⁹ Carter drew a bracket in the left margin encompassing points 2 and 3 and wrote, "Only if PRC accepts whole deal."

¹⁰ This section draws heavily on two recently completed DOD/ISA studies on this topic. These measures are also being considered in PRM 24, Part III. [Footnote in the original.]

and American interests are parallel: maintaining a strong NATO, preventing Soviet dominance of the South Asian subcontinent or the Indian Ocean, retaining a credible military presence in the Western Pacific, and countering the Soviet Union in Africa and the Mid-East. Thus far, none of these have involved more than tacit Sino-American parallelism. We wish to foster a greater coordination of policies, and Vance will ask the Chinese what they are positively prepared to do on such matters as Korea.¹¹

More explicit cooperation could conceivably enhance our position vis-a-vis the USSR, but would entail risks of alienating the Soviets and jeopardizing SALT. The aim must be to strike a balance between two considerations.

A. *Substantive:*

1. *Share intelligence on Soviet capabilities and strategies, troop deployments, military maneuvers, and/or missile launchers.* Detailed intelligence briefings on Soviet strength along the Chinese border were given to the Chinese until 1973, after which they were apparently spurned. The reasons for the termination are not clear, and the records in the Nixon Archives shed little light on this previous facet of the relationship. However, it could be easily revived and the recent Soviet buildup in outer Mongolia provides a rationale for it.¹²

2. *Tacitly permit Third Country sales of defense equipment and technology to China.* We have already done this with British jet engine and French helicopter sales to China. The danger here is that once we start down this road, we will find it increasingly difficult to restrain our allies from sales that are damaging to our interests.¹³ We see this now in Japan's eagerness to sell sensitive computer hardware and French sale of navigational guidance systems in defense [*defiance?*] of COCOM procedures.

3. *Enhance China's own intelligence capability vis-a-vis the Soviets through sale of intelligence-related technology (i.e., communications and photography technology).* The Chinese have evidenced some interest in such technology, although supposedly to assist in their exploration of natural resources.¹⁴

4. *Sell weapons and military technology to China which would enhance Chinese defensive capabilities vis-a-vis the USSR,* such as anti-tank missiles or over-the-horizon radar.¹⁵ This step, which is being considered in the

¹¹ Carter underlined "what they are positively prepared to do on such matters as Korea" and wrote "important" in the left margin.

¹² In the left margin, Carter wrote, "not yet."

¹³ Carter wrote a question mark in the left margin.

¹⁴ In the left margin, Carter wrote, "only on an individual case basis."

¹⁵ In the left margin, Carter wrote, "no."

PRM process, would be provocative vis-a-vis the Soviets, would probably alarm Taiwan and Japan, and would baffle the American public. Nor have the Chinese requested such assistance from us.

B. *Symbolic Measures:*

1. *Encourage U.S. military attaches at the U.N. and in Third Countries to expand their contacts with their PRC counterparts.*¹⁶

2. Given Chinese interest in NATO, *encourage NATO to invite the PRC to send an observer to NATO, or conversely request the PRC to invite a NATO delegation to visit China.*¹⁷ (The forthcoming visit of Deputy Chief of Staff Yang Ch'eng-wu to France in the fall presents a particularly opportune moment to establish a NATO linkage.)

3. *Request the Chinese to receive a delegation of defense and national security officials from the U.S.*¹⁸ The delegation could range from (a) Secretary Brown to (b) a lesser group of civilian officials drawn from the NSC, DOD (including JCS and ISA), State P.M., and the Intelligence Community, to (c) a group from the National War College.

IV. *Commerce*

In the absence of full diplomatic relations, we have been made a residual supplier of goods to China. Even a settlement of the claims/assets issue may have to await full diplomatic relations.

A. *Substantive Moves:*

1. *Extend MFN to China.* This would necessitate exempting the PRC from the Jackson–Vanik Amendment, and would raise the human rights issue for the Chinese.¹⁹ This would create an imbalance in our treatment of the USSR and the PRC, but I would favor a tilt in this realm.

2. *Expedite sales of "grey" area technologies which have non-defense-related uses but which could be used for defense purposes as well.*²⁰ At present, over thirty export applications for the PRC are awaiting decision at Commerce and State, with two of the applications filed in August, 1975, and February, 1976. The bureaucratic procedures are cumbersome, and the law entitles you to intervene and expedite a sale on foreign policy grounds.

I have identified four cases which probably should be expedited.²¹

¹⁶ In the left margin, Carter wrote, "ok."

¹⁷ In the left margin, Carter wrote, "no objection."

¹⁸ In the left margin, Carter wrote, "ok."

¹⁹ In the left margin, Carter wrote, "not yet."

²⁰ In the left margin, Carter wrote, "case by case."

²¹ In the left margin, Carter wrote, "ok," and drew an arrow to indicate his approval of all four cases.

- two seismic computers to facilitate China's petroleum exploration;
- a fully equipped seismic ship for off-shore exploration;
- a receiving station which can record data from satellites exploring for natural resources.

A special ad hoc committee under Frank Press and myself, with participation of Bill Perry at DOD, could make a recommendation to you on these particular cases. Sale of these items prior to Vance's trip would be a good signal.

V. Transfer of Non-Defense Related Science and Technology

The idea here is to *facilitate the flow of non-defense related science and technology*, not on a commercial basis but as a disguised assistance program. Given Chinese sensitivities, *the effort could never be referred to as such*, but the purpose would be to assist the Chinese overcome some of their key scientific weaknesses, and thereby augment their capacity to overcome their food problem and expedite the development of their natural resources. The current exchange program is inadequate for the purpose in mind, and must be broadened and deepened.²²

A delegation led by Phil Handler, President of the National Academy of Sciences, currently is in Peking exploring this dimension of the relationship. They will report back to us, and Vance will include this topic in his discussions in Peking.

VI. Cultural

A major expansion in cultural exchanges awaits full diplomatic relations. A number of proposals have been made, none of which has elicited a response: 1) Language training programs; 2) Student exchange programs; 3) Increased number of athletic and artistic exchanges; and so on.²³

VII. Conclusions and Recommendations

PRM 24, Part I—the China options paper, for which the outline has already been prepared—essentially will elaborate upon and evaluate these initiatives. The most important choices involve *sequence* (which steps should precede the others) and *blend* (which initiatives should be packaged together).

I continue to believe that the first step must be a good faith effort on Vance's trip to establish full diplomatic relations. However, I also believe the effort will not yield immediate results, given our terms on the Taiwan issue. Having indicated to the Chinese that we are seriously prepared to address the Taiwan issue, we can then initiate a number of

²² In the left margin, Carter wrote, "make mutual. OK if they gain more info."

²³ In the left margin, Carter wrote, "all ok."

the other steps—reducing the level of representation in Taiwan, facilitating the flow of defense-related technology, and so on.

The two measures I recommend as feasible *prior* to the PRM process are:

1. *Strategic-symbolic*: That at my dinner with Huang Chen, I test in a low-key way Chinese receptivity to a visit by Harold Brown in late Spring, 1978. This would enable us to sustain our dialogue in the strategic realm, should Vance's trip not produce that much in the diplomatic realm.²⁴

2. *Trade*: That you appoint an *ad hoc* committee chaired by Frank Press and myself to recommend to you the advisability of licensing the sale of the four items mentioned above: two seismic computers, a ship for testing off-shore geological formation, and an EARTS data receiving station.²⁵

²⁴ Carter checked the Approve option. No record was found of a dinner meeting between Brzezinski and Huang Zhen.

²⁵ Carter checked the Approve option.

32. Editorial Note

On June 17, 1977, Christine Dodson, National Security Council Staff Secretary, circulated to the Vice President, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Director of Central Intelligence, and the U.S. Representative to the United Nations two papers responding to Presidential Review Memorandum (PRM) 24 (see Document 24). Dodson's memorandum is in the Carter Library, NSC Institutional Files (H-Files), Box 43, PRM/NSC-24 [3].

The first paper, which addressed Part I of PRM 24, examined four policy approaches that the United States could take in its relations with the People's Republic of China. The first option was full normalization; the second, a significant improvement in relations short of full normalization; the third, maintenance of U.S.–PRC relations at the Liaison Office level and, in an effort to advance the relationship with China through unilateral steps, downgrading relations between the United States and Taiwan; and the fourth, maintenance of official relations with Taiwan at current levels, combined with efforts to improve other aspects of the U.S.–PRC relationship. (Carter Library, NSC Institutional Files (H-Files), Box 43, PRM/NSC-24 [1])

The second paper, in response to Part II of PRM 24, considered three options for reducing the number of U.S. troops on Taiwan. The first option was to withdraw all U.S. troops on Taiwan by December 31, 1977; the second, to reduce U.S. troops 50 percent by December 31, 1977; the third, to reduce U.S. troops 50 percent by December 31, 1978. Among its conclusions, the paper noted, "It would be extremely difficult to physically withdraw all U.S. forces from Taiwan by 31 December 1977." In addition, it stated, "A minimum of 6 months lead time is desirable to implement the withdrawals considered under option two." (Carter Library, NSC Institutional Files (H-Files), Box 62, PRC 019, 6/27/77, (PRC China)–PRM 24 [2])

33. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, June 20, 1977

SUBJECT

Labor Camps in China

You should be aware that some people at CIA are attempting to generate interest in the subject of labor camps in China. The timing of this effort suggests that it could be related to PRM–24, and is an effort to inject the human rights issue into our China policy considerations.

The information recently assembled comes from diverse sources of two or three years vintage (Tab A).² It is nonetheless chilling, [*1½ lines not declassified*] literally tens and even hundreds of thousands of prisoners are held. My general reaction to this information is, of course, no surprise. I have interviewed refugees in Hong Kong whom, I suspect, worked in precisely these camps. At least they described digging the frozen turf in the middle of winter in Manchuria—a pleasant task.

Let us look forward to the day when our diplomatic relations with China are such that we can begin to raise this issue, and the Chinese

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 62, PRC 019, 6/27/77, (PRC China)–PRM 24 [1]. Secret. Sent for information.

² The report on labor reform centers is attached but not printed.

will have a sufficient stake in their relationship with us that they will simply have to respond.

[1 paragraph (2 lines) not declassified]

34. Summary of Conclusions of a Policy Review Committee Meeting¹

Washington, June 27, 1977, 3–4:30 p.m.

PARTICIPANTS

State

Cyrus Vance, Chairman

Philip Habib

Richard Holbrooke

Treasury

Michael Blumenthal

Fred Bergsten

Defense

Harold Brown

Mort Abramowitz

General George Brown

Lt. Gen. W. Smith

CIA

Stansfield Turner

Robert Bowie

NSC

Zbigniew Brzezinski

David Aaron

Mike Oksenberg

SUBJECT

PRM–24, Parts I and II: Options Toward the People's Republic of China and Taiwan Troop Drawdown

SUMMARY OF CONCLUSIONS

PRM–24, Part I, presented four basic options:²

—*Option 1*: Make a major effort to establish full diplomatic relations in the near future by recognizing Peking, allowing diplomatic re-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Policy Review Committee 6/27/77 on PRM 24: 6–7/77. Top Secret; Eyes Only. The meeting took place in the White House Situation Room. Oksenberg sent both the Summary of Conclusions and the minutes of the meeting to Brzezinski under a covering memorandum dated July 8. (Ibid.) Brzezinski sent only the Summary of Conclusions to Carter under a July 11 memorandum that requested that Carter approve the summary so that it could be distributed to PRC principals. At the bottom of the memorandum, Brzezinski wrote, "I do *not* attach a transcript of the meeting, to save you time." Carter approved the Summary of Conclusions for distribution, but wrote, "not asserting approval of options yet. J." (Ibid.)

² See Document 32 for a summary of Parts I and II of the study prepared in response to PRM 24.

lations and the Treaty with Taiwan to lapse, and remaining satisfied that alternative means will exist to sustain the substance of our current relationship with Taiwan.

—*Option 2*: Seek to achieve qualitative movement toward—but short of—full normalization by recognizing Peking while retaining some official representation and possibly military forces on Taiwan.

—*Option 3*: Seek to advance the relationship not through normalization but through unilateral steps on Taiwan (troop withdrawal, lowering the level of our representation on Taiwan).

—*Option 4*: Maintain official relations at current levels, with focus on collateral enhancements (such as increased security contacts, intelligence sharing, sale of dual-use technology, and/or acquiescence of third country sale of military technology).

PRM–24, Part II, presented three basic options:

—*Option 1*: Complete withdrawal by December 31, 1977.

—*Option 2*: 50% reduction by December 31, 1977.

—*Option 3*: 50% reduction by December 31, 1978.

1. *Normalization*. State, Treasury, Defense, and JCS all advocate Option 1 of PRM–24, Part I. During his trip, Vance should indicate to the Chinese that we wish to establish full diplomatic relations. However, no one believed we should limit ourselves to Option 1. We should consider engaging in collateral measures (Option 4) and reduce our presence in Taiwan (Option 3) upon Vance's return.

2. *Taiwan Troop Drawdowns*. Decision to be deferred until Vance returns. DOD and JCS believe we can draw down to 400 by mid-1978, providing DOD employs civilians and/or contractors for tasks now performed by the military.

3. *Minimum Conditions on Taiwan*. All agreed we should meet Peking's three conditions only if we were confident that by so doing, Taiwan's chances for enjoying a peaceful future would not be diminished and that we would be able to retain unimpaired our economic and cultural relations with Taiwan, including the sale of arms. In addition, Treasury thought we should receive assurances from Peking that our economic relationship would be enhanced post-normalization. State thought we should have a clear sense of China's post-normalization posture in Southeast Asia and Korea.

4. *Minimum Demand of Peking Regarding Taiwan*. Vance outlined the choices we face with respect to our minimum demand of Peking regarding indication of its peaceful intent vis-a-vis Taiwan: (a) that the PRC publicly renounce any intent to use force; (b) that the U.S. unilaterally declare an interest in a peaceful resolution of the issue, with prior private assurance from Peking that such a statement would not be challenged; (c) that Peking privately assure the U.S. of its peaceful intent;

(d) that the U.S. unilaterally assert its continued interest in a peaceful resolution of the issue, with little or no prior indication of Peking's likely reaction. No decision was made on which of these four or variants of them would constitute our minimum demand.

5. *Approach on the Vance Trip.* State was instructed to prepare a paper outlining two alternative negotiating strategies in pursuit of Option 1.³ One approach would have Vance table a forthcoming U.S. position in precise and detailed fashion. A major objective here would be to remove any doubt in Chinese minds concerning the earnestness of our intent. A second approach would be for Vance to foreshadow our position—to sketch our policy in more rounded form—and to sound the Chinese out. This approach might buy us time at the risk of causing the Chinese to conclude we are really unwilling to cut the Gordian knot.

6. *Collateral Actions.* No one recommended undertaking collateral actions at the present time (such as withdrawal of Unger, immediate initiation of Taiwan drawdowns, facilitating technology transfers to the PRC, etc.). However, such actions should be considered after the Vance trip.

7. *Political Considerations.* State, Treasury, and NSC all recognized the current political difficulty in selling “recognition” on the Hill. A strategy for dealing with Congress is essential. The Hill problem means the issue cannot be absorbed domestically until sometime in 1978 at the earliest.

8. *Intelligence Estimate.* CIA is requested to estimate the global reaction to U.S. pursuit of Option 1.⁴ This study would be both useful and politically wise, so that we can say we assessed the risks of normalization.

9. *Appendix One.* A transcript of the meeting is attached. It includes the discussion on the current state of the relationship and the rationale for adopting Option 1. That discussion was terse and not amenable to further summary.

Appendix One

I. Current State of Relations

Holbrooke and Oksenberg opened by noting that we are in a situation of watchful waiting. Peking sees U.S. policy as not yet decided. It berates us over our Soviet policy. It wants to move the relationship forward. But it is uncertain that the U.S. is similarly committed. The rela-

³ See Document 26.

⁴ See Document 39.

tionship is prone to erosion. In fact, it has eroded since 1973–4. Trade is down; cultural exchanges languish; intelligence sharing has ceased; the rhetoric on each side no longer adequately takes into account the domestic concerns of the other. If the relationship does not move forward, it will continue to regress; it is unlikely to be sustained at the current level.

Habib thought the underlying strategic calculus which gave impetus to the relationship—our common concerns with the Soviets—remains unaltered. In this sense, the relationship was not “fragile” or prone to erosion.

Harold Brown noted that erosion was visible in another way: we no longer are securing the leverage from it which we derived in 1971–2. It is not a stable relationship.

Habib called attention to evidence that the Chinese feel “let down” and that we owe them a “debt”. This no doubt relates to their expectation—cultivated by previous administrations—that recognition would have been extended by now. They are trying to give us a message: they want us to move, and move soon.

Vance thought from a Chinese perspective there has also been erosion in the relationship, in the sense they probably fear they have been drifting toward a “two China” position with us.

II. Strategic Importance of Relationship

Harold Brown thought if anything, the PRM understated the strategic and military benefit we derive from our relations with China. To the extent our opening to China reduces the chances of Sino-Soviet détente, we gain enormously. The Chinese tie down a significant portion of Soviet military effort. Any reduction in that burden would give the Soviets enhanced flexibility.

Blumenthal asked what the likely consequences of normalization would be upon Sino-Soviet relations. Bowie responded that one could argue either way, that the evidence is ambiguous, but that on balance the Sino-Soviet relationship appeared relatively independent of the state of Sino-American relations.

Holbrooke suggested that while we do not really know the answer to Blumenthal’s question, it was clear that the Sino-Soviet-US triangle is inherently unstable and that a change in one leg could easily impact in unpredictable ways upon the other legs—hence the desirability of consolidating the Sino-American leg.

Oksenberg observed that no matter what the future course of Sino-Soviet relations, we would be better off with an enhanced relationship with Peking. For, should a Sino-Soviet détente occur at some point 2–4 years hence, that détente would be less likely to be turned against us. An objective of our policy should be to position ourselves so

that we could view the prospects of a Sino-Soviet détente with equanimity and not base our security considerations on the assumption the rivalry is immutable.

Blumenthal agreed, noting that the US–PRC relationship must proceed on the basis of our tangible bilateral interests as well as out of strategic concerns.

General Brown stressed that while the effect of Sino-American relations upon Sino-Soviet relations may be hard to ascertain, the impact of the Sino-US connection on Soviet-US relations was more evident. Leverage could be secured over the Soviets.

Brzezinski noted two inter-related problems: (a) how to achieve normalization—a bilateral issue; (b) how to deepen the relationship and expand the areas of tacit cooperation—in many ways, a strategic problem. As to our strategic goals, we have three: (1) to prevent a deterioration in the bilateral relationship that would harm our strategic interests; (2) to keep the Sino-US relationship qualitatively better than Sino-Soviet relations; and (3) to engage the PRC in wider global relations. To these ends, the Vance visit is very important and will set the tone of the relationship for the coming four years.

III. Taiwan Troop Drawdown (PRM–24, Part II)

Harold Brown revealed that DOD had differences on the drawdown, particularly on the viability of the Defense Treaty if all forces were removed. The Secretary had concluded, however, that a PRC attack was not deterred by the remaining 1,350 troops and that an attack was not likely in any event. If the U.S. recognized the PRC, the Defense Treaty with the ROC would lapse.

As to the specific withdrawal options, Secretary Brown thought a complete reduction by December, 1977 (Option 1) was not possible, but that a 50% reduction by spring could be met. He favored a target between Option 2 (50% by December 31, 1977) and Option 3 (50% by December 31, 1978).

General Brown agreed. He stated we could get to Option 2-plus by spring; e.g., we could be down to 400 by spring, especially through more contracting and use of civilians for chores currently carried out by the military.

The consensus was that decision on the rate of withdrawal should be deferred until Vance returns from Peking.

IV. China Policy Options (PRM–24, Part I)

Harold Brown opened the discussion by encouraging us to aim for Option 1. However, he wished to know more precisely what the Option entailed. What would the Chinese reaction be to a unilateral U.S. declaration of continued interest in a peaceful resolution of the Taiwan issue

and to continued U.S. sales of military equipment to Taiwan—all in the context of Option 1 and a meeting of their three conditions? Brown felt Option 2 was not viable, and Option 3 was a fall-back possibility.

Vance asked the Secretary what we would get out of normalization, in terms of convincing U.S. audiences of the advisability of the move. Brown opined there were two benefits: (1) we'd be better positioned in the triangle; (2) the security of Taiwan would actually be enhanced if the PRC would react silently to our statements declaring an interest in a peaceful resolution of the issue. There is no inhibition on an attack as is, in terms of prior PRC commitments that it wished or hoped to resolve the issue peacefully.

Blumenthal supported Option 1, but noted the option set forth a goal without developing a strategy for getting there. In addition, we must have a clear sense of our minimum conditions. Among the bilateral concerns we ought to have are: (1) settlement of the claims-assets issue; (2) continued presence on Taiwan, cast possibly non-officially (such as a Trade Office); (3) an agreed upon formula for continuing our economic links with Taiwan unimpaired; and (4) of lesser priority to Blumenthal, an ability to continue arms sales to Taiwan.

Vance added to the list a unilateral, unchallenged statement by us indicating our interest in a peaceful resolution of the Taiwan issue. Blumenthal commented that this would be highly desirable, but if we accepted the notion of one China, it would be hard to argue that we have a right to sustain such an interest.

Vance agreed with Holbrooke that we might wish to have an understanding of the PRC's intent in Korea and Southeast Asia after normalization.

Brzezinski argued that given the importance of a successful Vance visit, the Secretary must be able to say in Peking that we desire to normalize, that we are prepared to negotiate the modalities, but that Peking must give recognition to the historical legacies we shoulder. To underline the seriousness of our intent, we should take collateral, unilateral initiatives, some even before the August visit. For example, Ambassador Unger might be called home.

Vance asked why this should come before his visit—what would we gain? Brzezinski replied that we should not be seeking quid pro quo at every step, but view our moves as part of a broader process.

In addition to an Unger return, Brzezinski suggested Taiwan forces should be drawn down considerably over the coming year. He also recommended some of the collateral steps in Option 4: (a) to accept a PRC invitation for Secretary Brown to visit the PRC, should one be extended; (b) to discuss candidly and in detail our policies in all regions of the world and to keep the Chinese well informed of our initiatives where their interests are involved; (c) to facilitate advanced technology

sales *by allies* to the PRC; (d) to discuss a deepening of our economic relations. [On point (b), Habib later noted that such discussions will take place in Peking, but as to cooperative action, these will only occur on a case-by-case basis as a particular situation permits it.]⁵

In sum, Brzezinski advocated a three part package: Option 1 (normalization); elements of Option 3 (unilateral steps); and elements of Option 4 (to give the relationship greater political substance).

Blumenthal cautioned that normalization requires actions on Peking's part. The economic relationship could be important in this regard. We should not feel that we simply owe them something. Habib believed that if indeed we are prepared to go the full route, we may find there is give on the other side precisely in the realms which Blumenthal mentioned.

Vance and Habib concluded that while all were for Option 1, how precisely to handle the Taiwan issue was still a topic for future discussion. The chances for and pace toward normalization would be determined by our stance on that issue. Here, Vance thought we essentially had four options: (a) demand from Peking a public renunciation of use of force; (b) assert publicly our continued interest in peaceful resolution of the issue, knowing through prior negotiations Peking would not condemn it; (c) Peking pledges to us *privately* they will not use force; (d) assert publicly our interest, not knowing whether Peking will condemn our statement.

Bowie observed that in making our decision, we must ask which level of assurance is necessary in order to enable Taiwan to survive.

General Brown reported that the JCS supports Option 1, but before he could recommend this course in testimony, wished an assessment of the global implications of normalization. Vance agreed that such a study would be important. Brzezinski will request Turner prepare such an assessment.

V. Timing: The Domestic Political Issue

Vance initiated the discussion by pointing to the problems on the Hill, where quite a group was forming against normalization, a combination of conservatives with ties to Taiwan and liberals concerned with human rights in the PRC. Holbrooke agreed that there is a Congressional problem where the concern is that we not "abandon Taiwan". The Congressional role in normalization will be important.

Vance asked whether Congress should be brought openly into the issue before his trip. (Holbrooke is already organizing a series of quiet, small gatherings with Congressmen.) Aaron thought this would be

⁵ Brackets in the original.

premature. He noted the major issues now on the agenda—Panama Canal, Korea, SALT, Mid-East—and doubted that Congress could absorb another issue in 1977. Further, identifying what we need to get from the Chinese—the minimum demands which would make recognition acceptable to us—is something that has yet to be clearly identified. Until we know that, it will be hard to go to Congress. Concerning the politics of the situation, after all, when one asks Congress for something, one has to be able to indicate what precisely is required of them. [With] These considerations we should seek to build momentum for 1978.

Brzezinski asked how long it would take to negotiate the terms of recognition. How long has it taken others? Habib responded that we've already talked before—for five years, in fact. The ground has been well covered and each side understands the position of the other. Holbrooke observed that we must lay out to the Chinese our domestic political problems in normalizing relations, to which Habib responded that this too had already been done quite thoroughly.

Blumenthal believed we confronted a major educational job with Congress. The business community, on the other hand, could be very helpful.

Abramowitz felt that because of leadership changes in China and because we had never seriously negotiated the terms of recognition, we do not know the precise Chinese position on such matters as their tolerance of our continued arms sales to Taiwan. They may not reveal their position during the Vance trip or within a few months afterward; we could be involved in a protracted process.

Brzezinski raised a question about the negotiating process. What sequence of talks do we foresee following the Vance visit? In fact, now that a consensus has emerged for Option 1, there are at least three issues: (a) our minimum demands concerning the Taiwan issue; (b) our approach prior to and during the Vance meetings in pursuit of Option 1; and (c) the procedures or channels for subsequent meetings.

With respect to post-Vance negotiations, Vance and Holbrooke noted that the next round could be a meeting of foreign ministers at the UN General Assembly in September–October. And we have an Ambassadorial channel through Woodcock in Peking or here in Washington.

With respect to approaches, Brzezinski wondered whether we should undertake unilateral steps prior to the Vance meeting. Blumenthal observed that few were available to us, that the available ones would not clearly help set the stage for successful talks, and that adopting a posture of patience could be the most effective negotiating stance in any case. Everyone generally agreed that consideration of unilateral steps after Vance's visit would make a great deal of sense.

35. Memorandum of Conversation¹

Washington, July 13, 1977

SUBJECT

Normalization of US–PRC Relations

PARTICIPANTS

Secretary of Defense Harold Brown
 Deputy Secretary of Defense Charles W. Duncan (first minutes only)
 Ambassador Leonard Woodcock
 David E. McGiffert, Assistant Secretary, ISA
 Morton Abramowitz, Deputy Assistant Secretary, ISA
 Rear Admiral M.S. Holcomb, Military Assistant to the Secretary of Defense
 Thomas Ridge, Assistant for China, ISA
 Galen Fox, State: EA/PRCM (notetaker)

Secretary Brown said he was delighted that Ambassador Woodcock was going to Peking and knew of the President's respect and friendship for him.² The Secretary added that he was extremely interested in seeing the Chinese remain a counterweight to the Soviets and hoped that the United States would do what it could to further this objective.

Ambassador Woodcock responded that we know less about where the Chinese stand than we have for the last two or so years. He referred to the tough position on Taiwan being taken by the Chinese People's Institute of Foreign Affairs (CPIFA) delegation currently touring the United States.³

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 43, Meetings: 6–7/77. Secret; Exdis. Drafted by Fox. The meeting took place at the Department of Defense.

² According to the President's Daily Diary, Carter met on July 7 with Woodcock, Mondale, Vance, Holbrooke, Gleysteen, Brzezinski, and Oksenberg from 2:46 until 3:12 p.m. (Carter Library, Presidential Materials, President's Daily Diary) No record of this meeting has been found. Carter's unofficial personal diary notes: "Leonard Woodcock came by with Cy Vance and others to talk about potential normalizing of relationships with China. He'll be leaving in a week or so to go to Peking, and I told him that I thought normal relations were advisable, that I believed I could sell it to the American people, and that I would be willing to take on the political responsibility of doing so. The only remaining obstacle, of course, is our commitment not to abandon the peaceful existence of the Chinese who live on Taiwan." (Carter, *Keeping Faith*, p. 194) Brzezinski prepared talking points for Carter for the meeting with Woodcock. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 7–9/77)

³ The visit of the CPIFA delegation to Washington is described in telegram 157536 to Beijing and Hong Kong, July 7. (National Archives, RG 59, Central Foreign Policy File, [no film number])

Ambassador Woodcock also mentioned the official protest the Chinese have made against his testimony before the Senate Foreign Relations Committee. He said the Chinese had objected to the concern he had expressed about the security of Taiwan.⁴

Secretary Brown suggested that the Chinese actions may be part of a hard bargaining line and designed to prepare the atmosphere for negotiations. Ambassador Woodcock responded that he hoped that was all it was.

Secretary Brown said that his main concern was that Chinese unhappiness with current US–PRC relations would cause them to shift toward the Soviets. Mr. Abramowitz suggested that the Chinese hard line may reflect their internal political concerns. Ambassador Woodcock said we will have to see how he is received in Peking, then wait to see what happens during the Secretary’s visit.

Ambassador Woodcock next asked the Secretary for his views on US–PRC relations and normalization. Secretary Brown said that the US–PRC relationship has slipped somewhat; not seriously, but clearly since 1972. He said that from the military standpoint, it is very important to stabilize our relationship with China and to avoid the situation where the Chinese are allied with the Soviets against us. He stated that whatever we can do to reduce this possibility is worth doing, as long as we take into account all costs of any such action.

Secretary Brown said that normalization of US–PRC relations would improve the prospects of stabilizing the present relationship and insuring that the Chinese do not move toward a more pro-Soviet stance. He pointed out that the Soviets have 20 percent of their military forces along the Chinese border. It would be a problem for us if these troops were to be moved back to Europe. Secretary Brown added that the political benefits are also analogous, since the Soviets have to keep worrying about the Chinese.

Secretary Brown also noted that normalization would be a serious problem with Congress, but that the time to normalize was during a non-crisis period. Normalization would not necessarily prevent a future deterioration in our relationship, but would make it less likely.

Ambassador Woodcock said that normalization would probably become a serious US domestic issue and get more so day by day. Secretary Brown expressed the view that we can accept this as a domestic issue if the PRC will accept without reaction a Presidential or a Congressional statement which affirms our continuing interest in a peaceful settlement of the Taiwan issue; if the PRC publicly reacts to

⁴ The PRC protest against Woodcock’s testimony was reported in telegram 157291 to Beijing, July 7. (National Archives, RG 59, Central Foreign Policy File, D770240–0594)

such a statement, it will be harder for us to sell it in the US. Another problem is that we must be able to continue arms sales to Taiwan.

Ambassador Woodcock agreed, noting it would be a serious problem if the PRC made this point a "fourth condition." Secretary Brown said they apparently had reasons for changing their declaratory policy.

Secretary Brown noted that his Department is working out a draw-down of our military forces on Taiwan, and expects that one-half or more of the troops can be removed by the end of next year. Ambassador Woodcock thought the US troop withdrawal might occur sooner.

Ambassador Woodcock then returned to the US domestic difficulties posed by the Taiwan question, mentioning that thirty-five Senators had attended a meeting with the CPIFA delegation that was an "absolute disaster" because of the Chinese rhetoric on Taiwan. The Ambassador supposed that the Chinese are as tough as they are because they expected to get it all in 1976, and are disappointed.

Secretary Brown said that the Chinese statements on Taiwan, such as the comments made to Admiral Zumwalt recently,⁵ are making it harder (for those who favor normalization), but he supposed the Chinese have their own domestic problems. Secretary Brown then asked Ambassador Woodcock what he thought the next thing to do was.

Ambassador Woodcock said that he had talked with the Secretary the previous evening.⁶ They had agreed that, since we are in the dark as to China's real intentions, he would feel his own way when he arrived in Peking and see how the Chinese received him. He indicated we will have to wait for the Secretary's visit to see how far we can actually go toward normalization. Secretary Brown said we are drifting in an unstable situation, which is dangerous. Ambassador Woodcock pointed out, however, that unlike issues such as the Panama Canal treaty which require support of two-thirds of the Senate, normalization was a Presidential decision. Congress' actions would mainly be involved with providing for continued ties to Taiwan.

Secretary Brown said that he felt that Congressional sentiment was more strongly against extending assistance to those places the President wanted to support, than it was to putting obstacles in the path of Presidential efforts to reduce our overseas involvements. For example, although there had been a Hill reaction against the President's planned

⁵ Retired Admiral Elmo Zumwalt arrived in Beijing on June 29 for a 3-week visit hosted by CPIFA. While he was there, Chinese officials criticized U.S. policy toward Taiwan, sometimes taking "an unusually abrasive style." (Telegrams 1314, June 29; 1324, July 1; and 1331, July 5, all from Beijing; National Archives, RG 59, Central Foreign Policy File, D770233-0314; D770235-0151; and D770237-0907)

⁶ No record of the meeting has been found.

ground troop withdrawal from Korea, Congress was more likely to restrict giving military aid to Korea than it was to prevent the President from removing the troops.

Ambassador Woodcock felt that Congress was misreading the mood of the country. Before he left for Hanoi, Woodcock had anticipated that he would receive a barrage of mail protesting the mission. In fact, he had received only three hate letters in contrast to dozens of letters on the other side.

Secretary Brown said that he felt the country was confused and therefore expressed mixed views on foreign policy questions. The people are concerned about the erosion of the US position, but are not willing to pay for a reversal of this deterioration. Mr. Abramowitz pointed out that the polls on normalization are contradictory with the people favoring both improved relations with the PRC and continued relations with Taiwan. Ambassador Woodcock said that what this shows is that the people like the status quo. Secretary Brown said that time is moving against us, however. The status quo will lead to a deterioration of US–PRC relations.

Ambassador Woodcock agreed. He said that Senator Glenn, among others, feels a strong commitment to the present relationship. Secretary Brown suggested that Senator Glenn was probably worried about the signals abandoning our commitment to Taiwan would send to other countries. Ambassador Woodcock said that this was so. Secretary Brown said that he was seeing Senator Glenn July 14, and would say something to the Senator about Taiwan.

Ambassador Woodcock said that China was stabilizing its internal situation, but that this would be a long drawn out process (that would have its impact on US–PRC relations).

Secretary Brown closed the meeting by wishing Ambassador Woodcock good luck in his assignment and offering to do anything he could for the Ambassador. Ambassador Woodcock replied that he appreciated the opportunity to visit with the Secretary and to receive the scheduled DIA briefing on China's military strength.

36. **Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, July 14, 1977

SUBJECT

Draft Communiqué for Establishing Diplomatic Relations with the People's Republic of China

As you know, one of the major problems we will face during Vance's trip to Peking will be to make credible the seriousness of our desire to normalize relations with Peking at some point during our term in office.

Clearly, the Vance trip can only initiate the negotiations. Negotiations will not be concluded in the coming few months, in part because our own domestic political situation does not allow it. With the Panama Canal, the Mid-East, and SALT already on the agenda, we could not absorb normalization along the lines toward which we now seem to be headed.

The problem is that the Chinese have already heard both Nixon and Ford describe in detail the domestic political difficulties in the U.S. which make it difficult to normalize our relations. I suspect some Chinese are growing dubious about our earnestness. (I recognize, of course, that given their rhetoric about Taiwan, we may question the earnestness of their intent.)

I propose as one way of engaging the Chinese in serious negotiation that we table a communiqué which sets forth the terms of recognition. I attach one version for *your* consideration (Tab A).² I would be interested in hearing *your reaction*, both to the idea of tabling such a document and the viability of this particular communiqué, before I proceed further.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 7/77. Top Secret; Sensitive; Exclusively Eyes Only. Sent for action. At the top of the page, an unknown person wrote, "Outside the System." At the bottom of the page, Brzezinski wrote, "Talk to me. See *one* change. Good idea. ZB." He added, "But what about the '3 conditions?'"

² Tab A, a proposed "Draft Communiqué Announcing Establishment of Relations Between the People's Republic of China and the United States," is attached but not printed. The draft includes the passage: "The Chinese people and government are patient. They are prepared to wait for decades for final reunification of Taiwan with the motherland, providing the authorities on the island neither attempt to abrogate the well-established historical principle that Taiwan is part of China nor attempt to collude with other hegemonistic countries or groups of countries."

I draw your attention to its key feature—a linkage of a Chinese pledge of patience to Taiwan's *not* declaring itself independent. The ploy here is to get the PRC to state implicitly that it seeks the form but not the substance of control over Taiwan. As long as the PRC adopts that stance, then we are pledged to maintain a "one China" formula, and Taiwan has an implicit PRC pledge of "non-use of force."

Naturally, in addition to this communique, I would recommend a unilateral statement by us indicating our intent to sustain a full range of cultural and economic relations with Taiwan and our interest in a peaceful resolution of the Taiwan issue. But a communique I offer here offers the best chance, I think, to induce the Chinese to pursue a patient course. In effect, we would encourage Peking to look upon Taiwan as it does Hong Kong: part of China posing no symbolic or military threat, but which it would be too costly to take over.

Recommendation:

That you give me your reaction to this idea. You are the only person with whom I've broached the subject. I do not wish to proceed further without knowing your thoughts.³

³ After reading the draft, Brzezinski suggested replacing "the United States recognizes the government of the People's Republic of China as the sole legal government of China and accepts the position that there is but one China and that Taiwan is part of China" with "the United States recognizes the government of the People's Republic of China as the sole legal government of China and acknowledges the position that there is but one China." In the margin next to this change, he wrote, "Redundant + troublesome."

37. Memorandum From Secretary of State Vance to President Carter¹

Washington, July 24, 1977

SUBJECT

The Consequences and Likelihood of Taiwan Independence

This memorandum responds to your question on the subject.

Consequences of Taiwan Independence

The People's Republic of China and the Republic of China share the basic principle that Taiwan is a province of China. Taiwan independence as viewed from both Peking and Taipei would entail changing Taiwan's juridical status into a sovereign entity no longer acknowledging ties to China.

Taiwan's declaration of independence would be a serious blow to our China policy. Although the PRC is realistic about actual re-unification, international acceptance of the principle of one China of which Taiwan is a part has been a cardinal PRC foreign policy goal since its founding. Our Shanghai Communique acknowledgment of this principle was an essential element in getting normalization under way, and Peking's belief that we will remain a major influence on Taiwan's future contributes to its interest in its relationship with us.

Peking would hold us responsible for a declaration of independence regardless of the facts. It would insist that we not recognize Taiwan's changed status. Peking's reaction would go beyond Sino-US relations. It would pressure others to cut economic and any other relations they have with Taiwan, particularly troublesome for Japan. It might undertake threatening military moves—the offshore islands are a convenient hostage for this—or declare a naval blockade of the island.

Likelihood of Such Action

A ROC declaration of independence in the near term is not likely. At a minimum, Taipei will want to see how normalization is further played out before even contemplating such a drastic move. We are fairly optimistic that this undesirable scenario will not develop if, as planned, we take into account Taiwan's requirements in carrying out normalization. Moreover, the ROC leadership is cautious and prudent,

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Presidential Advisory Board, Box 74, Agency: Box 3. Secret; Nodis. A handwritten "C" at the top of the page indicates Carter saw the memorandum. Above that, someone wrote, "Obviously, no action."

traits particularly noticeable in Premier Chiang Ching-kuo. The ROC realizes that in declaring independence it would face a provoked and determined PRC without assurance of support from the US. As long as the leadership is left with some hope for the future, it will seek to preserve as many elements of the status quo as possible. Its inclination toward prudence would be reinforced by the absence of any meaningful domestic pressures for independence and by the Premier's reluctance to abandon his father's (Chiang Kai-shek) legacy of one China.

We cannot completely rule out the possibility of the ROC's declaring Taiwan independent. Desperation engendered by the feeling that we were completely abandoning Taiwan in proceeding with normalization might provoke such a course. However, as long as we continue by words and deeds to avoid such an impression, the ROC's reaction to completion of normalization is likely to be confined to a formula designed to comfort Taiwan's public by reference to its continued firm control of Taiwan while avoiding raising Taiwan's status in a manner which might create problems with the US or PRC.

38. National Intelligence Analytical Memorandum¹

NIAM 43–1–77

Washington, July 26, 1977

THE PROSPECTS FOR TAIWAN AFTER NORMALIZATION

[Omitted here are the title page, table of contents, a map, and a statement of the NIAM's scope.]

Key Judgments

The following key judgments are based on the assumptions that the US will take the steps necessary to retain a full range of economic and cultural ties with Taiwan and that Washington will normalize rela-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 7/77. Secret. The CIA and the intelligence organizations of the Departments of State, Defense, Treasury, and the CIA prepared this memorandum, which was issued by the Director of Central Intelligence. On the title page, Carter wrote, "Good report. J." An unidentified person extensively underlined the topic sentences and other passages in many of the key judgments, especially judgments A, B, C, D, E, F, H, J, K, and L. Arrows of emphasis in the left margins were placed next to judgments D, F, and K.

tions with Peking in a manner that will enable Taipei to provide for its own security.²

A. Taipei should be able to control the shock and decline in morale that would accompany the normalization of PRC–US relations. Premier Chiang Ching-kuo has a number of assets and mechanisms that could be employed to reduce the expected trauma of normalization. The Nationalists also can be expected to take steps to ensure the maintenance of economic viability and confidence in Taiwan’s prospects.

B. Taiwan’s economic status, government, and institutions are all strong. Taiwan’s economy, however, is heavily dependent on certain benefits under US laws that probably would have to be modified to take account of Taiwan’s new legal status. So long as Washington’s postnormalization trade and financial arrangements with Taiwan are close, Taiwan’s medium-term credit standing and foreign trade opportunities should remain good.

C. The PRC can be expected to continue tactics designed to erode Taiwan’s stability and confidence in the postnormalization period as it seeks to further isolate Taiwan, to increase its own influence over Taiwan’s future, and to interest Taiwan’s people in reuniting with the mainland. For example, the PRC might attempt to increase economic pressures on third countries or to expand further its air and naval activities in the Taiwan Strait area. Such moves will not significantly affect Taiwan’s security and prosperity, however, so long as its economy remains strong and its access to necessary defense equipment remains unimpaired.

D. The PRC is not likely to attempt a direct military attack on Taiwan during the next five years, primarily because of the international political and economic risks involved, but also because of the personnel and materiel losses it would be likely to suffer.

E. The Nationalists will be able to sustain a limited military deterrent against Peking if the US continues to supply military hardware and technology. Spare parts from the US also will be necessary after

² In response to this NIAM, Blumenthal sent an undated memorandum to Brzezinski that expressed his concern with “the fact that the paper gives no evidence that there has been any study of the legal and political aspects of how, and even if, the U.S. can in fact retain its current economic ties with Taiwan.” Blumenthal added that he felt it “imperative that careful thought and planning be given as soon as possible by the concerned agencies to establishing a legal basis for continuing U.S. economic relations with Taiwan, which would be politically acceptable to the PRC and to the United States.” (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 11, China (Republic of China): 1/77–5/78) Brzezinski’s reply indicated that he was sending a copy of Blumenthal’s memorandum to Vance and encouraging the Department of State to work closely with the Treasury Department on this issue. (Memorandum from Brzezinski to Blumenthal, August 31; Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 21, Treasury Department: 2/77–3/78)

normalization. Taipei would find it quite difficult to purchase from third countries military equipment that would supplement or replace US systems. The Nationalists also cannot, at least in the short term, develop their indigenous weapons industry to a self-sufficient level.

F. The Nationalists believe that retaining a close association with the US will be the key to their survival in a postnormalization period. The Nationalists will continue to prefer these close ties to other options that might endanger ties with the US, such as a turn to the USSR, a declaration of Taiwan's independence from the mainland, or the accelerated development of a nuclear weapons capability. The Nationalists are likely to resist negotiating with the PRC because of their relative weakness and their view that such negotiations would undermine confidence on Taiwan.

G. Taipei's ability to absorb the effects of normalization will not necessarily improve with the passage of time, and could weaken. A long period of uncertainty about its future could erode Taiwan's confidence as well as its acceptance of normalization.

H. Premier Chiang's death or incapacitation would be likely to result in a coalition leadership and a government less able to deal with postnormalization problems. A new government probably would survive, however, if the economy remained strong. Taiwan's security organizations should be able to handle subversion.

I. Taipei apparently has made no comprehensive plans to prepare the population for the postnormalization period. The leadership probably believes that knowledge of such planning could encourage the US to move ahead with the normalization process and that it would have a damaging effect on Taiwan's morale. Once the US gives notice of its decision to complete normalization, however, Taipei can be expected to move to bolster confidence and to minimize any anti-US reactions.

J. [1 paragraph (6 lines) not declassified]

K. The Nationalists recognize that their leverage over the normalization process is limited. [5 lines not declassified].³

L. [1 paragraph (10 lines) not declassified]

[Omitted here is the discussion section.]

³ At the end of this paragraph, an unidentified person wrote, "(re: the Taiwan lobby)."

39. Intelligence Memorandum Prepared in the Central Intelligence Agency¹

Washington, undated

INTERNATIONAL REACTIONS TO A NORMALIZATION OF US–PRC RELATIONS

I. Overview

This memorandum assesses the likely short-term reaction to normalization of US–PRC relations by Asian states, the Soviet Union and in other selected regions with notable but less direct interests in the issue. We believe that US actions vis-a-vis Taiwan in the normalization process would not lead to any immediate policy shifts inimical to the US. The extent to which suspicions of US staying power and credibility eventually would take hold would depend largely on Taiwan's ability to survive politically and economically and on future US steps to maintain itself as an active and effective Western Pacific power. The circumstances and conditions of a normalization understanding between the PRC and US nonetheless will be important in shaping the long as well as short term reaction.

For the purpose of this analysis, the following scenario is assumed as having taken place. In normalizing relations with the PRC, the United States has:

- withdrawn all forces from Taiwan;
- withdrawn all official representation from Taiwan;
- considered the Security Treaty with the ROC as automatically lapsing.

At the same time, the US has:

- continued to assure a supply of arms to Taiwan either directly or indirectly;

¹Source: Carter Library, NSC Institutional Files (H-Files), Box 62, PRC 019, 6/27/77, (PRC China)–PRM 24 [1]. Secret; [*handling restriction not declassified*]. Sent to Brzezinski under a July 27 covering memorandum from Bowie. (Ibid.) The memorandum was prepared in response to the request at the June 27 meeting of the Policy Review Committee for an estimate of the global reaction to normalization of U.S.–PRC relations; see Document 34. In a July 7 memorandum to DCI Turner, Brzezinski specified that the estimate make four assumptions: 1) the United States would establish diplomatic relations with the PRC and end diplomatic relations and the security treaty with the ROC; 2) the terms of recognition would permit Taiwan to sustain a prosperous economy and evolve a peaceful relationship with the mainland; 3) the United States would provide advance consultation to key allies; and 4) the United States would provide advance consultation to key Congressional figures. (Carter Library, National Security Affairs, Staff Material, Office, Institutional File, Box 28, INT Documents: #4200s–#4300s: 6–7/77)

—stated that it assumes that any resolution of the Taiwan issue will be peaceful, that it will continue to watch the situation, and whatever happens can affect future relationships in Asia;

—established unofficial trade and economic missions in Taiwan after withdrawing official representatives;

—recommended legislation to allow the extension of EXIM Bank loans to the ROC in the future and has taken other measures to facilitate trade and investment.

An important underlying factor in our assessment is a generally held international perception that US–PRC normalization would be the culmination of a process that has been underway—although fitfully—for more than six years. Most of the countries that found it necessary to undertake major adjustments in their foreign policies as a result of the surprise rapprochement between Washington and Peking have now completed the process. For example, more than 50 countries have opened diplomatic relations with Peking since 1971 when Peking replaced Taipei in the United Nations. At present some 34 countries, many in Latin America, have no ties with Peking. About 20 of these states could opt quickly for relations with Peking following US–PRC normalization.

Many nations, however, would make a distinction between better Sino-US relations, which they would welcome, and the ending of the official US relationship with Taiwan, which could sow further seeds of doubt about the reliability of the United States. This would be especially true in East Asia where all non-Communist states continue to see American credibility and presence as essential elements of stability in Southeast and Northeast Asia. The lapsing of a formal US security commitment to Taiwan would serve to reinforce the image of the US as a withdrawing power and would be viewed in some quarters as the latest development in a sequence of events including the withdrawal of US military presence from Indochina and Thailand and the announced US force reduction in Korea.

Despite such concerns, the official reaction to normalization would be generally positive. Most Asian states hope that normalization would provide Peking with further incentive to continue to build constructive and conventional state-to-state relations in the region rather than to revert to either a more subversive or chauvinistic approach. To this end, most East Asian capitals have already made their own rapprochement with Peking and virtually all appear to consider the breaking of official ties and commitments between the US and Taiwan as an inevitable part of the process of Sino-US normalization. They would assume that Sino-US normalization would in most respects amount to a change of form rather than substance in terms of both Taiwan's viability and Chinese policy in the region. Concern about Chinese power and intentions

would persist, however, especially among the non-Communist states of Southeast Asia.

Despite the fact that normalization has been anticipated well in advance by nearly all governments, and would be quietly approved by most, the act itself would be greeted with considerable concern on the part of a few nations with strong and quite different interests at stake. Among these, of course, would be the Soviet Union, which would see such a US move as carrying important anti-Soviet implications. Seoul and Tel Aviv share with Taipei relatively exposed positions and heavy dependence on the United States. Although both countries might be more apprehensive about the US commitments to them, they nonetheless appear to recognize that their own situations differ in important ways from that of Taiwan and the state of their own relations with the US would be the decisive factor.

[Omitted here is the body of the memorandum.]

40. **Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter**¹

Washington, July 29, 1977

SUBJECT

NSC Weekly Report #23

[Omitted here is material unrelated to the Taiwan Lobby.]

3. Alerts

The Taiwan Lobby and Its Significance

As we move toward normalization of relations with the PRC, we should be aware of the activities of the Taiwan Lobby. After a long period on the defensive, the Lobby is actively campaigning to derail recognition. Here is a short report:

Until the mid-1960s, the Taiwan Lobby was thought to have great political clout. Then, in the late sixties and even more after Nixon's 1972 visit, the Lobby fell into disarray. More recently and particularly in the

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 41, Weekly Reports (to the President), 16–30: (6/77–9/77). Top Secret; Sensitive. A handwritten "C" at the top of the page indicates Carter saw the memorandum.

past year, Taipei has concluded that it can help derail normalization. A more active program has therefore been launched. The essence of Taiwan's public posture is as follows:

—*Taiwan cannot survive without the Defense Treaty.* (In reality, Chiang Ching-kuo believes Taiwan can survive.)

—*Taiwan is responsive to the President's human rights stand, while the PRC is a gross violator of human rights as we understand it.* (In my opinion, there is a good deal of truth in this claim.)

—*It would be immoral for the U.S. to "dump" Taiwan for reasons of real politic.* The strong have an obligation toward the weak, particularly to old and loyal allies. In this sense, Taiwan is the Israel of the East. (This is a clever Taiwanese gambit, for it seeks to link pro-Taiwanese sentiment with the Israeli lobby.)

Taipei's lobbying activities are national in scope. Recently, for example, the ROC has made a special effort to cultivate support among Georgians, especially in Plains. Taiwan's second largest city has adopted Plains as a sister city. Last week, Mayor Blanton was induced to invite the PRC MIG defector to visit Plains and to become an honorary citizen of the town—which then received front page headlines in the Taiwan press.

The ROC is good at using mirrors to make us think they have a constituency. Some staunch supporters exist on the Hill (Goldwater, Tower, Dole, Zablocki, possibly Stone). Americans do feel uneasy about allowing the Treaty to lapse—a sentiment the ROC adroitly exploits. But we can easily exaggerate the Lobby's effectiveness and thereby intensify in our minds an essentially manageable problem. The Taiwan Lobby does not constitute a major obstacle to normalization. The real issue concerns our willingness to grasp this thorny issue at a time that is *strategically and politically advantageous to us.*

41. Memorandum of Conversation¹

Washington, July 30, 1977, 9:30–11:15 a.m.

PARTICIPANTS

Jimmy Carter, President of the United States
Cyrus Vance, Secretary of State
Harold Brown, Secretary of Defense
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
Hamilton Jordan, Asst to the President
Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

SUBJECT

China Policy

President Carter: The purpose of this meeting is to outline basic strategic considerations in our dealings with China and to exchange views on our China policy. My first question is: "What would the worldwide reaction be to normalization?"

Secretary Vance: It would be positive. The Japanese would accept it. The Southeast Asians would welcome it. The Soviets would not be surprised, and it would strengthen our position with them. It would make them realize that they have to work out something with us. This would be the case as long as we have no arms sales to China. The Middle East would be generally good and accept it. The Saudis are close to Taiwan, but they would accept it; our bilateral relations would not be affected. In Korea, the South Koreans would be ambivalent. In fact, it could mean a more positive future for them, but no doubt they would wonder. The North Koreans, I suspect, would have a mixed reaction.

President Carter: What countries have our kind of relations with China and Taiwan?

Dr. Brzezinski: None.

President Carter: How about Japan?

Secretary Vance: No, Japan lacks official diplomatic relations with Taiwan. We are the only country with official missions in both countries.

Mr. Holbrooke: In the past, Great Britain had a consulate in Taiwan and a mission in Peking, but the Chinese never let the representative obtain ambassadorial status. He was kept at the charge level.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Presidential 7/30/77 on Cyrus Vance Trip to China: 4-8/77. Top Secret; Sensitive. All brackets are in the original. The meeting took place in the White House. Talking points for this meeting that Brzezinski prepared for Carter are in the Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 7/77.

Secretary Brown: I would stress that the strategic effect of normalization would be substantial and positive. Which countries would see it negatively depends on how we end up with Taiwan.

President Carter: It would be useful for me to have a sense of the legal status of this issue vis-a-vis Congress. If we are to end up with the kind of relations with Taiwan as we wish, would legislative action have to be taken? I would like something in a simple tabular form.

What is the likely status of Taiwan ten years hence?

Secretary Vance: I think it is likely to develop along the lines of an autonomous entity. Peking has the capability of tolerating a diversity of forms, as long as Taiwan does not claim to be the government of China or an independent state. They have done this with Tibet, which is an autonomous region.

Mr. Oksenberg: I'm not sure that Tibet is the pertinent example, but I think that it is hard to predict the status of Taiwan ten years from now. What I feel confident in saying is that normalization will increase the chances that Taiwan will evolve as an independent entity, developing its relations with Peking in a peaceful manner. At present, there are four reasons that China does not attack Taiwan: 1) Peking has limited military capability; 2) in order to bring this military capability to bear, Sino-Soviet relations would have to improve, to allow the Chinese to redeploy their forces southward; 3) any attack on Taiwan would disrupt Peking's relations with Japan, the U.S., and Southeast Asia; and 4) the buildup would require that Taiwan could take countermeasures. But the basic factor governing Peking's behavior is the military balance. Normalization hopefully will set in motion processes that would encourage both sides to seek a peaceful accommodation. There is no incentive to do that at the present time.

Mr. Holbrooke: The question of Taiwan ten years from now is a difficult one. But I would say that the answer will depend greatly on the first 12 months. Here the key is a psychological factor—will the people in Taiwan remain confident of their own future? And the key elements here are the economic ties that the island would have with us and a continued U.S. arms sales.

Secretary Vance: The issue of continued arms sales to Taiwan in the post-normalization era has never been raised with the Chinese. We may have to mention it. We cannot leave it unraised. We must raise it. But it must be raised in an indirect fashion, by insinuation, so that we do not force the Chinese into a situation where they have to explicitly oppose it.

President Carter: Well, as to which approach we use, the indirect or the direct, I am for laying it on the line. Use the direct approach.

Secretary Vance: I agree, especially if Teng is the interlocutor. Teng is very blunt and direct.

Secretary Brown: Also, we will need to tell Congress what was said. We will have to be confident in our own mind arms sales can continue.

Mr. Holbrooke: There are really two things which the Chinese will have to accept. First, the Chinese will have to understand that they cannot talk publicly about the right to liberate Taiwan by force. Second, through indirection and acquiescence, they will have to accept our continued sales of arms.

Mr. Oksenberg: There is also a problem of whether the Chinese will be able to tolerate a frank discussion in the U.S. about our evaluation of PRC military capabilities vis-a-vis Taiwan and about the nature of our post-normalization relationship with Taipei. As we reveal our long-term hopes for Taiwan, they may feel compelled to respond with verbal militancy.

Dr. Brzezinski: What evidence do we have that the Chinese will accept arms sales? How can we be so sure?

Mr. Holbrooke: Well, the Chinese thus far have explicitly mentioned three conditions for normalization: abrogation of the Defense Treaty, severance of diplomatic relations with Taiwan, and withdrawal of all military forces and military installations. If the Chinese were to add no arms sales, then they have added a fourth condition.

We are proceeding in the hope that the Chinese care a great deal about symbols, and that they are willing to tolerate a continued U.S. security relationship with Taiwan in substance in order to obtain a form of relationship that affirms their legitimacy as the government of China.

Secretary Vance: Well, we'll just have to find out. Through the direct approach, we will ascertain their position.

President Carter: [Reads the relevant portion of the Shanghai Communique dealing with both sides' position on the Taiwan issue.]² Well, it looks to me as if we are just coming around to their view.

² The relevant portions read: "The Chinese side reaffirmed its position: The Taiwan question is the crucial question obstructing the normalization of relations between China and the United States; the Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all U.S. forces and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of 'one China, one Taiwan', 'one China, two governments', 'two Chinas', an 'independent Taiwan' or advocate that 'the status of Taiwan remains to be determined'. The U.S. side declared: The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes." (*Public Papers: Nixon, 1972*, p. 378)

Mr. Oksenberg: We would be coming around to their view in public but less so in private. You must remember Nixon's five points, which after all accepted their three principles.³ We are willing to declare publicly more than we have stated publicly before, but our private statement to the Chinese—which would become public later—does not go as far as Nixon's five points.

Secretary Vance: Yes, we are pulling back from Nixon's private five points.

President Carter: Would Taiwan go independent? I ask that because Charlie Kirbo—he's my Averell Harriman—saw Ambassador Shen. He tried to see Kirbo on several occasions. You know how these Taiwanese have been running all over Georgia, Atlanta, and Plains. Mike knows all about it. Well, Kirbo then asked me whether we should encourage Taiwan to go independent. I didn't ask him where he got this idea, but I suspect that it's an idea that comes from Shen through him. Maybe they're trying to tell us something.

Mr. Holbrooke: Taiwan would not declare itself independent. Its leaders are pragmatic. It would raise all sorts of uncertainties. Rather, what we're likely to see is that if the Taiwanese conclude that normalization is really upon them, they then will seek to maintain investment confidence in the island by not undertaking destabilizing measures at home and projecting a sense of confidence that they could induce abroad.

Secretary Vance: I tend to agree with that, but Taiwan cannot be taken for granted.

Mr. Oksenberg: I agree. As long as Taiwan is not pushed into a desperate position, they are unlikely to declare their independence. But if they believe that their very survival is at stake, then they might undertake desperate measures. How we act toward them, therefore, will affect the extent to which they would consider going independent. As Holbrooke said earlier, how we behave in the earliest period and what we do about normalization will be absolutely crucial.

We also have to remember that our continued presence on Taiwan is a plus to the Chinese. We keep Taiwan from going nuclear, from developing relations with the Soviet Union, or from going independent.

³ Nixon endorsed the "five principles" during a meeting with Zhou Enlai on February 22, 1972. See *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, Document 196. As stated in Brzezinski's talking points for Carter, China's "three conditions" for establishment of full diplomatic relations were severance of diplomatic relations with Taiwan, abrogation of the Mutual Defense Treaty, and withdrawal of all U.S. forces and military installations from Taiwan. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 7/77)

President Carter: What do you mean by that?

Mr. Oksenberg: We act as a restraint on Taipei. The Defense Treaty would lapse if they declared independence now. Later, they would be uncertain as to how we'd react to such a move.

Dr. Brzezinski: Well, if that is the case, then perhaps in addition to stating that "We should neither encourage nor stimulate the creation of an independent Taiwan," we should also say we would not recognize an independent Taiwan. Unless one adds that clause, one really is adding nothing to the two previous clauses, and it is therefore unnecessary. (Brzezinski here was talking about the three clauses at the bottom of page 6 of State's strategy paper.)⁴

Secretary Vance: The third clause does add something. It indicates our intent. Further, it is a statement which combines aspects of Nixon's five points, though in different wording, and its omission would be noted by the Chinese. If we are to accept Brzezinski's added clause of "not granting recognition," then we would be foregoing an option that we could exercise in the event a peaceful solution does not seem to be in the offing.

Mr. Oksenberg: The third clause in my opinion is important.

President Carter: Well, let's leave it this way: Don't initiate this issue, but if they raise it we can say this or use the Nixon language. I personally have no trouble with the third clause.

On the matter of timing, I want you not to give any definite time, but you can use the word "promptly" or "as soon as possible."

Secretary Vance: That's fine. And we all agree on the direct approach.

President Carter: My own inclination is to be bold about it. My experience in life has been that it never pays to procrastinate. If we are sure that our position is correct, I am prepared to move ahead as soon as possible. Let's get our ducks in a row and get it over with. After all, the Taiwan Lobby is active. If we are forthcoming and they accept, then I am ready to move on it. We will need the JCS and Congress. I will

⁴ Prepared as a follow-up to the June 27 PRC meeting (see Document 34), the Department of State paper, "Alternative Negotiating Strategies for Normalizing US-PRC Relations," suggested three clauses that could be communicated to the PRC Government: "acknowledge the view expressed in the Shanghai Communiqué that Taiwan is part of China; support [any] peaceful resolution of the Taiwan question by the Chinese on both sides of the Taiwan Strait; and neither encourage nor stimulate the creation of an independent or separate status for Taiwan." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 7/77) The brackets are in the original.

make a Fireside Chat. I will talk to the Congressional leadership; I will ask their agreement. It is a Presidential prerogative. I will only ask their support.

Secretary Vance: How will the Chiefs go?

Secretary Brown: In private, they are supportive. In public, I am not so sure. Young, Wilson, Brown, are all for it privately.

President Carter: Would Jones stand up to Goldwater?

Secretary Brown: Yes. That's possible. The main thing that they all feel is that we can't run out on Taiwan. As long as they are assured on this score, I think they would be supportive.

It would help if Vance could bring something back in the strategic realm.

Secretary Vance: You mean something like on Korea or Japan? I intend to do that.

Secretary Brown: No. I was thinking of something different. They may be less forthcoming than we would like. It will be important to discuss Africa with them and so on. Talk with them about general technology transfer, talk not about military technology but non-military technology. If a hot line could be established, this would help. In short, some symbolic indication that the level of our strategic cooperation is improving would contribute greatly to the support for normalization.

President Carter: I agree. That should be part of the talks. We could add on something else, a trip by Jim Schlesinger to talk about energy and oil. I visited an oil rig last week off the Louisiana coast, and that was most impressive. If the Chinese could get those rigs up and down their coasts, that would be most impressive.

Secretary Vance: That is an excellent idea, to have Schlesinger go to China. They like him.

Dr. Brzezinski: To the extent possible, the trip should not just be a mission on normalization. It must take on the aspects of a consultation on worldwide affairs. It must be global. We must make a full briefing on SALT.

President Carter: I agree. But there is no reason to knock the Soviets. I don't want to do what Nixon and Kissinger did, which almost nauseated me. They knocked our allies, the Russians, and so on. If the Chinese did the same thing to us, I would despise them.

Rather, be forthcoming. Tell them that we have gotten the Soviets not to include China in a CTB for a few years. This is to their advantage.

Mr. Holbrooke: Yes. We should lay out our view of the world.

President Carter: They have this strange, obsessive hatred of the Soviets.

Dr. Brzezinski: But the trip must have the atmosphere of a consultative relationship between two countries that have parallel strategic interests.

Are there collateral unilateral measures that we can make to Taiwan prior to the visit?

Secretaries Vance and Brown: After, not before.

Secretary Brown: If you pull out the forces before an agreement is reached, it might be the wrong signal.

Secretary Vance: I feel strongly about this. We should not appear too eager.

President Carter: You know, several months ago I got a map showing the sites of all Chinese missiles and their range. The Chinese deployment of missiles clearly shows that they would defend themselves in case of an attack by using nuclear weapons on their own soil. Why do they wish to defend themselves in that way?

Secretary Vance: This reveals their view of nuclear weapons, that China could survive a nuclear war, that nuclear weapons are not something to be feared.

Mr. Oksenberg: It also reflects Mao's strategy of guerrilla war, that you lure an enemy in deep.

President Carter: Yes. Nixon and Kissinger were told that the Chinese would defend themselves with millet and rifles. They don't need anti-tank missiles.

Mr. Oksenberg: Of course, I'm not sure that they will continue to say that. They have now moved into the post-Mao era. They are in the midst of a debate on military major modernization. There is some evidence that they are interested in acquiring anti-missile technology. In the years ahead, they may alter their military doctrine.

Dr. Brzezinski: Yes, the Russians did that.

It would be useful to update the map you had on Chinese missiles and also on Soviet strength against the Chinese. That should be in Vance's briefcase.

President Carter: How about U.S. representation on Taiwan? How important is official U.S. representation in Taiwan?

Mr. Holbrooke: It would be very hard for us to follow the Japanese model.⁵ We probably will need U.S. Government officials in Taiwan. This is something that we will have to work out with our lawyers.

⁵ Often referred to as the Japanese formula after the nature of Sino-Japanese relations after resumption of relations between the two nations in 1972, the arrangement allowed for people-to-people contacts and non-governmental trade arrangements, but no Embassies or Ambassadors in the respective capitals.

Secretary Vance: Now we turn to the question on the bottom of page 10 and the top of page 11.⁶ What kind of statement can we expect from the Chinese?

President Carter: We asked the Chinese for the first, namely, a statement that they intended to pursue a peaceful settlement of the Taiwan issue. But I doubt they'll give it to us.

Mr. Oksenberg: I agree. But it may be possible for us to extract from them an indication of their patience on the matter. To some extent, we are involved in horse trading here. The more explicit we indicate to them we must be with respect to the nature of our continuing relationship with Taiwan post-normalization, the less willing they will be to indicate patience or peaceful intent.

Secretary Vance: As to a draft communique, I have doubts about our preparing this. Do we want to table a normalization communique?

President Carter: I am for that. Before you leave, put these principles of ours in a draft communique. Leave one copy in the White House. You have a copy. Number each sentence. And we can communicate about it by referring to numbers.

Mr. Oksenberg: I think that the tabling of the draft communique is important. It would be one of the few tangible signs that we are prepared to go farther than the previous administrations ever did. It would engage the Chinese in a negotiating process. I would not expect them to accept it right away, but it gives us reason to meet with them soon thereafter.

President Carter: What if they accept? We would need some time. It would take two months to prepare Congress and others. We simply are not benefiting by delay. I am prepared to work within that time frame.

Secretary Vance: Okay. That's it.

Mr. Jordan: There will be votes needed on the Hill.

President Carter: Yes. We need to have a sense of the legislation required.

Mr. Jordan: I would hope that this would not occur until after the recess (i.e., after the November recess).

Mr. Holbrooke: We must be careful not to overload the number of issues on the Hill. We also have to be concerned that Congress does not

⁶ Pages 10 and 11 of the Department of State paper consider whether China would be willing to make a public statement "preferably to be included in the communiqué issued at the time of normalization but desirable even as a domestic statement—of their hope or intent to settle the issue peacefully—or to exercise great patience. We should underscore the relevance of such a statement to our ability to secure Congressional support for a normalization agreement." Carter underlined the words "or to exercise great patience" and wrote two question marks above them.

torpedo our diplomatic success by a stronger reaffirmation of our ties with Taiwan than we can stand. We also have to get our arguments in order, particularly with respect to the lapsing of the Treaty. It is clear that that single action will disturb Congress more deeply than any other. If done in October, the results might be disastrous. January would be better.

If there were an agreement in principle on this trip and if that news leaked to Congress, it could be put to a vote. That would be disadvantageous from our point of view.

President Carter: I think we can hold if we go public. The legalities are on our side.

Mr. Holbrooke: We will also wish to talk to the Taiwanese again. They will have to be prepared. Up until now, we did not see the Taiwanese because symbolically we wished to indicate to Peking that our tilt was in their direction. Now that in reality we are moving on normalization, there is less need for the symbolism to be insulting to Taiwan.

President Carter: That is a good point. Why not talk to them: let's call Shen in.

Secretary Vance: I will see him before I go to Peking to indicate three things: that we are serious about normalization; that we are concerned about our own relations with them; and that some of their actions in the U.S. are counter-productive.

Dr. Brzezinski: What other steps do we have in mind if the Chinese stonewall? After all, it is very possible that the Chinese will not be responsive to our normalization overture.

Secretary Vance: We could discuss trade in a constructive manner. I do not intend to initiate a briefing on military intelligence. But we could talk about facilitating the flow of non-defense-related technology.

Dr. Brzezinski: Yes. We could consider the licensing of commodities which we have been reluctant to license: two seismic computers, one seismic ship, and a LANDSAT receiving station.

Let us study those in detail.

Secretaries Vance and Brown: Agreed.

Mr. Oksenberg: This should be tightly held. Who at Defense should I contact on this?

Secretary Brown: Perry.

Mr. Holbrooke: I think it is also important to ask what we want from them: wheat? trade?

President Carter: This is a good point. What we need from them are political things that would help the normalization process. Trade would be useful in that regard. I just want to lay it out. Be frank with

them. Discuss our political situation with them and how they can be helpful. If they're abusive, then Cy can just come home. My impression is that the Chinese appreciate candor.

The Taiwan issue is the only block in normalizing our relations, isn't it?

Mr. Oksenberg: Well, the Chinese are not helpful by their refusal to discuss areas where we can be more cooperative in the strategic realm.

Secretary Vance: That's right. For example, on Africa and Korea, they are reluctant to state publicly what they may indicate to us privately.

President Carter: But that isn't a block to normalization, is it?

Mr. Oksenberg: That is right, but their public rhetoric makes it more difficult to demonstrate to the American people that there is advantage to normalization.

President Carter: I see what you mean.

Dr. Brzezinski: I think this discussion suggests that there are three component elements to our relationship with Peking: 1) global strategic elements, including the Soviet Union; 2) normalization; and 3) other aspects of the bilateral relationship, such as trade, technology transfer, credit, and so on. We wish to move forward on a wide front, in any one of these three areas. From our point of view, there is no linkage among the three. The strategic realm, we wish to move forward in normalization. We wish to widen and deepen our bilateral relationship.

President Carter: How about the leadership changes in China?

Dr. Brzezinski: We can assume that the Sino-Soviet dispute will continue, unabated. Teng is anti-Soviet. He was central in waging the dispute for years.

Mr. Oksenberg: I am not so sure. I think over a two to three year period it is possible that Sino-Soviet relations could improve. We cannot take the current intensity of the Sino-Soviet dispute for granted.

Dr. Brzezinski: It is important that we explore the strategic dimension of our relationship, for example, exploring Chinese attitudes toward Korea.

President Carter: Is there an initiative we can take in this area?

Secretary Vance: Probably not. But certainly we will undertake a global review of our policies and theirs. This is explicit in our strategy paper.

President Carter: I think we have covered all the points.

42. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, August 5, 1977

SUBJECT

Reflections on the China Meeting

Upon reflection, I think the China meeting went quite well. We have adopted a forthcoming and concrete negotiating posture. We are prepared to address the total range of issues between us. However, two aspects of the discussion deserve elaboration.

Vance's agenda must focus upon our respective global foreign policies at least as much as upon the normalization issue. The plain fact is that our parallel strategic interests against the Soviet Union, not bilateral interests, provide the impetus to our relationship with China. Vance's survey of our global foreign policy must be carefully prepared so that, without pandering to the Chinese, we nonetheless skillfully address some of their major concerns about our policy toward the Soviet Union.

In addition, we should not be overly optimistic that our flexible posture on normalization will elicit a favorable response. The Chinese may rebuff our offer not out of any distrust, dislike, or avarice. Rather, their own strategic position may lead them to conclude that the moment is not propitious for striking a deal. Normalization is a strategic decision for them of major consequence: a decision to tilt decisively toward us in the Soviet-Chinese-U.S. triangle.

Two factors may deter them from surrendering their strategic flexibility at this time.

—They may have doubts about the constancy, credibility, and coherence of your approach to the Soviet Union. The Chinese may not yet be convinced that we provide sufficient counterweight to the Soviet Union to make it worth the risks of tilting further in our direction.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Presidential 7/30/77 on Cyrus Vance Trip to China: 4-8/77. Top Secret; Sensitive. Sent for action. Prepared by Oksenberg whose August 3 covering memorandum to Brzezinski reads: "The attached memorandum is self-explanatory and distills my reaction to the Saturday meeting [see Document 41]. I regretted somewhat the false euphoria and my own failure to address the importance of the strategic issues. I think it is important that the President obtain this memorandum as a corrective." He added, "the long history of Sino-American relations is replete with instances of Presidents behaving in what they perceived as magnanimous ways toward the Chinese, only to be rebuffed and then alienated because they did not understand the Chinese strategic setting." (Ibid.)

—*They may believe that Soviet-American relations are so volatile, unpredictable, and tension-ridden that they should remain aloof from the competition. They may hope that with the passage of time, their attractiveness and hence their bargaining leverage will increase.*

The above, therefore, calls for patience on our part, even if rebuffed.

Recommendation:

If you agree with these thoughts, that I communicate them to Secretary Vance.²

² Carter checked the Approve option and initialed “J.” Under his initial, he wrote, “It’s time for Cy &/or me to meet with ROC ambassador. J.” Brzezinski sent this memorandum to Vance under an August 5 covering letter that reads: “The purpose of the memorandum was to caution the President about undue optimism with respect to the results we can expect from your upcoming visit to the People’s Republic. The President agreed with the thoughts expressed in the memo and my recommendation that I communicate them to you.” Brzezinski drew Vance’s attention to Carter’s handwritten request and added, “(I feel it should be *after* your trip).” (Ibid.)

43. Letter From President Carter to Secretary of State Vance¹

Washington, August 18, 1977

Dear Cy,

I hope your visit to Peking will help establish the tone of our relations with China for the duration of my Administration. Hopefully, it will restore momentum to the normalization process, increase the willingness of both sides tacitly to cooperate where we have common interests, and expand our economic and cultural relations with China.

Before outlining more specifically my instructions for your journey to Peking, I wish to mention three guidelines which I think should govern our policy. First, we must not act unilaterally to improve our relations with Peking; the process must be a reciprocal one. Second, we must behave with the same self-respect and dignity which characterize Chinese behavior; we do not go to Peking as supplicants. Confi-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/1–21/77. Top Secret; Sensitive; Exclusively Eyes Only. Brzezinski sent this letter to Carter for his signature under an undated covering memorandum. (Ibid.)

dent that our policy is in our national interest and is responsive to basic Chinese concerns, we can afford to be patient. And third, in addressing the Taiwan issue, we must make certain that our actions in no way jeopardize the confidence of the people of Taiwan in a prosperous, tranquil future. Clearly, if we are to alter the form of our relations with Peking and Taiwan, we have an obligation to do so in a way that maintains the peace and stability of the region.

I consider the most important part of your talks to be your discussions concerning our global foreign policy. Without pandering to the Chinese world view, I would hope you would set out a credible, coherent, consistent rationale for the foreign policy initiatives we have undertaken since January. The goal here should be to engage the Chinese in meaningful discussion on issues where we potentially can be helpful to each other: Korea, southern Africa, the Horn, Southeast Asia, and possibly South Asia. In order to draw the Chinese out, I suspect we will have to convince them that they indeed are a central element in our foreign policy and that we genuinely respect their nation and civilization. Moreover, we should give a full exposé of our policy regarding U.S.-Soviet relations, with strong emphasis on our capacity to manage those relations effectively.

With respect to normalization, I would expect you to lay out our basic position as per our discussion on July 30.² Our maximum goal is to elicit flexibility from them on the Taiwan issue in the context of full diplomatic relations with Peking. This means that we would require tacit or explicit assurances that Peking will not publicly contradict expressions of our expectation that the Taiwan problem will be resolved peacefully. In addition, you should leave no doubt in the minds of Chinese leaders that we intend to preserve Taiwan's access to sources of defense equipment, though I assume you will wish to broach this subject in a rounded fashion.

Finally, I hope you would indicate to the Chinese our willingness to explore with them ways of expanding our cultural and economic ties, even short of normalization. Such expansion would be to our mutual benefit. It would establish an environment in which normalization would be made easier. Further, enhancement of the relationship in this realm would increase the strategic value of our relationship, for it would communicate to the world that indeed our relationship is moving forward.

In any case, you might indicate to the Chinese that we are prepared to move forward in any of the following three areas: the strategic, the normalization process, or the economic and cultural area.

² See Document 41.

Our nation has not enjoyed a particularly happy history in East Asia over the past forty years. We have fought three major wars in the region at enormous cost. But as your speech of June 29 indicated, we now enjoy a favorable position in the region.³ I wish my Administration to have the courage and wisdom to exploit this opportunity.

The success of your trip will not be measured by its immediate results but by whether you have set in motion processes which over a period of time will consolidate our favorable position. I am confident you will succeed, and I wish you well in the effort.

Sincerely,

Jimmy Carter

³ On June 29, Vance spoke to the Asia Society on "America's Role in Consolidating a Peaceful Balance and Promoting Economic Growth in Asia." See Department of State *Bulletin*, August 1, 1977, pp. 141–145.

44. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, August 18, 1977, 2316Z

197242. Subject: Briefing of Premier on Secretary's PRC Trip.

1. Ambassador should seek a meeting with Premier Chiang prior to August 22 to discuss the Secretary's forthcoming trip to the PRC. Presentation to CCK should closely follow the talking points provided below.

2. Our primary purposes in briefing the Premier are to notify the ROC that we are beginning a process that may result in complete normalization of US/PRC relations & assure him that the administration will not agree to terms which would undermine the ROC. However, we also wish to underline the exploratory nature of the Secretary's visit to help moderate ROC apprehension as well as to forestall the ROC from euphorically interpreting the absence of conclusive results in Peking as a setback in US-PRC relations. Because we do not want to risk leaks or

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840070–0428. Secret; Immediate; Nodis. Drafted by Levin (EA/ROC), cleared by Gleysteen and Holbrooke, and approved by Habib. Repeated Priority to Beijing. It was also repeated to the White House at 0755Z on August 19.

unhelpful ROC countermoves, you should carefully avoid discussion of any specifics with the Premier.

3. Talking points for Premier

—This will be the administration's first high-level contact with senior PRC officials. Our most important purpose will be to review with Peking our global strategic policies. We plan to cover a broad range of issues, including relations with the USSR, Japan, Korea and Southeast Asia, Africa and the Middle East. We will present our views objectively without glossing over differences, expecting however that our views will correspond on a number of important issues and that this is important for world peace.

—We will also discuss bilateral relations. Normalization issues will be an important topic, but we also hope to deal with such matters as trade and cultural exchanges.

—Our normalization discussion will be exploratory. We do not expect to conclude a normalization agreement during Secretary's visit.

—The discussions in Peking could begin a process resulting in complete normalization of US/PRC relations. But we do not have a timetable. As the Secretary said in his June 29 speech, we recognize that progress on normalization may not be easy or immediately evident.²

—Our approach to normalization will continue to be guided by our concern not to undercut Taiwan's security and well-being. This accounts for our cautious approach and awareness that progress may not be easy.

—We must be satisfied that any agreement on normalization protects the essence of Taiwan's current relations with the U.S.

—Because of your government's obvious concern about the Secretary's visit, we intend to have a senior member of our delegation brief you following conclusion of the Peking discussions. If you agree, we would probably do this on the morning of August 27, but I will provide the details as soon as they are available.

4. Premier's reaction

The Premier may probe for details about our approach in Peking or try to confirm we have in mind ending diplomatic relations or the treaty. You should not confirm these points and in reply note:

—It is premature to discuss the details of a normalization agreement which remains to be worked out.

In the event the Premier asks what we have in mind in terms of our post-normalization arrangements with the ROC and addresses such

² In Vance's June 29 speech to the Asia Society, he referred to his upcoming visit to Beijing and said, "we recognize that progress may not be easy or immediately evident." See Department of State *Bulletin*, August 1, 1977, p. 142.

specifics as arms supply, possible US public statements, U.S. representation on Taiwan, etc., you should reply:

—I am not in a position to provide specific answers to your questions at this early stage. Nevertheless, I have been instructed to assure you that we do not contemplate arrangements which would jeopardize the substance of our existing relationships with Taiwan. Our approach to the specific issues you have raised will be governed by this assurance.

5. FYI—Habib will make same presentation to Ambassador Shen on afternoon of August 18.³ Highest level consideration had been given to Secretary's meeting with Shen for this purpose, but it was decided this posed unacceptable risk of starting Secretary's trip on a sour note. Instead, Habib will inform Shen that Secretary will meet with him to discuss visit following his return. While you should not volunteer this information, in event Premier raises subject you may so inform him of post-Peking Shen–Vance meeting.

Vance

³ Telegram 197396 to Taipei, August 19, describes this meeting. (National Archives, RG 59, Central Foreign Policy File, P840070–0432)

45. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, August 19, 1977, 0945Z

5096. Subject: Briefing of Premier on Secretary's PRC Trip. Ref: State 197242.²

1. I briefed Premier Chiang on August 19, presenting the points provided reftel. The Premier did not probe for details and asked no questions other than that I repeat the exact wording of the statement that our approach would continue "to be guided by our concern not to undercut Taiwan's security and well-being."

2. In response to my presentation, the Premier summarized the ROC's well-known attitude toward U.S. contacts with the PRC and em-

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840084–1990. Secret; Nodis.

² See Document 44.

phasized that this position had not changed. He then offered as a personal view that Secretary Vance should expect to get “strong reactions” (i.e., a hard line) from the PRC leaders he meets, regardless of who they might be. In view of the complex internal problems on the Mainland, the Premier said, the PRC leaders will feel compelled to give evidence of their anti-Americanism in order to bolster their positions. He therefore predicted that the PRC leaders would all adhere to the same line, make no concessions on Taiwan, try to drive a wedge between the U.S. and the USSR, and show no flexibility on Korea.

3. After giving his response, the Premier asked if we had any objection to his issuing a brief statement to the press simply stating that the Ambassador had met with him to discuss “Sino-U.S. relations” and Secretary Vance’s trip. I agreed on the clear understanding that the statement would not go beyond this and would include no reference to the substance of our discussion.

4. Premier ended the meeting by saying he would welcome the visitor to brief him here following Peking discussions and that morning August 27 satisfactory.

Unger

46. Memorandum From Michel Oksenberg of the National Security Council Staff to the President’s Assistant for National Security Affairs (Brzezinski)¹

Washington, August 19, 1977

SUBJECT

Draft Communique with the PRC and the U.S.

Attached at Tab I are the two optional draft communiques² which would announce establishment of diplomatic relations between the PRC and the U.S.

You will note that we have numbered the sentences. We will communicate with you on that basis. Warren Christopher has a copy, I understand, but there will be no other copies left in Washington.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/1–21/77. Top Secret; Sensitive; Exclusively Eyes Only; Outside the System. Sent for information.

² Attached but not printed.

At the last minute, Cy is considering dropping the phrase “and Taiwan as part of China” in sentence 12 of Option 1.³ We will be discussing this matter with him intensely on the plane. Gleysteen, Holbrooke, and myself all feel rather strongly that deletion of this phrase is not only unwise from a bargaining point of view but could have very severe repercussions upon our entire relationship. From the very day of Kissinger’s arrival in Peking, the phrase has been a standard one in the private negotiations. We are already backing away in several respects from Nixon’s five points, but I think that this retreat would be considered a decisive one by the Chinese.

As you know, the President on July 30 indicated to Cy that he had discretion on this matter during his negotiations in Peking.⁴ We will be in close touch with you on the evolution of our thinking.

³ Sentence 12 of the communiqué marked Option 1 reads: “On the basis of the position on this matter expressed by the People’s Republic, the United States recognizes the People’s Republic as the sole legal government of China and acknowledges the Chinese position that there is but one China and Taiwan is part of China.” The last six words are crossed out in the original.

⁴ See Document 41.

47. Memorandum of Conversation¹

Beijing, August 22, 1977, 4–6:40 p.m.

SUBJECT

U.S. Foreign Policy; Domestic Roots; Allies; Strategic Forces; Arms Control;
East-South Asia; Yugoslavia; ME

PARTICIPANTS

U.S.

The Secretary
Ambassador Woodcock
Under Secretary Habib
Assistant Secretary Holbrooke, EA
Assistant Secretary Carter, PA
Peter R. Tarnoff, Executive
Secretary
William H. Gleysteen, Jr., Deputy
Assistant Secretary
Michel Oksenberg, NSC
David Dean, Deputy Chief, USLO
Harry E. T. Thayer, Director,
EA/PRCM
John F. Cannon, Director, EA/P
Alan D. Romberg, S/P
(seated behind:
Jeanette Porpora, notetaker)

P.R.C.

Huang Hua, Foreign Minister
Huang Chen, Chief, PRC Liaison
Office in the U.S.
Wang Hai-jung, Vice Foreign
Minister
Lin Ping, Director, American and
Oceanian Department, MFA
Chien Chi-chen, Director, Infor-
mation Department, MFA
Liu Hua, Acting Director, Protocol
Department, MFA
Tang Wen-sheng, Deputy
Director, American and
Oceanian Department, MFA
Ting Yuan-hung, Chief, American
Division, American and
Oceanian Department, MFA
Shih Yen-hua, interpreter
(seated behind:
Lien Cheng-pao, Deputy Chief,
American Division, American
and Oceanian Department,
and two other notetakers)

The meeting began with a welcome and introductions by both sides.

Foreign Minister Huang invited the Secretary to begin the talks, which he said had been scheduled to last for approximately two and a half hours.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/22–31/77. Secret; Nodis. The meeting took place in the Great Hall of the People. Vance left Washington for Beijing on August 20. Vance and Oksenberg reported in the accounts they telegraphed to Washington that the first day of the visit, August 21, had gone well. Vance's account is in telegram Secto 9013 to the Department of State and the White House, August 22. (National Archives, RG 59, Central Foreign Policy File, D770302–1245) Oksenberg's is in telegram Secto 9012 to the NSC, August 22. (National Archives, RG 59, Central Foreign Policy File, D770302–1245)

The Secretary: Thank you very much. I appreciate your welcome, and thought that I might start with a discussion of international relations which are of mutual interest between our two nations.

Foreign Minister Huang Hua: You are welcome to speak on anything international and bilateral.

The Secretary: Very good, thank you.

Minister Huang: Tomorrow morning we can continue at 9:30 a.m.

The Secretary: That would be splendid.

I think before we turn to a discussion of bilateral issues, it would be helpful to have a general discussion of our respective foreign policies. Let me say that we are very conscious of the factors that have drawn us together. The President and I have both stated on a number of occasions publicly that we attach central importance to our relations with the People's Republic of China.

Normalization

I expect to devote substantial time during our discussions to normalization of relations between our two countries. We believe that the time has come for both sides to take the necessary steps leading to the establishment of full diplomatic relations between our two nations. We believe that the time has come to place our relationship on a new and more permanent basis. Let me underscore the fact that President Carter believes this strongly—he is committed to normalization.

Broad Framework

First, however, I believe it would be appropriate to review the broad framework within which our relations exist. I think this is important because many changes have taken place since the last time there were discussions between our two nations here in Peking. These changes have taken place in the United States, in China and in the world.

U.S. Domestic

I think it is appropriate to start first with a few words about the domestic situation in the United States because our foreign policy is in part a reflection of our domestic circumstances.

During the last decade in our country, and particularly during the period of the 70's, we have weathered a period in which there were racial problems, student upheavals, a divisive war, and a constitutional crisis. We are through that period now and there is a changed mood within the United States. The election of President Carter marked the watershed. It was not only his election but the support that was given to a new view, a new set of principles that is marked by that event in our history. There is no longer talk of escalation or retreat from global

responsibilities in the United States. There is a new sense of cohesion, a sense of optimism, and a sense of confidence. Within the country there has been reestablished a balance between the Government and the people and between the Executive and the Legislative branches of our government. For example, the approach to the formulation of policy is much more open and candid than has been the case in the past and there is popular support for that policy.

One of the earliest things that was done in the new Administration was to establish a new relationship with the Congress under which there is closer consultation in advance of the taking of major decisions. Both the President and I have said on a number of occasions that we believe that we must be partners with the Congress in both the formulation and the implementation of foreign policy. This closer cooperation has been helped by the fact that we have a Democratic majority in the Senate and House; but this is no guarantee in all cases that the Congress will vote with the Administration. Nevertheless, I think it is very clear that there is good basic support in the Congress and among the people of the United States for policies which are based on our national interests and which provide mutual benefit to ourselves and to other nations. Naturally many of these policies reflect a continuity of interest, but we are adapting them to a changing world, and making them more congruous with traditional American beliefs. In simplest terms, the goals of our foreign policy are based on fundamental values and on using our material strength and power to further our national interests and to achieve humane purposes. As a result of this change of thrust in our foreign policy we are placing greater emphasis on global concerns such as justice, equality, and human rights.

U.S. and Allies

Let me now turn to a discussion of some of the fundamentals of our foreign policy, and first among these I would like to say a few words about our alliance relations. One of the conclusions reached at an early stage in the development of our policy was that our policy depends in a critical way upon the alliance relationships which we have—particularly with our European allies and with Japan. We concluded that it was of fundamental importance to strengthen these alliances and to build upon the framework which already existed. Therefore, the first act of the new government in terms of foreign policy was to send Vice President Mondale to visit both Europe and Japan and to meet with leaders of those countries and to bring to them the message that a central thrust of our foreign policy would be the strengthening of our alliances with these countries. Since that first step, we have taken a number of other steps to strengthen the alliances. One of those is the major effort which is underway to strengthen NATO. To that end, the President made the only trip which he has taken outside of the United

States to participate in the London Summit, at which both economic and political matters were discussed among the Seven, and then to participate in a full meeting of the NATO Council.²

I will talk at greater length about the specific steps which have been taken but I would just like to make reference at this point to two facts:

First is the set of decisions which was taken at the so-called London Summit, at which the issue of strengthening the economic base of the Western world and the Eastern world as well was a main facet of consideration. Perhaps the most important economic decisions that were taken there were those related to the stimulation of the economy by actions to be taken by the United States and the Federal Republic of Germany and by Japan. For the first time these three countries set specific goals in terms of economic targets which they would achieve and pledged themselves to take the necessary actions to see that these targets were reached and, if not, to set in motion additional actions to achieve these goals. I can say that, at this point, the United States is going to meet its targets for this year. The Federal Republic of Germany is falling slightly behind but it will take action during the next few weeks in order to increase the likelihood of achieving its goals.

As you know, the economic situation in Japan is strong and the likelihood is that they will achieve their targets, and, I believe, they will take steps in the near future which will have a beneficial impact in East Asia.

The sum of all of this is that coordinated action will be taken among these countries to provide the necessary stimulus to strengthen the economies of the world.

On the military side, a number of steps were taken at the NATO Conference which were of major importance. In terms of long-term actions, the decision was taken to undertake a study of defense improvement programs which will be completed next spring, and reports will be made at the NATO Meeting which will be held in the United States. The aim of these actions and of the study is to achieve a permanent strengthening of NATO. Three prospective areas have been singled out:

- 1) Strengthening of the anti-armor capability of the NATO forces;
 - 2) Strengthening of the air defense capabilities of the NATO forces;
- and
- 3) Strengthening the logistic system of NATO so as to give greater staying capability and more responsiveness in the event of attack.

² The London Economic Summit took place May 7–8. The NATO Ministerial meeting also took place in London May 10–11.

Two short-range decisions were taken at the same time—one was to increase the readiness of the NATO forces and at the same time to increase the ability of the United States to project its forces from the United States to supplement the forces already in NATO should the need arise. To this end, the United States pledged itself to take concrete action this year, and called upon NATO allies to take similar action. The United States action was to add \$600 million to its defense budget for this purpose.

The second short and medium-term decision which was taken at the meeting was to pledge mutual cooperation in the development and production of armaments for NATO forces. In this connection, the United States pledged itself to carry out a meaningful program of working with our European allies in the purchase of equipment from them when possible so as to strengthen their capability in the field of production of necessary armaments. I must be fully frank on this and say this is a difficult effort to carry forward, because in many cases the United States is more advanced in terms of technology than are some of our allies. However, we will make a sincere effort to carry this forward and where possible to share technology with our allies.

Soviet Union

Let me now turn to a discussion of the Soviet Union. The central security concern of our country over the last thirty years has been the Soviet Union and in my judgment this will remain true for the foreseeable future. This competition constitutes for us a fundamental international fact of life. This competition is a military strategic competition but at heart it is also a competition between political and value systems. Our response has been a blend of elements. This blend includes preserving the strategic balance and the strengthening of our forces where necessary in order to achieve and maintain such a balance. It includes also imposing limits on the arms race and I shall talk more of this later. It includes as I have already indicated the strengthening of the Western alliance and work with others outside of that alliance. In addition, there will be peaceful cooperation with the Soviet Union where it is of mutual benefit to the United States. Let me discuss these various elements one by one.

Strategic Posture

Let me start with the strategic posture. We have taken a very hard look at the strategic posture, and in terms of raw military power there is at the present time a rough overall equivalence. There are some adverse trends reflected in Soviet modernization and in Soviet force projection capability. The military programs of the United States and of the Soviet Union are in different phases at this point. The Soviets are clearly deploying new systems, including a new generation of strategic rockets.

The reason for this is that the strategic rockets which they have are inferior in quality in a number of areas and from the standpoint of accuracy. At the same time, one must acknowledge that in terms of size of rockets the Soviets have a greater throw weight, which presents issues for the future which we must watch and deal with with care and precision. Insofar as the United States is concerned, we are improving our existing systems through qualitative improvements and advanced research and development. Let me give you some examples:

- 1) the cruise missile
- 2) the so-called neutron bomb
- 3) greater accuracy in our strategic rockets, and the development of more advanced sea launched ballistic missile systems.

These are but some of the examples of areas in which we are concentrating our efforts in terms of research and development and qualitative improvements. In a broad sense, we are at a critical turning point in which we are evaluating a wide range of new systems which will insure parity in the years ahead.

Cruise Missile and B-1

Let me give you an example of the care which the President is taking in the various decisions which are required in this area. A very good case is the B-1 bomber and cruise missile. After many years of developmental work, we produced prototypes of the B-1 bomber and were at a point where a decision could be taken to put it into production. The question was this: is this the wisest way to proceed if we are to strengthen our air-delivered missile strength or is there another less expensive and perhaps more effective way of achieving the same thing? After carefully weighing all the factors, the President concluded that the cruise missile is less costly and more accurate—further that it is less vulnerable to Soviet air defense and can be deployed by 1980. As a result of this analysis, the conclusion was reached that it would be preferable not to proceed with the B-1 bomber but rather to place our emphasis in the future on cruise missiles and to use them in connection with our current B-52 systems. We still retain the capability to produce the B-1 bomber should it prove necessary, but it does not make sense to produce it at this point when we have a better and cheaper way of producing something to give the same effect.

That is but one example of the way in which we are addressing the problem of developing our weapons systems and making the difficult decisions which are required to develop a strong deterrent force.

Conventional Forces

Turning to the question of conventional forces, as we all know, the Soviets over the last several years have been putting extremely large

amounts of money into improving their conventional forces in the central regions of Europe. This has been a matter of concern to us; and as a consequence, the President decided to strengthen our conventional forces and to do this in conjunction with our allies. I have already indicated some of the steps which have been taken in the first six months of this year to accomplish this purpose. In summary, let me say that the President is committed to strengthening our military forces and enjoys the broad Congressional support necessary to achieve that objective. The American people are in favor of larger defense budgets if the President decides they are required. This is a change from the past. You will recall not many years ago there was great difficulty in getting the necessary funds to have strong forces, but that no longer is the case. Let me say at the same time that the President will not tolerate waste; he will cut whatever is necessary to eliminate fat and get down to a lean hard-fighting force. Finally, the President plans significant real growth increases in military expenditures in the next four years.

Arms Control

I might now turn to the question of arms control which relates to the whole strategic question. It is obvious that our military programs will be affected to some degree by the outcome of the arms control negotiations. In simple terms our general objective is to stabilize the balance at a lower level of expenditure and at the same time slow down the momentum of the Soviet arms buildup. To accomplish this objective this Administration has launched a broad program combining new initiatives and some familiar elements from the past. One of these is to continue the so-called SALT talks. Another is the exploration of the possibility of a comprehensive test ban. A third is a possible negotiation of a treaty banning the use of radiological weapons. Two other initiatives are the possibility of a treaty requiring prior notification of all missile firings including test firings and, in addition, a possible treaty relating to a ban on anti-satellite systems. I will speak at length tomorrow on the status of the SALT talks and bring you up-to-date on where they stand.

CTB

In the meantime, let me say a few words about the other initiatives which I have mentioned. Insofar as a comprehensive test ban is concerned we have entered into negotiations with the British and Soviets for the purpose of discussing a possible treaty which would ban for a period of years the testing of nuclear weapons. We have recognized that in entering into these negotiations that there are other countries such as the People's Republic of China and France who are in a different position from the United States, the Soviets and the British, and therefore we are seeking a treaty which would be negotiated among the

three—namely, Britain, ourselves, and the Soviet Union—with the hope that in the future others might join as well but with no requirement at this time that others become parties to such a treaty.

Chemical & Radiological Weapons

In respect to chemical and radiological weapons, we believe that it would be in our interest to negotiate a treaty banning the use of these weapons for two reasons: 1) we believe it would be in the interest of all peoples throughout the world to ban chemical weapons, and 2) this is one area in which the Soviets have a lead over us; and, if we can negotiate a verifiable treaty with them, it is very much in our interest to do so. Insofar as radiological weapons are concerned, no one at this point has radiological weapons and we believe it would be wise to take the necessary steps to preclude the development of radiological weapons by any nation.

Prior Notification

On the question of prior notification of test firings, we think this is a sensible thing to do and hope that progress can be made in this area.

Anti-Satellite Systems

Insofar as a ban on anti-satellite systems is concerned, we believe that that is a question which involves the mutual interest of the parties. We believe that to preclude the development of such weapons would be a prudent and progressive step because satellite systems are helpful in monitoring and verifying activities in the strategic missile area and thus provide us with the necessary tools to find out whether violations are being made in such things as the SALT Agreement.

SALT

Let me now turn to SALT II. I would note that if we are able to negotiate a SALT II agreement which is a sound agreement, this would complement the anti-ballistic missile treaty which already exists and in which I believe the People's Republic of China has a strategic stake. The current status of the SALT negotiations is that there are many difficult and complex issues which divide the Soviet Union and ourselves. We have clearly reached a limited understanding that if there is to be a SALT II Treaty it will consist of a three tier document that would consist of a treaty which would run until 1985; attached to the treaty would be a protocol which would run for three years; and there would be a statement of principles which would guide the negotiation of a SALT III agreement.

The treaty would contain stated limitations on the number of strategic delivery vehicles and also a limitation on the number of strategic rockets which could contain multiple independent reentry vehicle war-

heads. At the current point, there still remains a difference of view between us and the Soviet Union on what the number of strategic delivery vehicles should be as well as the number of so-called MIRV vehicles. As you will recall, at Vladivostok an agreement was reached on a tentative basis, subject to agreement on other elements as well, on the number of 2400 for strategic vehicles and 1320 for MIRV rockets. It is our view that these numbers are too high and at the outside should be reduced during the period of the treaty. Therefore, we have suggested numbers for both of these categories which are less than 2400 and 1320. As I have said, there is a difference of opinion between ourselves and the Soviet Union on what reductions if any there should be in those two numbers. Secondly, there are a number of difficult and controversial weapons systems on which neither party is willing to put limitations which would run for a period of more than three years. Two examples are: suggested limitations on the range of air-launched cruise missiles and on the range of ground-launched and sea-launched missiles that could be deployed during the three-year period.

On the Soviet side, there is our demand that there be a reduction in the number of modern large ballistic missiles which I would call heavy missiles that could be MIRVed during this period. Another way of getting at that problem would be to put a sub-limit not only on heavy missiles but on all long-range strategic rockets. This is still an issue of sharp dispute between us.

Other items which might be included in the three-year Protocol include mobile missiles and in addition to that a possible freeze on the testing of new ICBMs. Again there is a difference of opinion between us and the Soviet Union on whether these particular items should be included in the Protocol or Treaty, and if so, under what conditions.

Finally, there is the question of the so-called guiding principles which would be contained in the third section of the document. As you will recall, when we went to Moscow in March there were two proposals:³ one proposal was for a comprehensive set of cuts which would be deep cuts on both sides plus a freeze on new deployments. We believe strongly that the proposals we made are sound and in the long run should be put into effect if we are going to have any realistic movement to a reduction or limitations on arms. Accordingly, we believe that these principles which were enunciated in our plan should be included in the guiding principles for SALT III, and we have insisted that they be included in the third section of the three tier agreement which we have been discussing with them. In sum, we are taking a cautious approach. We don't want an agreement simply to have an agreement. If

³ Vance visited the Soviet Union March 27–30 to present U.S. arms control proposals.

we have one it must stand on its own two feet in terms of our national interests. Accordingly, we have indicated to the Soviets that we do not feel ourselves under any particular constraint to negotiate a treaty by October 3, which is the expiration date of the current treaty. But, we are looking forward to a sound treaty, and if we cannot do it by October 3, we will continue to negotiate.

Let me tell you in all frankness I do not believe we will negotiate a treaty by October 3, and therefore we will have to face possible extension of an interim agreement. As to exactly what form that may take we do not know at this point.

Triad

Let me now turn—and I will be through with this section shortly—but I would like to say a word about the third leg of the so-called Triad, namely our bomber force. We believe that it is essential that we continue the third leg of the Triad, and we therefore must take the necessary steps to modernize our relevant force capabilities and this I believe can best be done through the air-launched missile. This will give our B-52's the capability to stand off and fire from a position that does not subject the B-52's to the intense air defense systems which exist within the Soviet Union. Insofar as the sea-launched element of the Triad is concerned, this will be improved with the Trident missile system with which you are familiar. And finally, we will be, if a SALT II Treaty is negotiated, deferring the question of the so-called M-X missile for the three-year period, leaving open the option of proceeding with it after the three-year period should that be necessary. We believe that this combination of actions which we have underway will give us a very strong posture and at the same time will give us leverage with which to determine whether or not the Soviets are prepared to negotiate an arms limitation agreement which could be in the mutual interests of both parties. Let me say finally that any agreements must be based on clear-cut reciprocity. Should you wish to discuss any of these matters on the treaty side tomorrow, I will be happy to go into more detail.

Asia

Let me turn to regional policies and review the approaches we are taking to key nations. Perhaps it would be appropriate for me to start with Asia. In East Asia our initial task has been to stabilize our position as a Pacific power. There should be no doubt that we will continue to play a key role in contributing to regional peace and stability. And we see our relations with you in this light. Our policies are designed to fortify the independence of local states, to diminish the dangers of local conflict, to enhance Asian economic development, and to limit outside influence in the area.

Japan

Let me be more specific. We intend, as I have indicated, to maintain and strengthen our already strong alliance with Japan. Japan plays a key role in our foreign policy in the Pacific area. As I indicated briefly to you in the car as we were driving in, our relations with the Japanese government are excellent. President Carter has established a very close and good relationship with Prime Minister Fukuda. In addition, many of us who are Cabinet members have established close and warm relationships with our counterparts in the Japanese Cabinet. One of the first visits to the United States was that of Prime Minister Fukuda, and since that time we have kept in close touch with him and his colleagues both at various meetings such as the London Summit and the OECD Conference in Paris⁴ but also through constant cable and telephone communication.

We are working together to assist each other in many economic areas, although there obviously are some issues which represent differences between us. On those issues where there are differences between us, we have so far been able to work out those differences in an amicable fashion and, I think, in the mutual interests of both countries. Examples include the differences we had in the area of color television, various citrus fruits, issues which will now arise in steels, and in other areas as well. One thing that particularly pleases me is that we have now developed a working relationship whereby we are able to communicate at an early stage, and as a result of this we are able to deal with the problem before it becomes a crisis. Another factor which I think is important is the fact that from a political standpoint the Japanese Government seems to be in a much stronger position than it was when our government first came into office. Some of the problems which beset the government from a domestic standpoint have been overcome. They have weathered the recent elections in good fashion and seem to be solidly established in place. We have kept closely in touch with them about regional issues such as those related to Korea and ASEAN, and we continue to exchange views and seek the other's advice on how best to deal with these matters.

Korea

Let me now turn to the question of the Korean peninsula. As you know, we have announced that we are initiating a phased withdrawal of our ground forces over a period of five years from Korea. In doing this we have proceeded in full consultation with the South Koreans. Mr. Philip Habib and General George Brown have been to South Korea to discuss the plans in advance of the ultimate decision. In addition to

⁴ Vance attended the OECD Ministerial meeting in Paris June 22–24.

that, we have had close consultations with the Japanese about this action and have made it very clear that this gradual and phased withdrawal in no way changes or diminishes our firm commitment to our Mutual Security Treaty with the Republic of Korea. In addition, we have indicated to the Koreans that as we withdraw these ground forces, which incidentally constitute approximately five percent of the total ground forces in the Republic of Korea, that as we withdraw them we will provide the necessary equipment and additional training which will be required to replace our forces. So, by the time the full withdrawal is made, the Republic of Korea will be self-reliant and sufficiently strong so as not to miss the United States Forces.

In addition, we have made it clear that the ultimate withdrawal of the last elements of the U.S. ground forces will only be made in light of the circumstances that exist at that time, including the political circumstances, and thus in terms of the potential danger to the Republic of Korea. In addition, we have indicated to the South Koreans that we will maintain our air and naval forces for the foreseeable future so that they will have no question about our commitment to their security.

Insofar as North Korea is concerned, we have indicated to North Korea that we are willing to talk to them as long as the South Koreans are present. We have indicated also to the North Koreans that if allies of North Korea will talk to the South Koreans, we would be willing to talk to the North Koreans. Further, we have indicated that we would welcome discussions which would look to realistic replacement arrangements for the current United Nations Command, but this must be approached in a constructive way. Our position remains that we would support the admission of both North and South Korea to the United Nations without prejudice to unification, and we would welcome discussions on the four-party basis to discuss ways of improving the dialogue between North and South Korea and the peaceful resolution of problems in the area should the other parties be willing to consider such discussions.

Philippines

Moving to the Philippines, let me make clear that we intend to preserve our base arrangements in the Philippines. I anticipate that we will be reopening our discussion on this subject with President Marcos in the near future. Last, we intend to encourage stronger links among the ASEAN countries. We will be meeting with them in September to discuss economic issues of interest to them. We are pleased with the results of the recent meeting of the ASEAN countries and are pleased with the fact that Japan intends to double its assistance to the countries of that area in the future.

Vietnam

Moving to the question of Vietnam. As you know, we have indicated a willingness to normalize relations with them. We have opened a dialogue to that end; the discussions are proceeding. We, however, do not intend to commit ourselves to give them aid as they indicate they believe they should have. As you know, our Congress has passed laws which would make this illegal at the present time. However, if the Vietnamese are prepared to establish diplomatic relations with the United States, we are ready and willing to take that action. Ambassador Woodcock is fully familiar with the issues relating to Vietnam having been Chairman of the President's Mission to open up discussions with them on the question of those missing in action who were not accounted for. As a result of his mission we were able to start the process of obtaining that information—a process which we are following closely and which we are still engaged in.

South Asia

Moving to South Asia, we are seeking to strengthen our ties with both India and Pakistan. We are pleased at the results of the recent elections in India in which the Desai Government came into power. We are encouraged that democratic elections were held, and in the process there has come to power a government which is willing to be truly non-aligned and which has an attitude toward the United States which is much more favorable than the past government. Both through our Ambassador and my Deputy, who recently made a trip to India, we have received word from them that they are anxious to strengthen their ties with us in a number of areas. They have indicated that they wish to reduce their excessive reliance on the Soviet Union.

Pakistan

Insofar as Pakistan is concerned, we have been through a difficult period. For a number of months, as you undoubtedly know, we were subjected to totally unwarranted attacks and false allegations to the effect that we were interfering in their domestic affairs. Despite these provocations, we continued to supply them with arms and economic assistance. We kept our contacts open with them and were patient with the difficulties that faced us. All of this led to a meeting which I had with their Foreign Minister, at which we agreed to try and put these difficulties of the past behind us. Since the recent events, General Zia has been in touch with us and has indicated he wants to strengthen and renew the long cordial relationship which has existed between our two countries, and we have indicated to him that that is most welcome to us and we reciprocate his desire. We have indicated to General Zia that we expect to open doors in October along with other members of a consortium to supply economic assistance for the forthcoming year to Pak-

istan. I think, as you know, we have over the years been one of the substantial suppliers of economic assistance to Pakistan and welcome this opportunity to continue this relationship in the months ahead.

Insofar as military assistance is concerned, although we have said that we will not sell them the A-7 aircraft, we will be willing to discuss other aircraft for the future. The one area of difficulty that remains between us is the question of their purchase of a reprocessing plant for nuclear fuels. We have indicated our concern with that decision and have indicated our willingness to discuss with them the provision of an assured supply of fuel, provided they would forego the building of a reprocessing plant. One of my colleagues has just recently been to Pakistan to discuss this issue with the Government and was informed that the current interim Government really does not consider itself in a position to take any decision contrary to that decision taken by the prior government. However, when a new government is elected we would hope to continue our discussions with them to see whether or not we can work out satisfactory arrangements to provide them with what they need in this area without the construction of a reprocessing plant. In short, I think our relationships with Pakistan have now been restored to a sound footing, and I look forward to a good and close relationship in the future. I might say, in connection with the nuclear issues, we have been having discussions with the Indians as well about the need for full safeguards on their nuclear installations.

Diego Garcia

If I might then move further west and comment briefly on Diego Garcia. We intend to complete the facilities which are under construction at Diego Garcia including the extension of the air field. We have been having preliminary discussions, as you know, with the Soviet Union about the possibility of some form of arms limitation in the Indian Ocean. If there is to be such an agreement it would merely be a pact based on the situation as it now exists rather than cutting back on the situation as it will stand at the completion of the installation at Diego Garcia.

Europe

Now let me move on to Europe. I have already talked about it before, but perhaps it merits a few more words. Our relations are immense and varied, as befits an area with such close ties to the United States. Our policies are aimed at preserving a satisfactory East-West balance of forces and at keeping the Western alliance strong and vital. Our policies are further directed at preventing a recession and controlling inflation. Some of the steps which we have taken at the London Summit are directed to these ends.

NATO's Southern Flank

We are also concerned about repairing the erosion on NATO's Southern Flank. As you are well familiar, the differences between Greece and Turkey have not been helpful in this regard, and we have been trying to play a useful mediating role in bringing the parties together and keeping them within NATO. As you well know, the two main issues which are the source of friction between these two nations are the Cyprus question and the so-called Aegean question involving both the issues of air and seabed rights. We have approached this in several ways. Early in the year we sent Mr. Clark Clifford on a mission to Greece, Turkey and Cyprus to work with the parties to try and give impetus to the Cyprus question and to breathe new life into past discussions which we have been having in a rather desultory fashion with the Greeks.

The Greek base rights agreement has been successfully negotiated and has been initialed and submitted ad referendum to the two countries, and it probably will be ready for signature in the near future. The problem remains of getting Congressional ratification of these two base rights agreements, and this ties in with the Cyprus question. If progress can be made on Cyprus, then it will be possible to move both of the base rights agreements through the Senate and obtain ratification of both documents. In the absence of the necessary progress on Cyprus, it will be difficult to get ratification in the near future of those two agreements.

Because of the importance which we attach to clearing up these problems and repairing the erosion of this NATO flank, we are considering what we might be able to do together with the members of the European community and with the Secretary General of the United Nations to facilitate negotiations by the communal groups on Cyprus. Obviously, the situation has been complicated by the death of President Makarios and the interregnum prior to the election of a new President. In any event, we intend to pursue this question and discuss it intensively at the upcoming session of the United Nations General Assembly in private discussions with the various parties concerned.

Yugoslavia

Let me say also that we have had a number of meetings with the Yugoslavs. Vice President Mondale had a very successful trip to Yugoslavia. I have met with the Foreign Minister of Yugoslavia, and we expect a high level visit to the United States in the late fall or early in 1978. We attach great importance to Yugoslavia and to its future, and we would regard any threats or attack upon it as a very, very grave matter.

Middle East

Now if I might turn to the Middle East. Our broad objectives are several-fold and have centered on insuring reliable oil supplies for our

allies and more recently for ourselves, and on improving relations with the Arabs and supporting Israeli security. In addition, we have sought to limit Soviet influence in the area. On the whole, I think we are making some progress. As you know, the problem is immensely complex and the roots of the conflict are very deep. In recent years our influence and relationships with the Arabs have greatly increased and vastly improved, but this has not been at the expense of the security and survival of Israel.

We are in a position to play a unique mediation role aimed at a comprehensive settlement of the Middle East question. We have established a good working relationship with all of the parties. I believe that we have the confidence and trust of the Arabs and the Israelis. We have not yet had discussions with the PLO for the reason that we made an agreement at the time of Sinai II which precluded such discussions until the PLO recognizes the right of Israel to exist as a nation. Once that obstacle is removed, we are prepared to meet with the PLO and talk with them on any issues which they choose to raise. This has been communicated to them through each of the Arab nations with whom we have been meeting, including not only the confrontation states but also Saudi Arabia. I will be happy to go into detail on the recent trip which we made through the Middle East.⁵ I am afraid probably today is not the appropriate time because we are rapidly running out of time, but tomorrow I should be happy to do that should you wish me to.

Let me say simply at this point that the current phase of our diplomacy is aimed at intensifying consultations between the parties and in pressing for greater concreteness in the positions of the various parties. I believe that we will gather any such concrete suggestions from the parties when they come to the United Nations for the General Assembly meeting, and that there is hope, as a result of that, that we may be able to accelerate the process of real substantive negotiations. We have developed several key principles to provide a framework for negotiations which we have discussed with the parties, and I will be glad to elaborate on these tomorrow.

In sum, let me say that peace would bring significant gains in terms of regional stability, in terms of the positive influence which we could bring to bear in the area, and in terms of improved regional economic development. We are counting heavily on the relationships we have in the area, including not only the ones I have referred to but also that with Iran, as we seek to develop the basis for regional stability.

I am prepared to go on to say a few words about Africa but I believe we have run out of time.

⁵ Vance had most recently visited the Middle East August 1–11.

Minister Huang: It is now 6:30 p.m. and we will be meeting again at 7:30 p.m.⁶ Therefore I will be looking forward to hearing tomorrow your views on Africa, including the Horn of Africa.

The Secretary: Yes, we have great interest in that area and in the country's economic and military side. I may have talked too long but I thought I should lay out in considerable detail our views in order to give you a clearer idea.

Minister Huang: Thank you for your briefing today, and we shall continue tomorrow at 9:30 a.m. Tomorrow afternoon we may not be able to have a discussion, but we will talk further when we meet tomorrow morning. I therefore shall be looking forward to making full use of tomorrow morning and hearing about Africa and, if there is time, your views on bilateral relations.

The Secretary: Thank you very much.

⁶ The two met at a banquet held the evening of August 22. For the text of the toasts they exchanged, see Department of State *Bulletin*, September 19, 1977, pp. 365–367.

48. Memorandum of Conversation¹

Beijing, August 23, 1977, 9:30–11:50 a.m.

SUBJECT

Africa; Latin America; Normalization with other Countries; Human Rights;
Non-Proliferation; ME; Yugoslavia; Normalization of US–PRC Relations

PARTICIPANTS

U.S.

The Secretary
Ambassador Woodcock
Under Secretary Habib
Assistant Secretary Holbrooke, EA
William H. Gleysteen, Jr. Deputy
Assistant Secretary
Michel Oksenberg, NSC
Harry E. T. Thayer, Director,
EA/PRCM
(seated behind:
Jeanette Porpora, notetaker)

P.R.C.

Huang Hua, Foreign Minister
Huang Chen, Chief, PRC Liaison
Office in the U.S.
Wang Hai-jung, Vice Foreign
Minister
Lin Ping, Director, American and
Oceanian Department, MFA
Chien Chi-chen, Director, Infor-
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Department, MFA
Tang Wen-sheng, Deputy
Director, American and
Oceanian Department, MFA
Ting Yuan-hung, Chief, American
Division, American and
Oceanian Department, MFA
Shih Yen-hua, Interpreter
(seated behind:
Lien Cheng-pao, Deputy Chief,
American Division, American
and Oceanian Department,
MFA,
and two other notetakers)

Foreign Minister Huang Hua: Did you have a good rest last night?

The Secretary: I had a very nice rest and am fully rested this morning.

Minister Huang: While you are working it is better for you to have some chance to take a rest and do some activities. This is what we call combining work with rest.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/22–31/77. Secret; Nodis. The meeting took place in Guest House No. 5. Vance's report of the meeting is in telegram Secto 9017, August 23. (National Archives, RG 59, Central Foreign Policy File, P840076–0837) Oksenberg sent an account of this meeting via the Voyager Channel in telegram 166 to the White House, August 23. (Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 42, Vance, China, 8/20–27/77)

During your visit to China in 1975, you met with Vice Premier Teng Hsiao-ping. Mr. Habib once inquired of the possibility of meeting with him again during this visit. We have already conveyed your request to Vice Chairman (*sic*) Teng and he will be very pleased to meet you.

The arrangements are roughly like this. Tomorrow afternoon Vice Chairman Teng Hsiao-ping will meet you at the Summer Palace. The Foreign Minister will accompany you to the Summer Palace and in the evening there will be a dinner with the Vice Chairman in the "Hall of Listening to the Orioles".

The Secretary: That sounds very exciting.

Minister Huang: Yesterday Mr. Vance talked about the international situation and your views on it were very helpful to us. And, of course, the Middle East is an important flank of Europe. The situation there is tense because it involves the oil resources and it has also occupied a very important strategic position, so in the present international situation it is one of the key important areas. The situation seems to remain in turmoil and it breeds new changes.

Let us now continue our talks, and we would like to listen to Mr. Vance's presentation of your views with regard to this area and especially in connection with the Horn of Africa.

The Secretary: Thank you very much. First let me say we are very honored to be able to meet with the Vice Chairman tomorrow afternoon and we look forward to that discussion.

Africa

Turning to Africa, let me say first, we have made basic changes in our approach to our African policy. In Africa, we have opposed interference by outside powers through efforts to encourage African solutions to African problems. Turning specifically to the Horn of Africa, this is an area of obvious strategic importance because of its location on the route through the Canal and leading to the Persian Gulf.

Accordingly, at an early stage during our Administration we conducted an extensive and intensive review of the situation with respect to the Horn and adopted a policy for dealing with that area.

Our policy is to seek to work with a number of states in the area with which we have not had close relations in the past.

Somalia

The first of these is Somalia. Somalia is, of course, a very important nation because of its location and because of the fact that in the past it has contained bases which were being used by the Soviet Union. We opened contacts with the President of Somalia, President Said, and his representative, and as a result of that we have had a mission in Somalia

and they have sent a mission to the United States. As a consequence of these missions, we have agreed to establish a program of economic assistance and have indicated that in principle we are prepared to provide them with military equipment.

In dealing with the question of meeting their military requirements, we have proceeded in the fashion in which we have dealt with other nations in Africa, namely by seeking other Western suppliers to work with us in a consortium for supplying other types of arms.

Accordingly, we got in touch with the French, the British and the Germans. All agreed that we would supply different kinds of equipment to the Somalis.

The French have already supplied small arms to Somalia and we are in the process of discussing what kinds of arms would be useful to them. The Germans agreed to supply non-lethal equipment. The British are in a state of limbo because they have an arms supplier relationship with the Kenyans.

In the meantime the Somalis have moved into the Ogaden in Ethiopia and this has somewhat complicated the situation. It appears as though the Somalis have accomplished 95% of what they set out to do, namely to take over the Ogaden, and it appears they are seeking some sort of a negotiated solution of the situation at this time.

Ethiopia

As far as the Ethiopians are concerned, we have terminated our military supply to Ethiopia at their request. They turned to the Soviet Union. We said despite that fact, we were prepared to leave a small Embassy staff in Addis and continue a small economic aid program with them for the immediate future.

During the last few days the Ethiopians have come to us and have indicated they are unhappy with the supply relationship they have with the Soviet Union and wish to have us now become their military supplier again.

Our response to them has been that we are not prepared now to resume the military supplier relationship, and we find it rather inconsistent of them to have terminated the relationship with us for a short time and then ask that it be renewed again. And, therefore, we will not supply them with military equipment. In the meantime, it appears to us that the likelihood is high that the secessionist movement in Eritrea will probably succeed.

Sudan

Turning to the Sudan, we have been working closely with the Sudanese to assist them in connection with their defense needs and have had a mission discuss with them their requirements in this area. In the

past, we supplied them with a small amount of equipment such as the C-130 aircraft but now we are talking about supplying them additional kinds of military equipment.

We have coordinated our activities in the Sudan very closely with President Sadat of Egypt. The Sudan is very important to him with the high waters of the Nile there. It is of vital importance to him that the Sudan remain free and independent. In short, our relations with Sudan are close and growing closer.

Kenya

As for Kenya, our relationships have been close with Kenya and continue good at the present time. We have both an economic and military supply relationship with Kenya and are working closely with them. We have informed the Kenyans that whatever we do with respect to Somalia will be done in such a way as not to cause any danger to the integrity of Kenya. Here again we have coordinated our activities very closely with the British who have had a very long and close relationship with the Kenyans in both a political and military supplier way.

Chad

In Chad, we have agreed to help them in connection with the incursions which they are having from the north which are being sponsored by the Libyans, and we have agreed to work with other Western and African suppliers as well to help them build up their defensive capabilities to deal with this incursion.

In all of our activities in the Horn of Africa, we have kept in close touch with our Arab colleagues, particularly Saudi Arabia, which is interested in our activities in the area and has been a major source of economic help to a number of countries in the Horn.

In sum, we have a strategy with respect to the Horn of working not only with the particular countries in that area on a cooperative basis but also of working with both Western European nations and Arab nations to provide a coordinated program of assistance. In our view, this program is working. We see the Soviets faced with a very difficult situation where they are trying to ride two horses at the same time in Ethiopia and Somalia, and they may well fall off both horses.

Southern Africa

Let me then turn very quickly to the rest of Africa which I will touch on briefly. As I indicated last night during supper, we are committed to a maximum effort in Rhodesia to bring about majority rule and in Namibia and South Africa to bring about full political participation. In connection with Rhodesia and Namibia, we are in close touch with Front Line States and nationalist leaders and have developed spe-

cific programs for possible solutions to the problems in both of these countries together with the British and other nations. There will be a meeting with the Front Line Presidents toward the end of this week which is being called by President Kaunda with the approval and support of President Nyerere.

Central Africa

In Central Africa, we have been working quietly with the French, Belgians, Moroccans and Egyptians. In Zaire we have also worked with the Africans in connection with finding a solution to the Shaba situation. We have helped them with their economic problems and debt and helped with other types of assistance. For the moment it appears progress has been made.

We are also keeping in close touch with all of the states in Africa. Our relationships with Nigeria have turned from a rather cool relationship to a warm relationship and we are working closely with them on a number of different matters.

We believe that by identifying with the forces of change and through development efforts and selected military assistance, we are approaching competition with the Soviets in a more effectively comprehensive and politically advantageous perspective.

In sum, we believe that our objectives in Africa have many common threads with those of the People's Republic of China and we would welcome working with you in the future in developing the most constructive solutions to the problems of that continent.

Latin America

Now, I might touch very briefly on Latin America. Let me simply say that our objective for Latin America is to become a better partner with our neighbors on both political and economic issues. In order to do this, we will treat each nation individually insofar as bilateral matters are concerned rather than lump them together as we have in the past. Each of them is an independent and unique nation and should be treated accordingly.

On multilateral issues, we will deal with them in the appropriate multilateral forum. The general thrust of our policy is to move away from confrontation and move toward cooperation with them and with other nations of the Third World. The touchstones in such a program are mutual benefit and a fair international economic order.

Finally, a word about the Panama Canal. We have given top priority to negotiating a new treaty with Panama that is now completed and will be ready for signature within a few days. This is, we believe, a major achievement, and we are pleased with the results. We think the

signing of this treaty has a symbolic significance which will be of importance to the Third World.

Normalization With Other Countries

We have said normalization of relations with other governments is one of our basic policies. And we have done this in the belief that the existence of diplomatic relations will help improve communications, avoid misunderstandings, and help in some places to bring our influence to bear more effectively. This policy applies not only to your country but to others as well. As you know, we have taken some steps with respect to Vietnam and Cuba, and are prepared to do so with others.

Human Rights

Another common thread of our foreign policy is human rights. We believe this to be one of the central pillars of our policy. We wish to reflect our belief that the world should seek more than economic survival, and we believe that human dignity and human freedom are among man's fundamental needs, and these are basic to our view.

This does not mean that we are attempting to conduct our foreign policy by rigid moral maxims or impose our political systems on others. Our concern for this issue is real, and reflects the true feelings of the American people. We recognize that we ourselves are not perfect in this area, and where we have failings we do not shrink from criticism by others.

Non-Proliferation

In closing let me just say a word about non-proliferation. As you know, for a long time the United States has tried to decrease the proliferation of nuclear weapons. As the President said to Ambassador Huang, our goal is total elimination of nuclear weapons.² In the meantime, steps should be taken to lessen the danger of nuclear weapons.

We believe this issue is such a serious one that we felt it necessary to restrict our own domestic programs and have revised our export policies. In this endeavor, we are enlisting the cooperation of others. The President is sensitive to the concerns of other nations for assured energy resources but he places high priority on reconciling these concerns with the need to stop proliferation.

Mr. Minister, that touches on most of the main themes of our foreign policy. I would be delighted to follow whatever course you wish. If you would prefer to comment now on these international issues, that would be fine. If you prefer that I discuss the question of normalization

² See Document 5.

of relations as it affects our two countries I would be prepared to do so. Whichever course you wish, I would be happy to follow.

Minister Huang: I think perhaps there are several questions that my colleagues and I would like to ask.

The Secretary: Surely.

Middle East

Minister Huang: First about the Middle East. The present situation in the Middle East is in stalemate and in turbulence. On the one hand the United States is doubling its efforts to boost the military strength of Israel. On the other hand, the Soviet Union is supplying military parts to Egypt and is pressing for the repayment of debts in Egypt. And in Israel the present government is more stubborn and obstinate than the former government in Israel. When these factors are put together one might have the impression that the United States and the Soviet Union are weakening the position of Egypt in different channels and putting the Egyptians into a most difficult position. And in Egypt there is the likelihood that there might be new instability and changes in the political situation.

Secondly, regarding Palestine. As a result of American conditions and the present position of Israel with regard to the question of Palestine, the Palestinians are meeting with greater obstacles in recovering their national rights. With the progress of the American program of mediating the Middle East issue by the reconvening of the Geneva Conference, as well as the talks with the Foreign Ministers during the General Assembly, what are the prospects for a comprehensive solution?

The Secretary: Turning to the question of Egypt, certainly President Sadat does not share the view, which you suggest, that we are undermining Egypt. President Sadat has been working very closely with us and considers us to be a close and good friend, and there are good reasons to support that view.

From a military supply standpoint, we have now a military package which is going before the Congress when the Congress resumes its activities at the start of September.

In addition, President Sadat has asked us to work with him to assist in the repair of his MIG aircraft by working over the engines. We have agreed in principle to do that. We will be working out the details of how this will be done. The work will be done in Europe by a company which is qualified to do this kind of work. I do not think it necessary to go into all of the details but I think he is pleased with the progress being made in this area—"he" being Sadat. In addition, other European suppliers are helping to supply Sadat with equipment.

Probably his biggest problem is not military equipment but economic assistance, and in that connection we are providing him with \$1 billion a year, which is vitally important to him to maintain his economic and social programs.

In sum, I would say that both on the economic and military side our relationship is close and we both have confidence and trust in each other. I think anyone who has any question should simply put the question to Sadat and I think the answer will be correct.

On the question of Palestine and the Palestinian issue, our position is clear. We believe that there can be no solution to the Middle East problem without a resolution of the Palestinian question, and we have indicated that we support the establishment of a Palestinian entity or homeland. That is the phrase our President has used. We also believe there should be elections and self-determination for the Palestinians. The Arabs and Israelis are not in agreement on this but there is no question of our position on it.

Briefly, our views with respect to the solution of the Middle East problem are as follows:

1. There should be a comprehensive settlement which will be reflected in a peace treaty.

2. The basis for negotiation should be Resolutions 242 and 338.³

3. The peace that results from the peace treaty should be not merely the termination of a state of belligerency, but should also include the development of normal relations over a period of time to be worked out among the parties. (I have two other items, 4 and 5, but please translate that if you will.)

4. There must be a return of the occupied territories with secure and recognized boundaries for Israel. These should be the 1967 boundaries with minor rectifications on the West Bank. In addition, the Jerusalem problem must be resolved.

5. Finally, there are the two fundamental principles:

- A. establishment of a Palestinian entity;

- B. the right of self-determination by the Palestinians.

As a result of my recent trip to the Middle East, we have arranged for meetings next month with each of the Foreign Ministers when they come to the United States. These meetings will deal with concrete issues. We have asked each of the Foreign Ministers to come fully prepared with their suggestions as to the type of peace treaty they would

³ UN Security Council Resolution 242, adopted on November 22, 1967, set forth principles for the establishment of a just and lasting peace in the Middle East. UN Security Council Resolution 338, October 22, 1973, called for a cease-fire in the October 1973 Middle East war.

like to see as a result of a just and lasting solution. We believe that the convening of a Geneva Conference before the end of the year is still a valid goal.

On the core issues, namely the question of territories, the question of a Palestinian entity and the question of the nature of the peace, the parties are still far apart on some of these issues, but we will be prepared next month with specific suggestions as to how to break the stalemate which exists.

Let me say that I do not underestimate the difficulties which we face because of the deepness of the roots of these problems but we are committed to put our full weight and effort behind finding a solution to the problem.

Minister Huang: Will Palestine agree to taking Resolution 242 as the basis? Will it take it as a pre-condition for its participating in the Geneva Conference, the recognition of the existence of Israel?

The Secretary: The Palestinians have not yet determined whether or not they will accept 242 with a reservation, namely a reservation that 242 as actually written does not adequately deal with the Palestine question because it does not deal with the question of the Palestinian homeland. We have indicated to the PLO, through our Arab colleagues and friends that if they, the PLO, are prepared to say that they will accept 242 with such a reservation and thus recognize the right of Israel to exist as a nation, that we are then prepared to talk with the PLO because the conditions of Sinai II to which I referred yesterday have been removed.

Let me say that the question of Palestinian participation in Geneva is a different issue from the issue which I have been talking about, namely our ability to talk with the PLO. Insofar as Palestinian participation in Geneva is concerned, we have been trying to bring about Arab agreement as to how this can best be done. It is our belief that this can be done in a unified Arab framework which would include not only the confrontation states but in addition Palestine and Lebanon. If there can be brought about a unified Arab position and this is a position which we would support, namely the Pan-Arab Delegation, then I think it would make it much more difficult for the Israelis to reject that as a solution if they indeed wished to go to Geneva for the negotiations as they say they do.

As you know, the practical problem that we face is that under the ground rules which were adopted at the last Geneva meeting there is a ruling that any addition of new parties to the Conference requires the consent of the existing parties to the Conference. But, having said that, I come back again to the point that if the only ones who are opposing such a practical solution to the problem are the Israelis, I think it would

be much more difficult for them to stick to that position because they would be in opposition to public opinion throughout the world.

Let me mention just one more thing, if I might, on this. There is one other solution being discussed among the Arabs and that is the establishment of an additional organization which would represent Palestine, which would be headed by the Secretary General of the Arab League and which would include other representatives of the Arab League, plus the Palestinians. I must say that the bulk of the Arab states do not favor this suggestion but one of the Arab confrontation states does push this as a solution.

Minister Huang: Which one?

The Secretary: Egypt.

Minister Huang: About the American idea of organizing a Pan-Arab Delegation including the confrontation states as well as the Palestinians. What is the response of the Arab countries?

The Secretary: All but one are in favor of it. And even the one that is opposed to it has indicated they are willing to think seriously about it.

Minister Huang: Do you mean Syria?

The Secretary: No, Egypt. Syria is very much in favor of it. The Jordanians are very much in favor, the Saudis, although not a confrontation state, are in favor. The Lebanese, although not currently a party, though I have no doubt they will be a party because everyone has agreed they should be a party, are in favor of it.

Horn of Africa

Minister Huang: Now returning to the situation in the Horn of Africa. The situation there seems to be very turbulent, and there is Ethiopia and Somalia and the developing conflict between them. What do you think is the prospect of Somalia's efforts to seek a peaceful solution after it has occupied the Ogaden?

The Secretary: I think they will succeed by virtue of their military strength to accomplish most of their objectives, namely that the solution that is reached will be that they, as a practical matter, will be in control of the Ogaden, which they did not control before the fighting started.

Mengistu made a very major and I think dangerous decision when he concluded that he was going to put all of his reliance on the Soviets as a military supplier and I think he is bearing the consequences of that now.

Southern Africa

Minister Huang: Now, turning to Southern Africa, after the Soviet Union carried out military intervention and occupation of Angola and

after it instigated military incursions in Zaire, it is now trying to get a handle on the affairs of Rhodesia. What do you think are the prospects of the Soviet actions with regard to its whole global attitude?

The Secretary: I think that, in hindsight, the Soviet Union has failed in Angola. If one looks at the situation now, one sees that the situation is much changed from a year ago. Savimbi controls not only all of the southern half of the country but has extended his influence to the northeast portion of Angola. Insofar as food is concerned, there are real problems for the Neto Government and if one looks into the future I think there is growing doubt whether or not the Neto Government can survive without some sort of affiliation or compromise with Savimbi. At this point it does not appear to us that Savimbi is anxious to enter into any such coalition so that the future is cloudy to say the least.

Turning to southern Africa, it is my judgment that the Soviets will try to impede our efforts in Rhodesia and perhaps even in Namibia to bring about a settlement. However, the Front Line Presidents and nations recognize that we can help them to bring about what they want in Rhodesia sooner and without great loss and destruction of the country. Accordingly, it is, in my judgment, possible and indeed even likely that the Front Line Presidents will support our Rhodesian initiative. If they do, this will, of course, be very important in helping it to be a success.

Let me say, Mr. Minister, if I can, that as we look at the Soviet efforts in Africa, we see less of a grand strategy in Africa but rather an attempt to pick what they believe to be targets of opportunity where they can come in and try to take over as the dominant influence. We believe that if we act in a coordinated and thoughtful fashion, with a more coherent total strategy which involves working with the African nations to help them bring about solutions to their own problems, that this is a better way to proceed in containing the problem of Soviet intervention in the African continent. But I would be very interested to know what your views are.

Minister Huang: We will tell you our views on this question later. We do not regard Soviet actions in Southern Africa as only limited and accidental actions.

The Secretary: I am not saying it is limited and accidental. I am saying that what they are seeking is targets of opportunity rather than thinking a well-thought-out strategy.

Countering the Soviets

Minister Huang: Mr. Secretary has given your views with regard to the international situation as a whole and the situation in different regions as well as on U.S.-Soviet relations. If we put them together in the context of the global strategic picture as well as the balance of power between the U.S. and Soviet Union, will the competition con-

tinue or do you think that you will attain your hope of maintaining the present balance.

The Secretary: With respect to the future, I believe the competition will continue. I think that as far as military competition is concerned we will maintain the balance. I believe that as far as the political competition is concerned theirs is a barren strategy and that our strategy will succeed in the long run.

Let me make two important points, if I may. Insofar as the economic sphere is concerned, I believe we can outcompete them without any question. And I would point out that wherever they have gone in the less developed world, they have dealt in a very heavy-handed manner and as a result have, in the long run, alienated the peoples of the countries to which they were providing assistance. And the people, in the long run, have turned against them. I think this is not an insignificant fact. It is a result which we have to take note of.

The latest two examples of this are Somalia and Ethiopia. I am not suggesting they will lose all influence in the area, but certainly their influence is less in both of these countries than it was several months ago.

One further word on the Soviet Union and that is to point up the slow-down in their economic growth. All of us are aware that their economic growth has been slowing down. All indications are that it will continue to slow down in the future. The key factor is in the area of oil resources and production. According to our analysts, they may be running into difficulties in about 1985 when, according to our current estimates, their oil production may decrease to somewhere in the neighborhood of 8–10 billion barrels.

Our current projections say that the annual rate of growth of the GNP, which is about 4% per year, will continue through 1980 and will decrease to 3% in 1981–1985 and may well go to 2% in 1985 and the following period.

Yugoslavia

Minister Huang: The next question before we ask Mr. Secretary to talk about our bilateral relations. Yesterday you talked about the situation in Yugoslavia and you suggested that the U.S. would regard intervention by outside forces as very grave. Would you elaborate on it?

The Secretary: In the period which will come when President Tito passes from the scene there will be a situation in which it is conceivable that people might try and stir up the situation for ulterior motives and if that should occur it is conceivable that two kinds of action might take place. There might be internal disturbances instigated from outside. And secondly, there might be an injection of forces from outside. We believe that the former is more likely than the latter, although the latter cannot be ruled out. What I am saying is, if such a situation should de-

velop which would raise dangers to the integrity and survivability of Yugoslavia, that we consider this would constitute a grave threat to peace and that therefore we would have to take the situation very, very seriously.

Minister Huang: What are the concrete conceptions that you have with regard to this situation should it arise?

The Secretary: With respect to what would be done under the circumstances, I think one would have to view the circumstances as they arise at that particular time as to what action is appropriate.

Normalization

Minister Huang: So we now turn to our bilateral relations. We would like, of course, Mr. Secretary, for you to tell us what the United States side has in mind.

The Secretary: I would be very happy to speak to the question, Mr. Minister. Later on I would like to discuss some specific aspects of our bilateral relations. But I think it is important to focus first on the bilateral issue between us which is the key question of normalization. Accordingly, I would like to address myself to that issue first and reserve for a later time the question of other bilateral matters such as trade, exchanges, and the like. Let me begin by saying that we do not challenge the concept that there is one China and that Taiwan is a part of China.

I might note that the unhappy state of relations between our governments in the 50's and 60's and the development of our problems in Taiwan have a complex history and are open to differing interpretations. We understand your position fully but I think it would be unproductive to focus on the past. It is important to work toward better relations in the future.

Viewed historically, it is only natural that our two countries should have fully normal relations. Although there are obviously some special aspects of our relations which will require mutual and creative efforts to resolve, it is clear that neither of us poses a security challenge to the other. Neither has territorial claims against the other, and neither seeks to impose its will against the other.

Broad Terms of Normalization

The President has authorized me to explore seriously with you the ways in which we might move toward that common goal of normalization.

Provided that we can find a basis which will not lessen the prospects for a peaceful settlement of the Taiwan question by the Chinese themselves and which would enable informal contacts with Taiwan to continue, the President is prepared to normalize relations.

Under these circumstances, and in accordance with our undertaking in the Shanghai Communique, acknowledging the Chinese position that there is only one China and that Taiwan is a part of China, we are prepared to establish full diplomatic relations with the People's Republic of China, recognizing your Government as the sole legal Government of China.

Under these circumstances, our diplomatic relations and Mutual Defense Treaty with Taipei would lapse, and we would be prepared to affirm that publicly.

Under these circumstances, we are also prepared to complete the withdrawal of all U.S. forces and military installations from Taiwan.

I will, of course, need to convey the results of our conversations to President Carter. But in principle, I can say we are prepared to begin the process.

Domestic Factors

In order to set this in proper context, let me say a word about the domestic factors in the United States. Therefore, I would like to spend a moment or two discussing factors which enter into our consideration of the process and how it can most productively evolve through our mutual efforts.

I think it would be useful to explain what it will take under our political system successfully to bring about full normalization.

Without debating how it came to pass, the fact of the matter is, of course, that the United States is deeply involved in Taiwan, and many basic relationships in East Asia are affected by this.

Adjustments in the relationship will involve a very difficult and delicate process which will be of concern in the United States, among our allies and in Taiwan.

We don't wish to proceed in a way which would destabilize the situation, and we also do not want to proceed in such a way that it would create an unduly divisive debate at home which would impair our ability to carry out an effective policy on other international issues in which we both have a stake.

We will encounter difficulties in our country but the President is prepared to overcome them if satisfactory agreement can be reached.

In preparing for these talks which we are having, we conferred with many members of our Congress, including the leadership of both political parties. And it was evident from those discussions that, while the members of our Congress recognize the importance of good relations with the People's Republic of China for peace and progress in Asia, they also maintain a high level of concern for the future of the

people on Taiwan. (Note: “the people on” omitted by Chinese interpreter.)

This is partially a reflection of popular sentiment in the United States, which includes both strong support for full normalization and, at the same time, strong feelings of friendship for the people of Taiwan. The latter, of course, stems from the extensive trade, investment, travel, cultural and other ties which a large sector of our citizens have had with Taiwan.

As we proceed, we will have these factors very much in our own minds. I hope you will take them fully into account as well. The President wants to make progress, and he wants you to know that he needs your understanding if he is to do so.

Economic and Other Ties to Taiwan

I would like to now discuss specific aspects of normalization, and I should like to start with the subject of economic and other ties that exist with Taiwan.

As has been discussed in the past, we would want to assure our people that trade, investment, travel, scientific and other private contacts with Taiwan will continue unaffected. The U.S. Government cannot avoid some involvement, particularly where activities are regulated by law. (Note: The initial Chinese interpretation did not sufficiently clarify that the Secretary was speaking of U.S. Government involvement, but brief discussion among the Chinese rectified this.)

There would also need to be some legislative adjustment to facilitate private trade and other ties after the termination of diplomatic relations with Taipei. This is, of course, an internal procedure for us to handle, but I want you to be aware of it as well as the fact that there is this need so there would later be no misunderstanding.

USG Representation in Taiwan

Turning next to the question of U.S. Government representation in Taiwan, our extensive ties with Taiwan give rise to other requirements. We need, for example, to render practical assistance to U.S. citizens and companies involved in Taiwan. We also will wish to assure that the people in Taiwan will continue to have access to the United States.

As you know, the nature and extent of our involvement in Taiwan is different from that of any other country. Taking into account our laws, administrative practices, and public and congressional views, we have concluded that *totally*, and I underscore *totally*, private arrangements are not practicable for us. (Note: Both Ting and Chien at this point intensified their note-taking.)

We have concluded that, as a practical matter, it would be necessary for U.S. Government personnel to remain on Taiwan under an *informal* arrangement.

The representation we would maintain there would be designed to render practical assistance. It would not be, it would not be inconsistent with our termination of relations with Taipei or our recognition of your Government as the sole legal Government of China.

Whatever the name of such an office, it would be clear it would *not* be diplomatic in character and would *not* perform diplomatic functions or in any other way constitute recognition. No flags would be flown, no Government Seal would be on the door, and no names would appear in diplomatic lists.

Security Issues

Let me turn now to security issues. The security issue has always been a difficult one for both sides. Our ability to play a major world role depends on the credibility of our alliance structure with such nations as Japan and our NATO allies. To sustain both public support for normalization and the credibility of American commitments abroad, it is necessary that, in causing the treaty to terminate, we not be placed in the position of appearing to jeopardize stability.

On the other hand, we have no desire to make ourselves the arbiter of how the Chinese people resolve the relationship between Taiwan and the Mainland.

As you know, for the past 20 years, we have had extensive military ties with Taiwan. These have included not only the Treaty and the presence of U.S. forces, but also provision of grant military assistance, military credits, and extensive arms sales, and joint military exercises.

Since the issuance of the Shanghai Communique, we have taken a number of steps to reduce our role.

—We have drawn down our forces from about 10,000 to approximately 1,250.

—We have removed all combat units and associated weapons. (This sentence not translated.)

—We have eliminated grant military assistance.

—We have scaled down joint exercises.

—We have sharply reduced military credits, and we have carefully controlled the volume and types of military equipment we have supplied to Taiwan.

With normalization, as I have noted, the Treaty would lapse, all U.S. military installations, advisors and other forces would be withdrawn, and all military credits would come to an end.

Public Statements

And finally, a word about public statements. The security issue has another major dimension as well, namely, how each side's intentions are perceived. That will have a far-reaching importance.

If our agreements are to be successful, neither side can make such justifications in ways which undercut the credibility of the other side's position. Thus, a critical aspect of the security issue is what each side says publicly.

You know of our deep interest and our concern that your problem with Taiwan can be resolved peacefully. We believe it can.

Let me say that statements by your Government to this effect would have a significant positive impact on the President's ability to persuade Congress and the American people that normalization would not lessen the prospects for a peaceful settlement.

We will have to make a statement on this question at the appropriate time. It would include reiteration of our concern and interest for a peaceful settlement of the Taiwan question by the Chinese themselves and an expression of confidence that normalization will not lessen the prospects for such a settlement.

I recognize that you might wish to reiterate your position that the Taiwan question is an internal matter, and we will not contradict you on that. But, as I have indicated, it would be essential to U.S. domestic acceptance of any agreement that we have reached that you will not contradict our statement or make statements stressing forceful liberation.

Similarly, both sides must be very careful, we believe, in the public handling of related issues. The manner in which these actions are perceived publicly will depend on the statements made by both of us. We can discuss this after you have had a chance to reflect on our views.

That, Mr. Minister, is a statement of our views on this very important and serious question. It may well be that you would choose to reflect on them before responding and we would certainly understand that if that should be your choice.

Minister Huang: Please go on with the specific aspects of our bilateral relations. Your second part.

The Secretary: I would suggest that we might leave those to another day or to another meeting. This is certainly the most important issue among our bilateral relations. We would, of course, wish to discuss during the next two days such questions as trade, cultural exchanges, other exchanges and the like but I think perhaps it might be better to postpone those discussions to a subsequent meeting.

Minister Huang: (After conferring with Ambassador Huang) This morning, up until now . . . I would suggest we conclude today's session at this point, for this morning. As for China's principled position with regard to U.S.–China relations on the Taiwan issue, I believe we have repeatedly stated our position. Next time, tomorrow morning, we can

meet again for another session. As for this afternoon, we will leave it to you to relax.

The Secretary: Thank you Mr. Minister. We wish to do so with great pleasure. I believe I am going to see the historical museum this afternoon.

Meeting ended at 11:50 a.m.

49. Memorandum of Conversation¹

Beijing, August 24, 1977, 9:30 a.m.–12:20 p.m.

SUBJECT

US-Soviet Relations; Europe; Yugoslavia; Middle East; Africa; Japan;
Normalization

PARTICIPANTS

U.S.

The Secretary
Ambassador Woodcock
Under Secretary Habib
Assistant Secretary Holbrooke, EA
William H. Gleysteen, Jr. Deputy
Assistant Secretary
Michel Oksenberg, NSC
Harry E. T. Thayer, Director,
EA/PRCM
(seated behind:
Elva Morgan, notetaker)

P.R.C.

Huang Hua, Foreign Minister
Huang Chen, Chief, PRC Liaison
Office in the U.S.
Wang Hai-jung, Vice Foreign
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Lin Ping, Director, American and
Oceanian Department, MFA
Chien Chi-chen, Director, Infor-
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Liu Hua, Acting Director, Protocol
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Tang Wen-sheng, Deputy
Director, American and
Oceanian Department, MFA
Ting Yuan-hung, Chief, American
Division, American and
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Shih Yen-hua, interpreter
(seated behind:
Lien Cheng-pao, Deputy Chief,
American Division, American
and Oceanian Department,
MFA, and two other
notetakers)

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/22–31/77. Secret; Nodis. The meeting took place in the Great Hall of the People. Vance's account of his activities on this day is in telegram Secto 9029, August 24. (National Archives, RG 59, Central Foreign Policy File, P840076–0832)

Foreign Minister Huang Hua: Did you enjoy our acrobatic show yesterday?

The Secretary: It was delightful; we enjoyed it tremendously.

Minister Huang: And you got a chance to relax a bit?

The Secretary: All of us enjoyed it. I particularly appreciated the magician.

Minister Huang: Did you have a good rest?

The Secretary: Yes. I had a good sleep.

Minister Huang: Today we are going to give our views on the international situation and our bilateral relations.

The Secretary: Mrs. Vance enjoyed her trip yesterday very much to the Great Wall and to the Ming Tombs.

Minister Huang: During the Long March, Chairman Mao wrote a poem that if we didn't reach the Great Wall we were not men of valor. And that place was 2500 kilometers away from the Great Wall. That was the last leg of the Long March. Since Mrs. Vance reached the Great Wall, she won the title. I think other gentlemen have been to the Great Wall?

The Secretary: Yes, everybody. Mrs. Morgan went there yesterday too.

Minister Huang: Congratulations. You are a man of valor.

Elva: I enjoyed it.

Somebody: Since Mr. Holbrooke has not reached the Wall, has not made the trip, he does not have the title.

PRC Foreign Policy

Minister Huang: As we have already heard the views and ideas presented by Mr. Vance on the international situation and Sino-US relations, now on behalf of the Chinese side I would like to present our views with regard to the international situation and our bilateral relations. A few days ago when the 11th National Conference of the Chinese Party met, Chairman Hua Kuo-feng delivered a report in which he clearly expounded the Chinese views on the international situation, major issues in the world and China's foreign policy. I don't know whether Mr. Vance has read it. The English translation came out yesterday.

The Secretary: I've seen parts of it.

Minister Huang: The part on the international situation and China's foreign policy was done to one point, that is, we will continue to implement Chairman Mao's revolutionary line in the field of foreign affairs and will continue to implement the foreign policy formulated by him, including our policy toward the US. We have done so in the past, we are doing so today, and will continue to do so in the future.

Now, proceeding from the line as formulated by Chairman Mao in the field of foreign affairs, I would like to give you our views on some of the issues.

US-Soviet Relations

Mr. Vance has given a wide-ranging talk with regard to the international situation. I would like to choose a few points. First, about US-Soviet relations. Early last year our great leader and teacher Chairman Mao Tse-tung said to Mr. Richard Nixon that the US has interests to protect, and the Soviet Union seeks expansion. This state of affairs cannot be altered. In other words, the conflict of interest between the two countries is insoluble. The main opponent of the Soviet Union is the United States, and Mr. Vance also admits that the central concern of the US for national security is the Soviet Union. The Soviet Union is doing its utmost in contention for world hegemony with the US, and the focus of the contention lies in Europe. The strategy of the Soviet Union is to make a feint in the East while actually attacking in the West. In recent years, the Soviet Union has been stepping up arms expansion there and is intensifying its activities, trying its best to control positions of strategic importance as well as strategic resources.

Mr. Vance has said that the objective of US policy is to maintain the strategic balance between the US and the Soviet Union, but as a matter of fact the Soviet Union is trying its best to maintain strategic supremacy over the US so that balance cannot be kept.

It is true that experience has proved that it is unrealistic to try to use some agreements to restrain Soviet expansionist activities and check the momentum of Soviet expansion. Take the facts after 1963, for instance, the time when the US and the Soviet Union concluded the partial Nuclear Test Ban Treaty. In the past decade and more, the balance of military strength has changed between the US and the Soviet Union. So isn't that an eloquent truth?

Take the SALT I Agreement in 1972, for example; after that, have Soviet strategic arms increased or decreased? I think this is a clear fact. To be candid, we have never attached significance to the agreement reached between your countries on so-called disarmament or SALT. Although the Soviet Union has difficulties in all fields, including the economic field, it will never give up its objective of seeking world hegemony. This is determined by the nature of social imperialism. I think it should be noted that the Soviet Union is practicing fascist dictatorship. Its leadership possesses a formidable state apparatus. Thus it has been able to put more material resources into arms expansion and war preparations than the US.

Mr. Vance has told us that a difficult period in the US has already passed and that now the US is in a strong position in its contention with

the Soviet Union. But we think the Soviet Union is going on the offensive and the US is on the defensive. To be candid, we think the US is a bit afraid of the Soviet Union. In our view, the continued rivalry between the US and the Soviet Union is about to lead to a world war. We don't believe in so-called lasting peace. As far as our strategic policy is concerned, we base ourselves on self-reliance and people's war.

With respect to world war, we are opposed and not afraid. We firmly believe that the people and the people alone are the motive force in the making of history. We have full confidence in the future.

Europe

Now I would like to turn to Europe. The Soviet tactics in Europe are to have its constantly increasing influence as its backing, and détente as a camouflage, in its efforts to make use of the contradictions between the US and the Western European countries. As the Western European countries are very soft and diverse, the Soviet Union will sow discord among them so as to defeat them one by one. The common enemy of the US and Europe is the Soviet Union. We are in favor of a united Western Europe which will build up its own strength; but it is not going to be easy. We think Western Europe is in need of the United States, and the United States is also in need of Western Europe. We are in favor of establishing a truly equal partnership between the US and the Western European countries, because this is conducive to a joint effort to deal with the Soviet Union. On the one hand, the US wants Western Europe to strengthen its national defense, but, on the other hand, the US is taking the lead in appeasing the Soviet Union. This can only increase the misgivings on the part of Western Europe and slacken the fighting will of Western Europe. From the documents adopted at the Security Conference (CSCE) and the Sonnenfeldt Doctrine,² we can see that there is actually recognition of Eastern Europe as in the sphere of influence of the Soviet Union, and now we can still hear similar views.

Yugoslavia

Now I would like to talk about the Balkans. It is a place of great importance and the Soviet Union has always been trying to control this place, including Yugoslavia. We think, in the face of Soviet strength, Yugoslavia is prepared to stand up against it and is prepared to fight it out. Chairman Mao once said: Among European countries, Yugoslavia is good at fighting. The US side probably notices that the Sonnenfeldt Doctrine has aroused strong dissension in Yugoslavia. It is tantamount to making Yugoslavia in the sphere of influence of the Soviet Union.

² See footnote 5, Document 5.

We believe the Yugoslav people will give strong resistance to foreign aggression. Mr. Vance said yesterday that, if there was aggression from outside forces against Yugoslavia, he would consider it very grave. But we don't know what concrete actions the US is prepared to take.

Middle East

Now a few words about the Middle East. In brief, our attitude towards the Middle East issue is two fold. First, we firmly support the just struggle of the Arab and Palestinian people to recover the occupied territories and reestablish their homeland. Second, it is welcome that the US fixes the Soviet Union in that region. Mr. Vance may recall that during the tenure in office of President Nixon, we advised you use two hands in the Middle East. We advised you to give one hand to support the Arab countries and improve your relations with them. This remains our attitude. Some people said that the US has all the cards to a solution of the Middle East issue, and the US is in a uniquely advantageous position in the Middle East. In our view, this is only blind optimism.

Though the US has gained some leverage and advantage in the Middle East in connection with the Soviet Union, this is only transitory and unstable. The weakness of the US policy in this regard is that in order to serve the interests of the 1 to 2 million Israelis you have set yourselves against more than 100 million Arabs.

Yesterday Mr. Vance indicated that the relations between the US and President Sadat of Egypt could not be better. If this is true, it is good. Yesterday he pointed out that the Soviet Union is trying to strangle Egypt and bring pressure to bear on Egypt; on the other hand, the Israelis are overbearing with the support and connivance of the US. The just demands of the Arab countries, including Egypt, have remained unsettled for a long time. The continuation of the stalemate in the Middle East situation has caused great difficulties for the Arab countries against increasing Soviet influence and will increase the likelihood of internal turmoil in those countries so as to give an opening to the Soviet Union to take advantage. Perhaps the US side would not like to listen to these words, but we can wait and see how the situation develops.

Africa

On the situation in Africa, Mr. Vance said yesterday that the US did not think that the Soviet Union had a planned strategy; the Soviet Union was only using targets of opportunity. It is true that the Soviet Union is trying to seek every opening to get into Africa, but the intensification of the activities of the Soviet Union in Africa constitutes a component part of its global strategy, and the ultimate aim of the Soviet Union is to outflank Europe strategically. As for whether the Soviet Union will obtain this goal, that is another matter. One should never

fail to see the strategic intentions of the Soviet Union in Africa merely by observing the fact that the Soviet Union has suffered setbacks in expansion and in its plans for expansion in Africa in the face of the African people.

The Horn

The contention of the Soviet Union in the Horn of Africa and its dispatching of mercenary troops between Angola and Zaire . . . shows that it uses massive infiltration to repress liberation movements in Africa in the hopes of seizing control and outflanking Europe, fixing positions of future importance and strategic balance in its preparation for war.

When the Soviet Union instigated mercenaries to invade Zaire, there were people who white-washed the Soviet actions. This could only numb and frighten the fighting will of the African people in their united resistance against Soviet aggression and Soviet expansion. On the other hand, it served to cover up the features of aggression and expansion of the Soviet Union. Our consistent position with regard to the African issue is to give firm support to the just struggle of the African peoples for national liberation and national independence.

Japan

Now, on Japan. Mr. Vance has stressed that the relations between the US and Japan are good. We hope it is so. We have always been in favor of good relations between the US and Japan.

Small quarrels; great unity. We have always held that first Japan should establish good relations with the U.S. and then with China. But we consider that you should notice that the Soviet Union is using dual tactics; it is using the stick and carrot. The focal point is to sow discord in relations between the US and Japan, and it is also trying to sabotage Sino-Japanese friendship. There are pro-Soviet factions in Japan, and the Fukuda Government is afraid of the Soviet Union. In what direction the situation will turn in the long run merits the attention of the United States.

Korea

As Mr. Vance discussed the Korean issue yesterday, I would like to give you our view on this question. To be candid with you, our two sides hold different views on this issue. The views presented by Mr. Vance on the issue of Korea are not unfamiliar to the Chinese side. In fact, the United States continues to try to delay the dissolution of the UN Command and the total withdrawal of US armed forces from South Korea, and it is also trying to perpetuate the division of Korea so as to obstruct the reunification of Korea. The US side should learn that the reunification of Korea is the common desire of the entire Korean

people. Any actions aimed at obstructing reunification and perpetuating the division of Korea run counter to the common desire of the Korean people. Our consistent position is that the Korean people should settle their question of independence and peaceful reunification among themselves, free from outside interference. We firmly support the responsible proposition put forward by the Democratic People's Republic of Korea on independence and peaceful reunification. We will never take part in any activities designed to perpetuate the division of Korea.

Normalization

On our bilateral relations, including normalization, as discussed by Mr. Vance yesterday, I would like to make a brief comment on the opinions put forward by Mr. Vance yesterday.

Taiwan has always been a sacred territory of China. The fact that the issue of Taiwan has become an obstacle to normalization between our two countries is caused by US aggression against China. Before the nationwide liberation, the United States Government assisted Chiang Kai-shek in the civil war in the slaughtering of the Chinese people. The US Government owes a debt to the Chinese people. When the Chiang Kai-shek Government was driven out of the mainland, the US sent troops to occupy China's Taiwan Province and continues to support Chiang Kai-shek and Chiang Ching-kuo and the like. This is another debt owed by the US to China. These are historical facts. They are not questions or matters for interpretations.

In short, on the question of Taiwan, the US owes a debt to China so the question simply doesn't arise of so-called reciprocal efforts for the resolution of this issue. We have stated on many occasions that in order to realize normalization, the US must accomplish the following three things: first, the US must sever its so-called diplomatic relations with Chiang Ching-kuo in Taiwan. Second, it should withdraw all its troops and military installations from Taiwan and the Taiwan Strait. Third, it should abrogate its so-called joint defense treaty with the Chiang clique in Taiwan. No one of the three conditions can be dispensed with, and there is no alternative either.

In the US formula, you pay lip-service to accomplishment of the three conditions. You promised you would sever diplomatic relations, withdraw troops, and end the treaty. But, in fact, you have negated these three conditions. The views and ideas you put forward with respect to the normalization of relations between our two countries can only give us the impression that you want to continue to maintain the right to interfere in the internal affairs of China. You have said that you are firm that the Shanghai Communiqué should be the basis for Sino-US relations and you have also said that you recognize and will

adhere to the principles included in the Shanghai Communiqué. But how can you reconcile your formula with the spirit and principles of the Shanghai Communiqué?

As early as the 1950's, we stated in explicit terms that Taiwan was a province of China. As to when and how we would liberate Taiwan, it is entirely the internal affair of China, which no other country has the right to interfere in, and that is not a question to be discussed between China and the US.

At the 11th National Congress of the Party, our wise leader Hua Kuo-feng again clearly stated this position of China. This is the common and unswerving will of the 800 million Chinese people. The whole Party, the whole army, and the people of all nationalities will strive to attain this goal. So the United States side should cherish no illusion with regard to this question. We are firm and unswerving on matters of principle.

The Chinese people will liberate Taiwan sooner or later. We don't ask others for favors. If we can't liberate Taiwan in this generation, we will do it in the next generation. We have long experience in dealing with the Kuomintang in Taiwan. They are a bunch of counter-revolutionaries. We don't cherish any illusion that they may return to the Motherland of their own accord. It seems that fighting is inevitable.

You Americans were reluctant to give up your privileges in China in the past, and you were reluctant to give up your design to control China in the past. You regarded Chiang Kai-shek as your pet and you boasted about the Chiang Kai-shek clique and gave it support. When Chiang Kai-shek was driven out of the mainland and fled to the island of Taiwan, you were reluctant to lose Taiwan. First, you regarded Chiang Kai-shek as your pet, and then Chiang Ching-kuo as your pet. You would go to any lengths to protect them. If you continue to act in this way, sooner or later you will meet the same fate as you have met in the mainland in the past. Perhaps that will make you feel more comfortable. (Ting and Chien laugh.)

It seems to me that you are still in need of Taiwan. You will continue to delay the normalization of relations between our two countries and, in doing so, you will continue to owe the debt to the Chinese people, and the longer the delay, the heavier the debt to the Chinese people.

Global Issues

I have briefly commented on the question of normalization, as discussed by Mr. Vance yesterday. And Mr. Vance also talked about some other issues yesterday. I would now like to comment on them.

Soviet Union

In short, in the present international situation, the rivalry between the US and the Soviet Union for world hegemony has become more

fierce and this rivalry has not abated. There is greater turbulence in the situation instead of stability; tension instead of détente; the danger of war is increasing instead of decreasing. As people from certain quarters cherish unrealistic illusions about détente, peace and stability, Soviet ambitions for aggression and expansion have become bigger and activities for aggression and expansion have been stepped up. Undoubtedly, the opponent of the Soviet Union and its rival for world hegemony is none other than the United States. And, of course, Soviet activities for expansion and aggression menace the security of other countries. Under these circumstances, the appeasement policy toward the aggression and expansion of the Soviet Union is an important factor that aggravates the situation and encourages aggression. We should not ignore this fact. In opposing Soviet expansion and aggression, our two sides share a lot of common points. Our policy with regard to world war is that, first, we are opposed to it and, second, we are not afraid. We will act according to the teachings of our great leader and teacher, Chairman Mao Tse-tung: be prepared against war and against national disaster; do everything for the people; dig tunnels deep and store grain everywhere; and never seek hegemony. Our policy is that we will not attack unless we are attacked. If we are attacked, we will certainly counter-attack. In the eyes of China, this huge monster of the Soviet Union is but a paper tiger. This is all that I would like to say.

The Secretary: Perhaps I might say a few words in response to the points you have raised, Mr. Minister. Let me start with the subject of US-Soviet relations. The conflict between the US and the Soviet Union may be unresolvable, as you state, but in our view there is no objective reason why it must inevitably lead to war. We hope that it can be held short of that point and, as I have indicated to you in our discussions, we will work to that end. There can be no question but that we have devastating power, both to deter and to respond. In addition to our military strength, we have economic strength that is unparalleled in the world. We have great political power and the will to use that power. We have the support of the American people for what we do. No one should make the mistake of underestimating our strength.

Strategic Forces

Let me say a word or two about the comparison of the strategic forces of the two nations, the US and the Soviet Union. The Soviets have devoted most of their strategic force buildup in the years to which you have referred to the production of modern large intercontinental missiles. In doing so, unlike the US, they have virtually ignored their bomber force and have lagged behind in their creation of a sea-based ballistic missile force.

Insofar as our land-based forces are concerned, with the superiority we have in terms of accuracy and reliability and the number of

warheads, there can be no question but that there is at least parity in the land-based forces.

Insofar as our bomber force is concerned, there is no comparison; and with the addition of the cruise missile to our bomber force, its strength is multiplied manyfold.

In terms of our sea-based force, it is already many times more powerful than that of the Soviet Union; and with the addition of the Trident Submarine, it will be even further strengthened. Our sea-based force is virtually invulnerable and has awesome destructive power. In terms of war-heads, we have an advantage of more than 3-to-1.

As I have indicated, in terms of quality, our accuracy exceeds that of the Soviet Union by a substantial margin. Insofar as the future is concerned, there can be no question that we have superiority in terms of technology and that we will continue to maintain that superiority. Therefore, there should be no mistake made in underestimating the strength of our strategic forces and our will to use them if they are needed. We believe that they will constitute a deterrent so that they will not have to be used. But if the occasion arises and they have to be used, they will be used.

In terms of our general purpose forces, there is no question that the Soviets have more ground forces. But that ignores the qualitative differences between the two. In terms of tanks, the Soviets have the superiority at the present time, but we have a clear superiority in terms of anti-tank weapons. And when one takes the ground forces and the equipment and puts together that of the Soviet Union and the Warsaw Pact nations and compares that with the US and its NATO allies, the significance is changed.

In terms of aircraft, you are well aware of the fact that our craft have qualitative superiority over those of the Soviet Union and its allies. I have not mentioned the superiority of our precision-guided missiles, artillery shells, and the like, which are of great importance.

Insofar as naval forces are concerned, the US has a clear superiority and will continue to maintain that superiority.

In terms of power projection, again the US has greater superiority.

In terms of amphibious forces, the Soviet Union has 1/7 of those of the US; in terms of marine forces—by marine I mean ground forces—the Soviet Union has 1/10, and the Soviet airlift capability is 1/2 that of the US. In short, a sophisticated analysis of US and Soviet capabilities definitely does not reveal a Soviet advantage. Quite the contrary.

Insofar as the feint in the East is concerned, we believe the Soviets have global ambitions and do pose a global threat and that is why we intend to deter them in Europe and maintain the capability not only in Europe but in other parts of the world as well.

We agree with you that the Soviets are meeting difficulties in all fields. And we do not delude ourselves that they will desist from seeking to obtain competitive advantage. That is the very reason that we are taking the kind of actions we are in the economic and military fields. Therefore, we must disagree with you in your conclusion on strategic positions—I am using strategic to include not only military, but economic and political as well—and I say in terms of that position the US is not on the defensive, and we certainly are not afraid of the Soviet Union.

European Alliance

Insofar as Europe is concerned, we agree that Europe and the US are in need of each other and that a full partnership is needed. That is the very reason we have been taking, since the beginning of this Administration, the necessary steps to strengthen the alliance with our European partners.

Eastern Europe

Insofar as Eastern Europe is concerned, we do not recognize it as a sphere of influence of the Soviet Union, and we do not accept the so-called Sonnenfeldt Doctrine. We believe that we can and should deal with each of the countries of Eastern Europe as fits our national interests. We are proceeding in that fashion in our bilateral relationships with the various Eastern European countries. Our relationships are improving with a number of these countries, particularly Poland, Romania and Hungary. We have a clear and carefully worked out strategy for the future as to how we should proceed in dealing with the Eastern European countries, and how we will follow that strategy.

Insofar as the Balkans are concerned, we agree with you that the Balkan area is one of great importance. Insofar as Yugoslavia is concerned, I tried to make myself clear yesterday that we do attach great importance to Yugoslavia and to the preservation of its territorial integrity. In saying that we would regard any attempts to infringe on that territorial integrity as a very serious matter, I do not say that lightly. As to our concrete actions, again I think it would not be appropriate for me to go into specifics. We will deal with such a situation at the time, in light of the circumstances that exist.

Middle East

Coming next to the Middle East, we agree with much of what you have said in your analysis of the problem in that area. We are using two hands, as was suggested at an earlier date. Let me say that we are not one of those who subscribe to the statement that we have all the cards in the Middle East and, therefore, can produce any result that we wish. We are pragmatists and realists and we recognize that the problems are

deep-seated and extremely difficult. What we do say is that we have good relations with both sides and, therefore, have a better opportunity than anybody else at this point to try to bring the parties together and thus help to reach a just solution of the Middle East problem. From the standpoint of our own internal interest and from the standpoint of the interest of the world and world peace, we feel it is our responsibility to use our position to try to bring about such a solution. If we look around the world, we see no one else who is in a position to bring about a just and lasting peace. Therefore, I would hope that if we take leadership and try to bring about this result, we would receive assistance and help from other nations, such as the PRC, because peace and stability in the Middle East are in your interests, as well as our interests.

Finally, you said that the fatal weakness of our strategy in the Middle East is that we have set ourselves against 100 million Arabs. This is incorrect. We are working with the Arabs in trying to bring about a solution which is fair and just to them, as well as to Israel. I would respectfully suggest that you will find that to be the view of the confrontation states and Saudi Arabia, with whom we have been dealing in our search for peace in the Middle East.

Minister Huang: We know Saudi Arabia well. We know its history as well as its present policy.

Africa

The Secretary: Turning to Africa, we do not disagree with you in terms of the overall objectives of the Soviet Union. I used the words “target of opportunity” when describing the way I view their tactical approach in that continent. We view the situation in Africa with genuine concern, and it is for this reason that we are taking the number of steps I have outlined to you already in conjunction with a growing number of African countries, as well as other countries in Western Europe, as well as elsewhere, including Latin America. We believe that this is a sound policy we are embarking upon, and we hope it will succeed. As I said yesterday, we would be ready to talk with you about the possibility of closer cooperation in dealing with the situation there.

Japan

Turning to Japan, we are pleased that you appear to be in favor of our policy with respect to Japan and the maintenance of good relations between our two countries.

Korea

Insofar as Korea is concerned, our objective is to prevent the outbreak of hostilities and to allow for a peaceful resolution in Korea in accordance with the desire of the Korean people. Unfortunately, the danger of war and the drastic consequences that would flow from such

an event exists, and we should do everything we can to prevent such a situation from arising. We are not opposed to reunification as an ultimate objective and, as I indicated to you yesterday, we would support efforts to bring the parties together to discuss constructive steps that could be taken along those lines and other lines, which would be conducive to peace and stability in the peninsula. Let me make it clear that we are prepared to work with you for peace and peaceful development in Korea. We hope that you will use your influence to see that peace is maintained in the peninsula, as we will on our side.

Normalization

Finally, on bilateral matters, your response to our views on how to deal with the Taiwan issue does not, in my judgment, take fully into account the significance and the nature of our position. This is a matter of such importance that I will defer a considered reply until a later meeting. All I will say at this point is that I find no basic inconsistencies between our views and the position you have taken on the question. We need to find a way together to bring practical questions in line with our principles. Whatever you may say about the past, it is not the way of the future. It is our plan to set aside the past and deal with the new realities. We do not choose to argue the past, and we suggest that it does not contribute to the solution.

At a later meeting, I should also like to refer briefly to one or two of the other bilateral matters which we have not yet discussed.

Minister Huang: About your last point, is it that you would like to talk briefly about one or two bilateral matters?

The Secretary: Yes.

Minister Huang: What are the specific matters?

The Secretary: Two specific ones are exchanges and the question of trade.

Preparation for War

Minister Huang: I would like to say a few words.

The Secretary: Please.

Minister Huang: We attach importance to history and the conclusions arising from historical developments. You have spoken of American goals. You have said that the US objective is to use your strength to strive to maintain a lasting peace, particularly in the world today when the two super powers are locked in rivalry for world hegemony. War is a continuation of politics, and peace is only a phenomenon between two wars. And peace is politics.

People have already learned lessons from the First and Second World Wars. Before the outbreak of the Second World War, some people in Britain and France felt that after the Munich Conference they

had gotten peace—glorious and lasting peace—but shortly after, the war broke out and brought great destruction to Europe and to the world and tremendous loss to the people. So we are telling our people, as well as people the world over, that the danger of war is increasing, and people of all countries should get prepared. As we have said just now, first we are opposed to world war; second we are not afraid of it. If you are in constant fear of war, what are you going to do if war should break out?

The PRC was born through war, and not through negotiation or talk about peace. We fought for several decades with Chiang Kai-shek. We once engaged in negotiations with Chiang Kai-shek, but they had bad faith. We also had long, drawn-out war against the outside forces of aggression and we had repeated trials of strength. If we had been taken in by the nice words of the aggressors, there would have been no new China today. The only way is to heighten our vigilance and get unified, to wage a tit-for-tat struggle. This fully applies to the present situation in the world.

If one should believe the nice words uttered by Mr. Brezhnev about peace, the so-called lasting peace, peaceful cooperation, mutual non-aggression and non-use of force, and not recognize their fighting will—this would lull the people, slackening their will, and thus the people of the world would be duped by Mr. Brezhnev. With respect to war, our position has always been very clear-cut. We don't cherish any illusions.

Middle East

On the Middle East issue, I would only like to mention one point: in the final analysis, it is the Arab and Palestinian peoples, and not others, that determine the fate of the Middle East. You have put up a temple there, which is called the Jewish temple in the Middle East, and the god in that temple is Zionism. You are trying to check the efforts of the Arab people to recover their lost territory and their national rights. You are trying to preserve the oil supplies from that region and control the position of strategic importance so as to strengthen your position in rivalry with the Soviet Union. I have said that we are in favor of getting the Soviet Union out of the Middle East, but your present policies will bring about the opposite result. Since the Begin Government came to power, it has been very stubborn and overbearing and I think it has something to do with you, at least with some forces in the US. The situation in the Middle East is breeding new changes. The Arab countries want to recover the occupied lands, and the Palestinian people want to regain their national rights. They cannot be checked in their efforts to realize their demands. To delay for long the forces of the Middle East can only cause political instability in their countries that will give op-

portunities to Soviet social imperialism. It can only give opportunities to the Soviet Union, as I have just said.

Rhodesia

Yesterday Mr. Vance told us about his US formula for peaceful transition to majority rule in Zimbabwe. We are doubtful with regard to this formula. When the local peoples' strength has not been developed to such a degree that they are able to defeat the white racist regime of Ian Smith, the regime will not give up its political power. Such is our view with regard to this question, but we can wait and see how the situation develops.

Korea

I have already explained our position with regard to Korea very clearly to you. I don't think there is anything for me particularly to add. But you mentioned just now that in Korea a war may flow out of the development of events there. If there exists the danger of war in that area, it exists from the Park Chung Hee Clique. The US is boasting about strengthening the armed forces of Park in South Korea. Although you have answered that you will withdraw part of your forces, you are maintaining your air forces in South Korea. This means that you continue to support the warlike actions of South Korea. This is of no help to the independent and peaceful reunification of Korea. As for the admission of two Koreas into the UN, we stated our position very clearly at the UN.

Normalization

As for our bilateral relations, and the Taiwan issue, what I have said is our consistent position on this issue. Since the founding of new China, we have stated our policy on this issue in various international forums and on various occasions. We are determined to liberate Taiwan. Every Chinese, including children, often considers this question and often says this: we are determined to liberate Taiwan. In order to normalize our relations, one should do it in a clearcut and definite way and one should not leave ambiguous problems behind. So, I would suggest that we conclude this session at this point.

The Secretary: Could I just say a few words briefly? I want to speak briefly a few words about your comments on war, a few comments on the Middle East, and a few words on Korea.

War

Our country is familiar with war. It was born in revolution. (Minister Huang: 1776.) We have suffered through other wars in our history. We recognize that war is a feature of history and repeats itself through all of recorded history. But, as you yourself have said, you are experi-

enced in war, as we are. And, therefore, we will use strength to try and deter war. We have for 30 years in Europe through our strength and through our alliance with NATO deterred the outbreak of another war in Europe. The important thing for us and for you is to remain strong and thus be able to deter the outbreak of war. We must be strong, not only militarily but economically and politically. That is what we plan to do. As we say: The proof of the pudding is in the eating. So I say, watch and see what we do.

Middle East

With respect to the Middle East, we are not trying to prevent the Arabs from getting back their occupied lands. I think there is a misunderstanding on that. I want to clarify it. We have stated repeatedly over the years that there should be a return to the 1967 borders, with minor modifications on the West Bank. This has been our historical and consistent position. It remains our position. The confrontation states recognize this is our position, including Israel, which does not agree with our position.

Insofar as the Palestinians are concerned, as I indicated to you yesterday, we are in favor of a Palestinian homeland. There is no lack of clarity in that position. It is known by all. You have made reference to Israel and the Begin Government. Israel is a reality. Israel will continue to exist. Insofar as the Begin Government is concerned, we have disagreed with them on a number of issues when we felt that it was imperative to make that position clear. We have done this on the question of the establishment of settlements in the occupied territories on the West Bank. We have done this in connection with the 1967 borders, and we have done it in connection with the establishment of the Palestinian homeland. In short, we intend to be even-handed and intend to deal fairly with the peoples on both sides of the dispute.

50. Memorandum of Conversation¹

Beijing, August 24, 1977, 3–5:40 p.m.

SUBJECT

International Issues; Normalization

PARTICIPANTS

U.S.

The Secretary
 Ambassador Woodcock
 Under Secretary Habib
 Assistant Secretary Holbrooke, EA
 William H. Gleysteen, Jr., Deputy
 Assistant Secretary, EA
 Michel Oksenberg, NSC
 Alan D. Romberg, S/P
 (seated behind:
 Cornelia Mossellem, notetaker)

P.R.C.

Teng Hsiao-ping, Vice Premier
 Huang Hua, Foreign Minister
 Huang Chen, Chief, PRC Liaison
 Office in the U.S.
 Wang Hai-jung, Vice Foreign
 Minister
 Lin Ping, Director, American and
 Oceanian Affairs Department,
 MFA
 Chien Chi-chen, Director, Infor-
 mation Department, MFA
 Tang Wen-sheng, Deputy
 Director, American and
 Oceanian Department, MFA
 (and interpreter)
 Liu Hua, Acting Director, Protocol
 Department, MFA
 Ting Yuan-hung, Chief, American
 Division, American and
 Oceanian Department, MFA
 Shih Yen-hua, Interpreter
 (seated behind:
 Lien Cheng-pao, Deputy Chief,
 American Division, American
 and Oceanian Department,
 MFA;
 two other notetakers)

Vice Premier Teng: Welcome, Mr. Secretary, I greet you all and salute the health of all of you. I hear you are going to stay in Japan.

The Secretary: Yes, for a day and a half before we go home. I will have a chance to talk to Prime Minister Fukuda and the Foreign Minister as well and cover a number of items that we have agreed to talk about.²

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 8/22–31/77. Secret; Nodis. The meeting took place in the Great Hall of the People. Vance's account of this meeting is in telegram Secto 9029, August 24. (National Archives, RG 59, Central Foreign Policy File, P840076–0832)

² Vance visited Japan August 26 and 27 after leaving Beijing.

Teng: Did you stay overnight on the way over?

The Secretary: I did stop on the way for one night to get adjusted and help break the journey. It helped a great deal.

Teng: That has been my experience too.

The Secretary: I bring to you best wishes and greetings from President Carter.

Teng: Thank you and please thank him for me and upon your return please convey to him my own greetings. We haven't met yet.

The Secretary: I shall do that. He has read and heard about you a great deal.

Teng: I am internationally a well-known man. I have survived thrice and gone down thrice. It is not because I have any capability; it is because I have been three times up and three times down, that is why I am well-known. For instance, you here are all diplomats and I am just a country bumpkin!

The Secretary: I am a part-time diplomat.

Teng: Yes but Mr. Habib is the specialist and has made a career out of diplomacy.

The Secretary: That he has, Mr. Habib and one or two of the others have.

Teng: But if you don't like the name diplomat then call yourselves politicians or statesmen. I am a man who knows very little about politics but who has fought in several decades of war—for more than 20 years. Well, so how shall we proceed?

The Secretary: I believe, Mr. Vice Premier, you probably have been filled in fully on the views that I have expressed with respect to international issues and our foreign policy, as well as our views on some of the bilateral matters between our two nations. It would be of great help to me if you would be willing to express your views on some of these issues so I might be able to transmit them to President Carter on my return.

Teng: I have heard just now that Foreign Minister Huang and yourself have had several sessions.

The Secretary: We have indeed had very useful talks.

Teng: Yes, and in the past we have held discussions with several leaders of the United States. I myself did not personally participate in the talks with President Nixon but later on I met with Dr. Kissinger when he came; later on with President Ford. And, in all discussions with the U.S. side, both sides made clear their respective views on various international issues.

We have always said that between our two countries there exists the important issue of Taiwan. We have also always said that between

our two countries there is also the question which is of at least equal importance, the political aspect, and that means the questions of international strategy. During these conversations with first, Dr. Kissinger, and President Ford, Chairman Mao said on several occasions there are quite a few points in common between us and these common points are manifest concentratedly in our common dealings with the Polar Bear.

I have heard about some of your views on international issues and it seems that you have full confidence in the United States. If that should be true we will be very happy. But it seems that the views and opinions and thinking within the United States might not be the same. There are those who are more optimistic. There are also those who have greater farsightedness and perceive things more deeply and who feel that the United States also has some deficiencies and who are even a bit worried. It seems that the views of Mr. Secretary on some issues are even different from those of Dr. Kissinger; different also from those of President Ford and those of President Nixon.

The Secretary: Yes, that is true Mr. Vice Premier. We have many, many views that are common and we have some differences of views. I do have confidence in the United States and in the fact that the vast majority of the people of the United States do support the President in his views and in his conduct of foreign policy. However, I indicated earlier the situation has changed from the time when Mr. Kissinger was here last and during the 1970's when there was a great deal of division in the United States. That is past. At the present time, there is much more cohesion in the United States and much more support for the President and his objectives. It is true there are some differences in the United States as there will be in every nation. Anyone will make a great mistake if they believe the vast majority of the people were not behind the President and his policies. The polls reflect a very, very high degree of confidence in the President after his first six months in office.

Teng: You just now mentioned changes. As we see it there have indeed been some changes. In the Middle East and in Africa during the recent period you have gained a bit. But when we speak about changes, changes are not something that stop after they reach a certain point and become static; they will continue to change.

Because the Polar Bear you are confronting is one with wild ambitions—wild ambitions to conquer the world and to establish its hegemony over the world. We have always felt that your two countries will continue your contention, your rivalry and your competition as well as your arms competition, and your strategic stance throughout the world will continue to undergo changes. Sometimes changes are more favorable to the Soviet Union and they would gain. Sometimes changes are a bit more favorable to you. But, in the final analysis, as I

said to Dr. Kissinger before, perhaps you will continue your competition for even a thousand years.

The Secretary: I think it is possible this competition will continue for the foreseeable future Mr. Vice Premier, but if you look at the competition on a region-by-region basis, the changes which are taking place are in general favorable to the United States.

Africa

Take for example the case of Africa. There we have a policy which differs from the policies of the past where we are working closely with the African nations to help them to bring about African solutions to African problems. One can take a look at Rhodesia and Namibia where we are working with the peoples of the area to bring about a change to majority rule in the near future and obviously by peaceful means and this we are doing in conjunction with local leaders—with front line leaders and also, with their help and advice, with Namibia as well. I think this is all to the good. As I look across the face of Africa I think we are making progress.

The same, I believe, is true in the Middle East and Europe as well. Since the advent of this Administration, as I indicated to the Foreign Minister, steps are being taken to strengthen the NATO alliance and, therefore, to increase the overall strength of the European Community to resist aggression and at the same time strengthen its economy, which is necessary to the well-being of its people.

Could I ask a couple of questions Mr. Vice Premier? How do you believe that China can contribute to our common objective in Africa, and in the Middle East?

Teng: With regard to the African issue as I see it, or as we see it, perhaps if you are able to hold Smith at bay and hold South Africa at bay you might be able to maintain your superiority over the Soviet Union for the time being. If not, there will be further changes.

Middle East

As to the Middle East, if you are able to hold Israel at bay, then you might be able to hold your superiority for a bit longer. If not there will again be changes.

Of course you know that we concern ourselves with the strategic global situation which includes Africa, the Middle East, the Mediterranean and the Eastern side of the globe. You perhaps also know that when the Soviet Union began to reach its hands out to Egypt, Chairman Mao said to Dr. Kissinger: "Why doesn't the United States use both hands?" You of course are using one hand to assist Israel; why cannot you use the other hand to assist Sadat?

The Secretary: We are using both hands.

Teng: That was done well and that proves also that our suggestions aren't so bad. Therefore, I would like to put forward another proposal. Beware of further changes, there will be further changes.

The Secretary: Yes, I am sure there will always be further changes, but I think one should try to shape them in one's direction if possible. To sit back and do nothing makes one a prisoner of changes over which one has no control.

Teng: I hope that can be done.

The Secretary: We believe very strongly if we take a passive position and do not attempt to take a constructive way to shape events we will be making a mistake and therefore in the Middle East and elsewhere we will be formulating our policy with that in mind.

Teng: I hope you succeed.

The Secretary: Thank you.

PRM 10

Teng: We are more concerned about Europe. I would like to ask a question too. I hear that you have a #10 PRM. What is that all about?

The Secretary: PRM-10 is a study paper which has been done over a period of a number of weeks within the government.³ It is one of many study papers which have been done about many, many areas. There is a great deal of misinformation which appears in the papers about PRM-10 and other similar studies. So if one reads only what is conveyed in the newspapers one may often get a misleading, inaccurate and distorted view about what it is all really about. Let me say also that these are merely preliminary position papers which do not reflect final decisions by the President and his senior advisers.

Teng: Perhaps you will know in the past the Chairman posed a question to a visiting foreigner inquiring whether or not the United States would turn to isolationism. I note that in your talks Mr. Secretary of State has said there is no longer any talk about isolationism in the United States. That is very good.

The Secretary: Yes, there has been a real change in this direction.

Teng: You also have a doctrine in the Sonnenfeldt Doctrine.

The Secretary: That is not our doctrine—he was in the last Administration.

Teng: I do not mean your doctrine personally but it has appeared in your country.

³ PRM 10, February 18, 1977, requested a "Comprehensive Net Assessment and Military Force Posture Review." Documentation on the PRM and responses to it is scheduled for publication in *Foreign Relations, 1977–1980*, vol. IV, National Security Policy.

The Secretary: That was the past Administration not the doctrine of our Administration.

Teng: It seemed to me that that #10 PRM was the concrete manifestation of that doctrine.

The Secretary: It has been reported in an inaccurate fashion. I do not know what you saw or what report you got. In any case, as I said, PRM-10 does not necessarily reflect the final views of the President. Even as late as this morning we were talking about this with the Foreign Minister and I indicated to him that our view is very clear on this. We do not believe that Eastern Europe is an area for a sphere of influence of the Soviet Union. We believe we should adopt policies with respect to each of the Eastern European countries which accord with our own interests. We have different views toward the policies respecting different countries. We are in the middle of discussing this. Our relationships with the following countries are best—with Poland, with Hungary and Romania.

Teng: We are in favor of you doing more work in Eastern Europe. We have divided the world into three worlds according to the teachings of Chairman Mao and when we speak about the second world that includes Eastern Europe. I beg your pardon, but in figuring this pattern we have put you in the same category with the Soviet Union. You are in the first category. But with regard to the second world it includes not only Western but Eastern Europe. Eastern Europe is not a monolithic bloc.

You just now asked me what I saw about PRM-10. What I saw was a concrete decision or plan that if the Soviet Union were to invade Germany you would be prepared to give up one-third of Germany.

The Secretary: That was the first story. Subsequently, a second story correcting that was that there had been omitted the point that any part given up in the battle would be recovered.

Teng: That is very dangerous. I have fought in war. Because if that is the state of your mentality, the results will be dangerous. You would then give up the second third, and the third third will follow. You will end up with a Dunkirk.

The Secretary: This is but a study and what it was saying was, if in the early stages of the battle some land had to be given up, that would be recovered before the battle was concluded.

Teng: You perhaps know better than we do that the PRM-10 gave rise to very strong reaction in Europe. There was reason for their uneasiness. You said that there is no longer any isolationist trend in the United States. We are willing to believe that explanation but there seems to exist at least a kind of appeasement.

The Secretary: In what form?

Teng: That PRM was the manifestation.

The Secretary: I think you have placed much too much emphasis on this paper which was inaccurately reported. This is what happens when people get hold of a fragment of information and report it inaccurately.

Let me tell you what the President's view is. That is what is important. Even before this Administration came into office, a number of us met with the President during October, November and December in preparation for the new Administration taking office. One of the very first subjects we looked at was the question of Europe and the clear decision made by the President was that we needed to strengthen our NATO forces and that he would give the necessary directions to see that that was done and take the leadership within NATO to see that others joined with us. After he came to power he went to the NATO Council and gave a speech outlining the concrete steps to be taken to bring this about. This was well received and is being followed and carried out by our NATO Allies. In addition, he has put a very substantial sum into the budget this year which will be followed in subsequent years to strengthen NATO. I have followed this very closely because I was formerly the Secretary of the Army and the Deputy Secretary of Defense (Teng's interjects during interpreting: So we come from the same category.) and these matters are matters in which I have a great interest.

Teng: Anyway we don't have much else to say. What we wish to say are still the same old words, that is to say you should not negate or to take lightly the Polar Bear. The second point is also old words. That is we always wish to see the establishment of a truly equal partnership between the United States and its European Allies. If that can be accomplished that would be better. You of course know the "gang of four" overthrew me and it has been a year and eight months since I have come in contact with some Europeans. But in 1974 and 1975 I came into contact with very many Europeans. Those Europeans were not satisfied with everything the United States did. They were not without their worries—not without their anxieties.

Southern Europe

President Tito will be coming before long and we will discuss with him international issues too. President Tito is a very staunch man and while he is there, there will not be great problems. We have learned that during his visit to Moscow he refused some unreasonable demands raised by the Soviet Union (Secretary Vance: Yes) The Balkans are said to be "powder kegs" which I believe derived from the First World War. Mr. Habib has sat in on many of our previous discussions and will know that we have also attached importance to this and call your atten-

tion to this attitude. I heard that Mr. Secretary said that you also attach great importance to that but your concrete plans are still in your pocket. (Laughter)

The Secretary: That is true.

Teng: Anyway, if the Soviet Union gains the upper hand in the Balkans, that would greatly affect the Mediterranean, the Middle East and even Africa. Therefore this is an area that should not be underestimated. A politician from Austria discussed this with me once and was mortally afraid that something might happen. He told me very explicitly that if there should occur a situation after the passing away of Tito in which the nationality issues in Yugoslavia, which are themselves very complicated, should become a problem, and the Soviet Union should make use of that to control Yugoslavia, then Yugoslavia would become a Soviet corridor; and he was very worried about that. The Soviet Union would gain control over Yugoslavia and then Austria would become its corridor and he was worried about that. When I talked with Secretary Kissinger, with Germans, French and British, we have always asked them to pay attention to Yugoslavia and to pay close and serious attention, and to give them earnest help. It is the United States which is in a better position to help them.

The Secretary: I might say a word. We have been keeping in close touch with Yugoslavia during the first six months of the Carter Administration, and they have clearly suggested that they would like to talk to us about military assistance. We have indicated to them that we are happy to do so and we will be having talks with them in the near future.

Teng: Very good.

The Secretary: Mr. Kardelj is coming to see me in the fall, and perhaps in the early part of 1978 Mr. Tito will come to see President Carter.

Teng: Good. I would like to add a few more words that you must pay attention to this issue because, although there might only be a few people in your country whose opinion is manifest in PRM-10, if in case of real war one-third of Germany is given away then the Balkans will fall into the hands of the Soviet Union and the whole of southern Europe will be in great threat. Not only the Balkans but Austria and Italy and Spain and Portugal and portions of the Mediterranean, and the Soviet Union will be able to activate the whole of Eastern Europe. You might not be in complete agreement with the views I have expressed.

The Secretary: I am generally in agreement with those views. We sincerely attach the highest importance to the security of Yugoslavia and also recognize the loss of Yugoslavia would be a very, very serious matter not only for the Mediterranean but for the central part of Europe and countries stretching through the West as well.

Teng: And even the Middle East and Africa.

The Secretary: I also mentioned to the Foreign Minister that we are concerned about the situation on the southern flank of NATO—in Greece and Turkey—and the need to try and help the relationship between those two countries because we feel the erosion which has taken place there is very dangerous.

Teng: That is true. These issues are more or less complicated.

The Secretary: As I indicated to the Foreign Minister, we are also pleased that progress has been made in Portugal and Spain where the recent elections and actions taken by those two governments have been positive from the standpoint of strengthening Western Europe.

Teng: Good. So now let's change the subject. The issues that we discussed just now belong in the category of global strategy. And when we say that we have quite a few points in common they fall mainly in this category. As for other issues—those in the East, we don't have to go into them. The Foreign Minister has discussed them with you already and I recall them from when you were here year before last.⁴

East and South Asia: Indian Ocean

The Secretary: Yes, we discussed Korea, Japan, the Philippines, India and Pakistan and Diego Garcia that fall.

Teng: Yes, we did.

The Secretary: At that time you said it was important we maintain bases in the Philippines, that we continue to develop our facility at Diego Garcia, that we should pay attention to the situation in India which has improved since we last met, and Pakistan which is approaching a more stable situation than it has during the last half a year or so.

Teng: Yes, and just before your current visit there were some people who have been saying that we quarreled the last time. I don't recall we did this.

The Secretary: Not so. That is the newspapers again.

Nuclear Proliferation

Teng: Yes, we did disagree a bit on nuclear proliferation.

The Secretary: Yes, that was the one issue.

Teng: Our views remain different. During that discussion I remember that I said to you the boat rises with water which was also what I said to Dr. Kissinger. To be candid with you, the boat rises with the water.

⁴ Vance met with Deng during his October 1975 visit to Beijing.

The Secretary: I had hoped you perhaps would have a different view this time.

Teng: No, that is an objective situation. It is a matter of fact and therefore not a question of my changing my views but one that the facts have not changed.

The Secretary: But you did say, as I recall, your policy was one against proliferation.

Teng: I said then that there was no need to fear proliferation.

The Secretary: Yes I remember, but I thought you said you would not take steps to assist others in proliferating.

Teng: I said when speaking about ourselves that we were not the ones who engaged in nuclear proliferation but I also said nuclear powers had no right to deny others the right to possess nuclear weapons. We can each maintain our respective views and let the facts draw the conclusion. Do you agree with that?

The Secretary: Yes.

Normalization

Teng: Thank you. Let's turn to bilateral relations. I read your statement, Mr. Secretary in which you put forward your formula. Do you have anything more to add to it?

The Secretary: I would like to say a few more words. What I said to Minister Huang on normalization is a very serious proposal which the President and I have talked about many, many times. That proposal is worth serious study. I believe it may hold the key to progress and I further believe our views are consistent with the position which you have taken. As I said to the Minister this morning, it is our task to find a way to solve the problem that is consistent with firm principles and also takes into account practical considerations. I would hope it would receive very careful study and that in the future we might discuss the matter further. I take note of the fact that the Foreign Minister will probably be at the United Nations for the General Assembly and perhaps at that time we might discuss the matter further and receive the views or suggestions which you might have.

Teng: I agree that it is necessary to discuss it further on the basis of the Shanghai Communique. I noticed that at the end of your statement you expressed the desire for us not to give an immediate answer and that you would understand it if we gave a reply after further study. We have stated our position on this on many occasions, and therefore I believe myself to be in a position to comment on your proposal this afternoon.

I noted that you expressed that this formula you put forward you held to be possibly a starting point—a point of procedure for discus-

sion. I do not believe that to be very accurate. The point of procedure is the Shanghai Communique. The Shanghai Communique was issued in February 1972 and five and a half years have elapsed in between. We have met and discussed this issue on many occasions since, which not only included meetings with our Foreign Minister and your Secretary of State at the site of the United Nations, but also with Presidents Nixon and Ford and many visits by Dr. Kissinger, and we have repeatedly discussed this issue. And therefore this should be considered the continuation of that process and not a new start. I say this because during President Ford's visit in 1975 he went a bit further on this issue.⁵

Please allow me to make a comment on your current formula. In my opinion, this formula is not a step forward from the original process of normalization. It is, on the contrary, a retreat from it.

What is the prerequisite for the settlement of this issue, the settlement of the issue of normalization of relations between China and the United States according to the principles of the Shanghai Communique? That prerequisite is that it is the United States which will have to make up its mind. It is not China that is called upon to do that.

Sino-U.S. relations have travelled over an historic process. It has undergone an historic course. You have mentioned during your visit here you do not believe we should excessively entangle ourselves in history. We also believe that. But as we have said many times before on this issue, it is not China which owes a debt to the United States but the United States owes a debt to China.

Dr. Kissinger had accepted and made that point on many occasions, and naturally it is very clear then whose responsibility it is to solve this issue and it is clear who should make up its mind. Please allow me to use a part from the minutes of my discussion with Dr. Kissinger on November 28, 1975 (Note: actually 1974).⁶

(Nancy Tang reads) The Vice Premier said "The day before yesterday during these talks I said it is you who owed us a debt." Dr. Kissinger nodded. "It is U.S. troops who are occupying Taiwan. As the Dr. said just now, it is the U.S. which will adopt unilateral measures. Will we be called upon to take any measures?" Dr. Kissinger said: "We do not ask you to take any reciprocal measures." "There is a Chinese saying that it is he who tied the knot who should untie it. If you believe that the time has not yet come to solve the issue, then we can wait. We can wait until you have thought it out clearly then solve it in one stroke.

⁵ Deng is referring to his meeting with Ford on December 4, 1975, in Beijing. See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 137.

⁶ The passage quoted here is presumably the Chinese record of the November 28, 1974, meeting between Deng and Kissinger; see *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 98. Earlier, on November 26, Deng told Kissinger, "you owe us a debt." See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 92.

We can wait a few years. We can refrain from rushing this, but if it is to be solved it must be done in conformity with the three principles." Kissinger said: "I understand this issue and I believe it can be solved in conformity with these three principles. I appreciate the Chinese side which gives me the opportunity to reconsider this question. I realize for the Chinese side to adopt this position is an expression of great wisdom, generosity and self-restraint. I also recognize due to the nature of this issue and our previous discussions we indeed owe you a debt." (Nancy Tang stops reading the record.)

This is the prerequisite from which we must proceed in solving this issue. From what I have read about Mr. Secretary's statement regarding normalization, we can see that in fact you have negated the historical sources of this issue which Dr. Kissinger had admitted. The true state of affairs is that it is the United States which owes China a debt and not China which owes the United States a debt, and once this is realized the question can be solved easily.

I would like to add further that when I said just now that in the process of discussing this issue we had made some progress before, I meant the discussion I had with President Ford on December 4, 1975 in which he said he wanted to state that, after the elections the next year, he would be in a better position to move forward concretely toward normalization and he would be able to follow along with the Japanese arrangement.⁷ So, there are the two points that I meant when I just now mentioned that we had made progress during our discussion on issues of normalization. 1) Who owes who a debt—that is a prerequisite and 2) the position that President Ford had taken that he would act along the Japanese arrangement in solving the issue of normalization between China and the United States if he continued in office after the elections.

As for the present Administration, we noted that after President Carter came into office, he specifically noted at the beginning of the Administration where he in effect indicated that the new Government did not undertake the commitments of the previous government.

Of course we do not request that the present government must undertake all the commitments of the previous President and Secretary of State. But I would like only to point out that your present formula is a retreat from the previous state of affairs. Anyway, we must clarify one fact. That is, it is the United States which is occupying Taiwan and it will not do if you try to put equal blame on both sides. And during your

⁷ During the December 4, 1975, meeting, Ford said, "And, we do understand and we are grateful for the patience that your government has had. On the other hand, we want to say after the election we will be in a position to move much more specifically toward the normalization of relations, along the model perhaps of the Japanese arrangement, but it will take some time, bearing in mind our domestic political situation." (See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 137)

discussions, Mr. Secretary of State said that neither side should impose its will on the other side. That is correct. But with regard to the issues we are confronting now it is the United States which wishes to control Taiwan and obstruct China from reunifying their own motherland. What threat does China pose to the United States? If we are talking about a threat, we can only say it is the United States which poses a threat to China. How can it be said that both sides should take equal blame? It is only the United States which owes a debt to China. China owes nothing to the United States.

The Secretary of State has just now said he hoped we would reconsider this proposal. Such a question does not arise. We have considered this for so many years and even recently five and a half years have passed.

There does not arise either the issue of both sides making reciprocal efforts. It is for the United States to make up its mind. We have repeatedly stated three conditions for the normalization of relations: severance of so-called diplomatic relations with the Chiang clique on Taiwan, withdrawal of U.S. forces in Taiwan and in the Taiwan Straits area, and (abrogation of the treaty). That is in short words the Japanese formula and, to be honest, to agree to use the Japanese formula was a concession of the Chinese to the United States side.

We have also stated on many occasions that the Chinese are a patient people. We have also said that if the United States feels that it still needs Taiwan, then we can wait. And in discussing the time limit for the liberation of Taiwan, Chairman Mao, in discussing this with Dr. Kissinger, said we might do it in five years, in ten years, in twenty years or one hundred years. Mr. Habib should know that.

So the question now is for the United States to make up its mind. I believe when you came the year before last we also touched upon this issue. I don't remember my exact words but I recall I said something like: if you want to do something do it briskly—why messily?

It all boils down to those three conditions—the Japanese formula. As for non-governmental contacts, we can agree to some; as for the liberation of Taiwan, that is an internal affair of China. Among Chinese here I am 73 and I probably will not have many more days left before I go to meet Marx.⁸ But Chairman Hua is 57 and he may live to see the liberation of Taiwan and reunification with the motherland without the participation of the United States. As for the mode by which we will liberate Taiwan, that is an internal affair of China. During his discussion

⁸ In contrast to Deng's statement about meeting Marx, Mao had told Kissinger and Ford about his "invitation from God." See, for example, *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 124. See also Henry Kissinger, *Years of Renewal*, pp. 881–882, 891, 894.

with Dr. Kissinger, Chairman Mao even asked this question: "With such a bunch of renegades and counter-revolutionaries on Taiwan, do you think it would be able to be peacefully liberated?" Those may not have been his exact words but that is the essence of the question.

We are prepared to seek peaceful means of settling this issue without the participation of the United States—without your intervention after China and the United States have established relations. But we do not exclude the forceful liberation of Taiwan under military means.

Your Excellency spoke about the prospects of the peaceful liberation of Taiwan and the peaceful settlement of Taiwan. I can accept half of that but not the other half. My words are the same old words: as to when and how the Chinese people liberate Taiwan, that is an internal affair of China which brooks no interference from any foreign quarter.

Speaking about the liberation of Taiwan you have said the United States is very concerned about the security of Taiwan. I should say that it must be that the Chinese people themselves are more concerned about the issue pertaining to their own country than the United States. We Chinese and the Chinese Government will naturally take into consideration the actual situation in Taiwan and adopt appropriate policies in approaching the issue of the reunification of Taiwan with the motherland. But this is entirely a Chinese internal affair.

As for another point the Secretary mentioned, you said, in effect, if you did not concern yourself about Taiwan then it would give rise to a series of repercussions which would have an effect on other countries. But I think that might not necessarily be so, because as I see it if there are to be such reactions they would be good, not bad. At least within the United States it would have a better effect rather than a bad one.

I recall when we met last time we also discussed the issue of Korea, and I said at that time: Do you think the Korean issue is different from other issues? It belongs in the same category with the question of the so-called two Chinas, two Germanys, the two Vietnams, and the two Koreas. I have on numerous occasions tried to advise our American friends that they should think earnestly when dealing on issues like this in which whole countries are split into two. Germany, no matter Western or Eastern Germany, has nationalist sentiment to strive for reunification, for that is a tide which is irresistible. Same with regard to Taiwan and China and the two Koreas—as to two Vietnams haven't they recently been reunified? I recall saying with regard to two Germanys if this issue is not solved within one hundred years, it will be solved within one thousand.

Therefore I would suggest that the United States Government should seriously consider this aspect of the issue. That is, when dealing with Taiwan you should not only see so many assets and investments

and old friends, you should also perceive the national sentiment of the Chinese people.

I should also advise you not to only see one aspect of the Taiwan issue, not only believe it is favorable or beneficial to you to keep Taiwan in your hands. You should see it may become a heavy burden to you. If it is not able to be solved in ten years you will have to carry the burden for ten years—if a hundred years, you will have to carry the burden for a hundred years.

That is the same in Vietnam. You supported South Vietnam which became a greater burden. You were later involved through war and that relieved you from that burden and made it possible for you to take the initiative in dealing with Southeast Asia. It enabled you to be in a more positive position. What adverse effect did that have? After the solution of Vietnam and Cambodia, reaction about your position in Southeast Asia was strengthened rather than weakened. It did not cause any split within your country nor any great debate within your country. From the point of view of global strategy, as you make up your mind to solve the issue between you and us on Taiwan, then it will be beneficial to your overall strategic stance and will better your strategic stance in dealing with the “Polar Bear”.

All these words are like firing empty cannons, but I would suggest that you think them over. I fully believe that you put forward this formula after ample consideration. But as I just now commented, this whole formula when reviewed in comparison with the course we followed in the past five years is a retreat and not a step forward. If you make up your minds to solve the issue, then do it briskly—severing of relations, removal of troops, abrogating the treaty. And we have even taken into account the actual state of affairs and agreed for you to go along with the Japanese formula. This means allowance of non-governmental contacts.

As for the method by which we reunify Taiwan with the motherland, let us Chinese worry about that. We Chinese do have the ability to solve our own issues. There is no need whatever for American friends to worry themselves over such issues.

Two Points

As for the formula that you put forward, Foreign Minister Huang Hua’s words represent our view. It actually boils down to two points, one, that you want us to undertake the commitment not to use force in liberating Taiwan. This constitutes interference in the internal affairs of China. The second point is that you want an Embassy that does not have a sign on its door. No matter what you call it by name or whether you can fly your flag on it—in the final analysis it is the reversal of the existing Liaison Office, switching the Liaison Office to Taiwan.

I believe you must have read the political report which Chairman Hua Kuo-feng made to the 11th Party Congress, especially policies on international issues and the issue of Taiwan. Those words are the consistent stand of our Party and our Government and that is an unwavering stand—a position that cannot be changed. And, therefore, to be candid, we cannot agree to your formula. But we still look forward to further discussions.

And to borrow your words, we do not request an immediate reply from you and would be willing for you to take this back and report to your President and have your Government reconsider this carefully and tackle the issue from the viewpoint of strategy—from the viewpoint of the overall situation, the political situation.

Patience

I would finally like also to say something on the question of patience. We have stated on many occasions we are patient. This is to mean that in improving relations between our two countries we can afford to do it in a more leisurely manner and more appropriate manner so that it will benefit the many points we have in common around the globe.

But we hope that you do not misunderstand this and take it as meaning that the Chinese will tolerate unlimited procrastination with regard to this issue. I hope our friends will take note of the fact that in every statement we make every year and in every report, every resolution, we always hold this sentence—“We are determined to liberate Taiwan.” (This is nine words in Chinese. I don’t know how many in English—Chinese side laughs.) This is the will of the Chinese people. It is put forward as a task to be undertaken by the Chinese Government. If I at my age will not be able to realize the liberation of Taiwan then one can only say that I am not a person of ability. But Chairman Hua will be able to see it. His age will allow him to be able to see that the task is fulfilled. But even if he couldn’t, the next generation will see it. And, I hope the world understands that these are not empty words. (In Chinese: empty cannons) That is all I have to say. I have been very candid because your formula has been very candid too, which we appreciate.

The Secretary: Thank you very much. This has been a very useful and helpful discussion. We agree that the Shanghai Communiqué is the starting point. We have so indicated in what we have said to you including the fact that we acknowledge there is but one China and that Taiwan is a part of China. In our concrete suggestions or proposal, we have indicated we would be prepared to terminate or sever diplomatic relations. We have indicated we would be prepared to take out our troops and remove our installations from Taiwan. And we have indicated that we would be prepared to let the treaty lapse. As a result of

this discussion I understand more clearly what the differences of view are that remain between us. We will reflect on what you have had to say and I shall discuss it with the President. And I agree that we should continue to discuss this matter after both you and we have had a chance to reflect on the useful discussions we have had today and the useful discussions we have had with the Foreign Minister.

Teng: Good.

The Secretary: Let me express my personal appreciation, and I know I express that of President Carter, for the candor with which you have spoken, because it is only through that straight-forward candor that problems can be resolved.

Teng: Yes, you were Secretary of the Army and I am Chief of the General Staff so we are both military men. It is better to deal with matters straight-forward.

The Secretary: I also appreciate very much the time you have given us today. I know how busy your schedule is and I appreciate it very sincerely.

Teng: Thank you.

The Secretary: But these are matters of such importance that they deserve to be discussed in serious discussions at very senior levels.

Teng: Good. Let's end the discussion. We will meet at the dinner table later on.⁹

The Secretary: Thank you very much.

⁹ No record of the dinner meeting has been found.

51. Memorandum of Conversation¹

Beijing, August 25, 1977, 9:30–10:10 a.m.

SUBJECT

Exchanges; Trade; Communique; Press Conference

PARTICIPANTS

U.S.

The Secretary
Ambassador Woodcock
Under Secretary Habib
Assistant Secretary Holbrooke, EA
William H. Gleysteen, Jr. Deputy
Assistant Secretary
Michel Oksenberg, NSC
Harry E. T. Thayer, Director,
EA/PRCM

P.R.C.

Huang Hua, Foreign Minister
Huang Chen, Chief, PRC Liaison
Office in the U.S.
Wang Hai-jung, Vice Foreign
Minister
Lin Ping, Director, American and
Oceanian Department, MFA
Chien Chi-chen, Director, Infor-
mation Department, MFA
Liu Hua, Acting Director, Protocol
Department, MFA
Tang Wen-sheng, Deputy
Director, American and
Oceanian Department, MFA
Ting Yuan-hung, Chief, American
Division, American and
Oceanian Department, MFA
Shih Yen-hua, interpreter
(seated behind:
Lien Cheng-pao, Deputy Chief,
American Division, American
and Oceanian Department,
MFA, and two other
notetakers)

(After expressing appreciation for Vice Premier Teng's dinner at the Summer Palace the night before.)

The Secretary: Mr. Minister, I have two things I want to discuss with you this morning, if I may. One is the subject of our cultural exchanges and the other is trade.

Cultural Exchanges

In the area of cultural exchanges, as you know, I was a participant in the program in 1975, and therefore I know from personal experience how important that exchange program is to our bilateral relationship.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1–4/78. Secret; Nodis. The meeting took place in Guest House No. 5.

The program, I think, makes a very significant contribution which is mutually beneficial to both of us in furthering the understanding between the Chinese and American people and thereby strengthening our relationship in other areas as well. Let me say we are pleased with the number of exchanges this year and with the substantive nature of the delegations. I was very happy to meet Ambassador Hao and the delegation when they were in Washington and to have a chance to talk briefly with them during the visit.² I have also learned from Dr. Handler's delegation from the Committee on Scholarly Communication with the People's Republic of China that they found it a useful visit, and I am pleased to hear that as well.

National Committee and CSC Proposals

I understand that the National Committee and the Committee on Scholarly Communication have each submitted exchange proposals to their Chinese counterparts. Both of the Committees wish to continue improvements in exchanges and have proposed ways to strengthen future exchanges. I want to make it clear that we favor this approach and continue to endorse warmly the work of these two committees. Indeed, I hope it will be possible in the future to expand the exchanges between the two sides.

Insofar as the specific details on exchanges are concerned, I propose that this be left for further direct discussion between the Chinese and American organizations. Ambassador Woodcock and members of his staff will also be prepared to discuss the subject with representatives of your Government in more detail.

Congressional Delegation

Finally, some months ago we agreed that there would be a total of two Congressional delegations visiting China in 1977. As you know, we think these visits are very helpful in making Congress better informed about our relationship with the People's Republic of China. The first delegation, which was headed by Congressman Brademas—and I believe Mike Oksenberg was also with the delegation—had a very successful visit.³ We will be in touch with your Liaison Office in Washington to discuss a second congressional group which we would propose would visit China in November. We do not know, at this point, who the leader of that congressional group will be but we will know shortly.

² The delegation from the Chinese People's Institute of Foreign Affairs, led by Hao Deqing (Hao Te-ching), met with Vance on June 28. (Telegram 157536 to Beijing, July 7; National Archives, RG 59, Central Foreign Policy File, D770241–1055)

³ See footnote 2, Document 25.

U.S.–PRC Trade

If I might then turn very briefly to trade between our two countries, I think that the trade which has developed between our two countries under the terms of the Shanghai Communiqué has been of mutual benefit both from the economic standpoint and also in terms of creating support for a stronger relationship between our countries.

I was sorry to note that after a rapid rise in the trade between 1972 and 1974, there has been a downward trend. On the other hand, our businessmen have told us that in their meetings with your trading corporations they have learned that your trade will rise again starting next year. We are encouraged by this and hope that both the economic and political climate in our relations will result in a higher volume and exchange of trade in the future.

NCUSCT

We will continue to encourage the National Council for U.S.–China Trade. I have kept in close touch with them and have followed their activities with interest since I have been Secretary of State. I think they have been a positive force in respect to relations between our two nations and I am pleased to encourage them in their activities.

CCPIT

We are looking forward to the visit next month by the China Council for the Promotion of International Trade which will be hosted by our National Council. I believe that, working together, these two organizations can do a great deal to facilitate growth in trade, including each side's understanding of trading practices and procedures on the other side. I think that, in addition, by working together they can be effective in developing mutually beneficial marketing techniques and a general awareness by each side of the trade opportunities which exist.

In sum, Mr. Minister, I welcome the activities of these organizations on both sides and will continue to give them the support of the U.S. Government in the months and years ahead. Thank you.

Foreign Minister Huang Hua: Thank you Mr. Secretary. Thank you for your brief review of the cultural exchanges, exchange of visits and trade relations between our two countries. We have also expressed a wish to further develop these ties.

Our two sides have the same desire to continue to develop the exchange of visits, scholarly exchanges and trade relations between our two countries. Under the present circumstances, when relations between our two countries are not yet normalized, these exchanges cannot but be somewhat limited by such conditions. The level and scope of exchanges we have achieved so far perhaps will remain for some years to come.

Exchanges

As our friends from the Committee on Scholarly Communication have already been to China before and our friends from the National Committee are going to visit China in October, they can discuss the specific items with the Chinese organizations. We will welcome their visits and the Chinese organizations concerned will have further discussions with them.

Trade

As for trade, a delegation from the China Council for the Promotion of International Trade is going to visit the United States next month in September. In this regard we would like to express thanks to Mr. Secretary for his attention.

We believe that with the help of the relevant authorities in the United States and with the cooperation of the people from the trade circles in the United States, the Chinese delegation's visit to the United States will be certainly of help to facilitate the trade terms and understanding of the opportunities. There might be fluctuation in the volume of trade between our two countries, and I think it is only unavoidable in the present state of relations between the two countries. That is all I want to say.

The Secretary: I thank you very much for that. I look forward then to hearing from the group after their meeting in October, after they have had a chance to discuss it with their Chinese counterparts. I will also look forward to hearing from the trade group after they have had a chance to meet with the visiting delegation.

Communique

Those are the only items that I had to raise this morning, Mr. Minister, with the possible exception of discussion of whether or not there should be a communique issued at the end of our visit here. It would seem to me that it would be desirable to have a short communique, perhaps one page, and I would suggest that I designate Mr. Habib to work with your colleagues to that end.

Minister Huang: We have considered this question. We do not think it necessary to issue a communique at the end of each visit. We should take into account the discussions. We should decide in light of the contents of each discussion and how the discussions go. I think we may do without a communique during your current visit to China.

I hear that you are going to have an interview with the journalists this evening.⁴

⁴ For Vance's August 25 news conference in Beijing, see Department of State *Bulletin*, September 19, 1977, pp. 368–372.

The Secretary: Yes, that has been the general practice during each one of these occasions; and I have to do it at some time, I might as well get it out of the way promptly.

Minister Huang: We can provide you with every facility, if you want to fulfill this task in Peking.

The Secretary: Let me say that I do not intend to go into any detail at all with the journalists. I plan to be as succinct and brief as I can but I think it is better to say something rather than let them speculate on their own.

Minister Huang: As to how you should talk to the pressmen at the press conference, I think it is a question that we may leave to Mr. Secretary himself.

The Secretary: I believe then that that is everything I had to raise this morning, Mr. Minister.

(Discussion followed among the Chinese.)

Minister Huang: We have nothing to add with regard to cultural exchanges and other exchange items.

Interpreter: The Director from the Information Department has promised to provide you every facility for you to hold the press conference at the Mindzu Hotel.

Habib: We will ask Hodding Carter to be in touch.

Chien: The conditions are better at the Mindzu Hotel.

Minister Huang: Now we have concluded our talks this morning. We were very pleased to let you relax a bit yesterday evening after the long journey and the intensive discussions.

The Secretary: We did indeed relax and it was a pleasant evening for all of us.

Minister Huang: So you got to know about how the funds for the Navy were used in the past. (laughter)

I was also very pleased that yesterday you had a chance to talk with our Vice Premier Teng, not only about present relations but also about past experiences.

The Secretary: I appreciated the opportunity to talk to the Vice Premier again about past and present matters.

Minister Huang: Those on our side who took part in the activities yesterday evening were also very pleased to have a chance to relax a bit. We were also very happy to have an opportunity to listen to the Vice Premier talk about his past experiences.

The Secretary: I found that fascinating and to me it was a great experience to hear of his past experiences.

(Secretary in an aside to Habib: Too bad you could not hear all of it. Habib: I heard it before—all about the Long March.)

Holbrooke: There was so much more one would have wanted to ask the Vice Premier because the history is so extraordinary.

The Secretary: Thank you very much for coming over this morning. I appreciate it.

Meeting ended at 10:08 a.m.

52. Telegram From Secretary of State Vance to the Department of State and the White House¹

Beijing, August 25, 1977, 1705Z

Secto 9045. White House pass to the President and Dr. Brzezinski only. Department for Warren Christopher Only. Subject: August 25 Meeting With Chinese.

1. Today was our last working day in Peking. I met for an hour with Foreign Minister Huang this morning to complete discussions on bilateral questions.² We spoke about cultural exchanges and trade. On exchanges it is clear the Chinese wish them to continue at about the present level. On trade, I received the impression that Huang, while linking trade to normalization, was responsive to the suggestion that we look for ways to increase trade between our countries. This is something which I will have followed up on without delay. At the end of our meeting Huang and I agreed that a formal communiqué was not necessary. We were prepared to have a brief one but instead I used the gist of what needs to be said in a brief on-the-record press conference tonight.³

2. The highlight of the day was an hour and quarter with Chairman Hua Kuo-feng.⁴ This is of great symbolic as well as some substantial interest. The press covered the opening minutes of the meeting, during which Hua commented favorably on camera that he had noted your statement on acceptance of the principles of the Shanghai Communiqué as the basis of our relationship, and the desirability of exploring each other's views, and on the desirability of enhancing our mutual understanding.

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840076–0844. Secret; Cherokee; Immediate; Nodis.

² See Document 51.

³ See footnote 4, Document 51.

⁴ No memorandum of conversation of a meeting with Hua Guofeng was found.

3. When the press left, Hua spoke at some length covering internal political developments in China from the last year of Mao to the present, spoke of natural disasters which had to be overcome in 1976, and then referred with a touch of pride to the downfall of the “Gang of Four” and the success of the Eleventh Party Congress.

4. He spent a good bit of time castigating the “new czars” of the Soviet Union, for its “social imperialist” expansionist policy and reminded me that Soviet imperialism started with Peter the Great. They continue to feel it necessary to remind us at every turn how bad the Soviets are.

5. On our bilateral relations, he spoke again of the Shanghai Communiqué, noted that the subject had been extensively discussed with Huang Hua and Teng Hsiao-ping and said we should move forward. He agreed that we should consider each other’s views further and continue our discussions. I received no sense of being pressed, but it is clear that the subject is as live as ever.

6. We will now sort out the total of our impressions and the sum of our discussions which I will report to you when I get to Washington. I think we have been listened to seriously, talked to with precision and deliberate patience, and the way has been left open to further discussions. We now know with some accuracy where we are on this issue, and we have time to decide how we wish to proceed.

Vance

53. Memorandum of Conversation¹

Beijing, August 26, 1977

PARTICIPANTS

US

Michel Oksenberg, NSC Staff

*PRC*Junior Official PRC Foreign
Ministry American Affairs
Section

On our ride to the airport, I became engaged in a rather detailed discussion.

My interlocutor began by asking whether we would be staying in Japan. I said yes, we would stay one night. We would have consultations with our Japanese allies. Secretary Vance would meet with Prime Minister Fukuda. My interlocutor noted the Japanese wished to avoid shocks. I agreed.

He then asked whether Holbrooke was going to Taipei. I said yes, that we thought it important to indicate to Taipei the seriousness of our intent to advance the normalization process with the People's Republic.

I then said I hope the People's Republic is aware of the intensive effort of Taipei to affect US thinking on the China issue. My seat mate said he was, particularly in Congress, and he volunteered that he thought their efforts were having some effect.

I agreed, pointing out that their efforts were nationwide in scope and involved the use of their 14 consulates in the US as well to reach many citizens. He noted that two of these consulates had been established within the last two years, to which I replied that their establishment had occurred longer ago than that, and not under this administration.

I sensed an opportunity for a sustained conversation so I then said that partly because of Taiwan's lobbying effort, I sensed the trend line was not necessarily in favor of normalization. As we approached the 1980 elections, normalization could become more difficult. He asked why, and I said China policy could become a partisan political issue. People still remember Nixon and Ford approved of normalization, but as Republican involvement fades from memory, it will be more dif-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 7-9/77. Secret; Nodis. All brackets are in the original. The conversation occurred en route to the Beijing airport. In his September 7 covering memorandum to Brzezinski, Oksenberg noted that the conversation had been in English. On the covering memorandum, Brzezinski wrote, "interesting." (Ibid.)

ficult to obtain bi-partisan support. He seemed to recognize this problem.

He then asked me why PRM 24 had been set aside and why the President had not considered it. I replied that press accounts which alleged this were not totally accurate.²

In a technical sense, it was true the President had not considered PRM 24. The President wishes always to be able to tell the truth. But the President was aware of the major issues in PRM 24. I said I hoped he understood a PRM was not a position paper. He replied that he knew that, that it presented options. I then said that the truth was that Secretary Vance's presentation in China grew out of PRM 24 and was not separable from it. I told him I wanted to make two points about the inaccuracies in the press coverage on PRM 24. First, reports that division existed between the China specialists and the top people—the President, Vance, and Brzezinski—were inaccurate. We have a real unanimity of views. This press inaccuracy is unfortunate.

Second, as I am sure he now realized following Secretary Vance's presentation to Minister Huang and Vice Premier Teng, press reporting that the President has not made up his mind on China policy and on the issues in PRM 24 were inaccurate. The President is very serious about his commitment to the Shanghai Communique and the normalization process. But from our point of view, it is fortunate the press has not acquired an accurate sense of the full nature of Secretary Vance's presentation. The Chinese official asked whether we therefore had leaked misinformation. Did this mean when reports on PRM's appeared in the press—even though inaccurate—we had placed the story? I replied no, that in the case of PRM 24, we simply had been, on balance, lucky. I recalled one exception, the early leak on PRM 24, Pt. III which dealt with ways of improving scientific and technologic exchanges with the PRC, had been highly inaccurate. We were not clear exactly what the news reporter had seen, but we did know it was a very early draft which had subsequently been substantially revised in form and substance.

I added that while we had been lucky thus far with PRM 24, we had been unlucky with PRM 10.³ There, highly inaccurate and partial leaks had distorted the true thrust of the document.

² The reference is presumably to a June 24 report in *The New York Times*, which had acquired a copy of PRM 24, of disagreement among administration officials concerning PRM 24 and the preparation of papers in response to Parts I and II of PRM 24. (Bernard Weinraub, "U.S. Study Sees Peril in Selling Arms to China, *The New York Times*, June 24, 1977, p. 1) PRM 24 is Document 24. The papers written in response to Parts I and II are described in Document 32. The Policy Review Committee discussed Parts I and II on June 27; see Document 34. The executive summary of the paper in response to Part III of PRM 24 is Document 67.

³ See footnote 3, Document 50.

I then said it was interesting that the Chinese followed our PRM's and we tried to follow their Central Document (chung-fa) series. He said that Central Documents only dealt with internal matters, however. I said I thought that was basically true, but didn't they also deal with military matters. At least, that was what the Hong Kong press said, and People's Daily recently referred to a central document on military modernization. He said yes, that was true.

I then asked whether the Chinese also write policy papers. He said not in the same way. The Chinese are not as systematic and intelligent in the way they make their policy. I said I did not agree.

He then asked who the main people in the U.S. government were (who the main "culprits" were) [he used the term in a joking, friendly manner, not in its pejorative sense] in planning our China policy, in addition to myself. I mentioned Gleysteen, Holbrooke, Thayer, Romberg, Roy and officials in the Defense Department. I added that Treasury also was involved.

He asked whether Vance had come to Peking with considerable negotiating latitude. I tried to avoid answering this question, replying that the President, Brzezinski, and Vance have an excellent working relationship. We have no Kissinger–Rogers type rivalry. He said he understood that. I said the President has great trust in the Secretary's abilities and negotiating skills.

I then said I was glad the CPIFA had come to the United States. I thought they had contributed to Sino-American understanding, and he thereupon laughed slightly. But, I said, I thought the instructions upon which they operated had been too tight. He first asked rhetorically, does that mean their mouths were tight, and that they were the first political-diplomatic delegation that the PRC has sent to the U.S.

He then asked me what I thought of the claims-assets issue. Did I think that was something that could only be settled at the right moment in the overall context? I said I was sure he knew of our earlier discussions with Han Hsu. He did. I said it had been our hope that both sides could forget the unproductive discussion we had on this matter from late 1973 on, and return to the promising position of early 1973, including the Chou–Kissinger talks of the fall of 1973. I then asked whether he understood the nature of our problem. Congressional action is necessary to ratify a settlement, and we believe we need about 40¢ on the dollar for the claimants for the deal to pass Congress. The Congress had defeated a 42¢ settlement for Czechoslovakia, but the Administration would be inclined to recommend 40¢ settlement with China. If we only considered the blocked accounts in U.S. banks, we would drop way below a 40¢ settlement. I noted that the blocked assets in third countries which the Chinese have obtained would obviously be helpful in this regard. He then said that after all \$17 million (he volun-

teered the figure) is a small sum for a rich country like the U.S. I said the issue here was one of Congressional principle. But the principle dealt not with China alone. We also have a claims-assets problem with Cuba, for example, with the value well over a billion dollars.

My Chinese questioner observed that Congress plays an important and complicating role. I said that was true; it did make things more difficult. But on the other hand, Congressional involvement means that once a policy is adopted, it will have greater support. On too many issues in the past, China was not one, but Indochina and Soviet Union were—Congress was insufficiently involved and the policies adopted were not popular. I thought it was better to make sure a policy had survivability.

I said Mr. Holbrooke and I had consulted with over 40 Senators and Representatives in the three weeks before our departure. In effect, we summarized PRM 24 for them, without indicating the basis for the summary. He asked whether any Senators had read the PRM. I said no, that would be inappropriate. But we outlined its major themes orally. For example, I had met with Senator Jackson for 1½ hours, we had met with John Glenn, the Chairman of the Asian Subcommittee of the Senate Foreign Relations Committee, many other members of that committee, Birch Bayh, and so on.

He then asked me whether Senator Kennedy's speech reflected administration thinking.⁴ I asked him what he thought of Kennedy's speech. He said he thought it was no different from Secretary Vance's presentation. He asked me what the difference was. I said that Senator Kennedy had decided to make a China speech before we had briefed him on our China trip and that the speech represented his own views. I again asked what he thought of the speech. He said he thought it was aimed at the domestic audience. He believed that the speech was a trial balloon to test domestic reaction. I repeated that it was Kennedy's own speech and again I asked what he thought of it. He said he thought in principle it was acceptable but he had not read and studied the entire text of the speech and really could not express an opinion.

He said he had followed the reaction to Kennedy's speech. He thought the reaction was favorable. In previous months, the East Coast

⁴ Senator Edward Kennedy (D–Massachusetts) delivered a speech on August 15 to the World Affairs Council in Boston in which he advocated the cessation of formal diplomatic relations with Taiwan, the normalization of relations with China, and the continuation of ties with Taiwan on an unofficial basis. See Murrey Marder, "Plan Offered For Normal Peking Ties: Kennedy Proposals Believed to Parallel Vance's Thinking," *The Washington Post*, August 16, 1977, p. A1; David Binder, "Kennedy Calls for Diplomatic Split With Taiwan and Ties With China," *The New York Times*, August 16, 1977, p. 3; Edward M. Kennedy, "Now, Another Stab at Normalizing U.S.-China Relations: Kennedy Urges Full Ties With Peking but Not Abandoning Taiwan," *Los Angeles Times*, August 21, 1977, p. E2.

press clearly was advocating a two China policy, particularly the *New York Times*. But the *Times* editorial on the Kennedy speech was favorable. I agreed.

The official then informed me, under questioning, that his civil service rank was Grade 20 and that he worked in the America Section of the Foreign Ministry. His position was not as high as Lien Hung-pao. He then volunteered that he visited the United States in 1973, with the first tour of the Scientific delegation. He said perhaps we had met at that time, as he recalled that I still lived in New York at that time. At this point we arrived at the airport.

Observation. I suspect this conversation will be reported back. I'm not sure the conversation was planned, but my interlocutor was clearly well briefed and willing to seize the opportunity I presented.

54. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, August 27, 1977, 0444Z

5269. Department Pass USDel Secretary. For Holbrooke Only. Subject: Assistant Secretary Holbrooke's Meeting With ROC Premier Chiang Ching-kuo.

1. Assistant Secretary Holbrooke, accompanied by Ambassador Unger, DCM Sullivan and S/P Staff member Romberg, met with Premier Chiang Ching-kuo evening of August 26. CCK accompanied by FonMin Shen, Vice FonMin Fred Ch'ien, and CCK private secretary James Soong. Meeting originally expected to last 45 minutes lasted one and one-half hours.

2. After conveying personal greetings from Secretary Vance, Holbrooke led off with a review of the secretary's Peking visit.² He noted the visit, which was exploratory in nature, had proceeded much as expected. No deals were made in Peking, no decisions were taken. Holbrooke noted that serious discussions had been held with PRC FonMin Huang Hua, Vice Premier Teng Hsiao-ping and Chairman Hua Kuo-feng.

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850106–2148. Confidential; Immediate; Nodis.

² See Documents 47–52.

3. Holbrooke observed that most of the discussion had focused on global issues, and reviewed in summary form the points each side had made. He told CCK the Secretary had made a strong, effective explanation of the President's policies, including his determination that the U.S. maintain the military balance vis-à-vis the Soviet Union.

4. Holbrooke told the Premier that we have differences with the PRC on some issues, but that on others we share important common ground.

5. Peking discussion of bilateral issues was then reviewed. Holbrooke said this discussion took place within the context of talks on global issues. He characterized the discussions as serious and candid. No agreements were reached, but Holbrooke noted that the Secretary had affirmed our readiness to normalize relations on the basis of the Shanghai Communiqué if we could be satisfied that the terms did not undermine the prospects for peaceful settlement of the Taiwan question by the Chinese themselves. No time-frame had been discussed.

6. Holbrooke told CCK the Secretary had chosen his words with great care and that, as discussed by the Secretary, normalization would result in U.S.-PRC diplomatic relations, but that it would permit continuation of U.S.-Taiwan relationships. The U.S. is not prepared to accept arrangements which would undermine the security and well-being of the people on Taiwan (interpretation omitted "people"). PRC stated its position on "one China" and that Taiwan is part China, and the three conditions (which Holbrooke enumerated).

7. Holbrooke stressed that, though no agreements were reached, each side appreciated that the other was serious. It was agreed, he said, that there should be continued talks on these issues. The next step is the Secretary's report to the President.

8. Holbrooke reviewed the current mood in Peking as assessed by China specialists in the official party.

9. In his first question, CCK asked Holbrooke to explain where U.S. and PRC global views "coincided." Holbrooke stressed that he had said we had "common ground," not that our views coincided. He then reviewed common ground vis-à-vis the Soviets in Africa—especially the Horn—a strong NATO, and U.S. military presence in the Western Pacific (e.g., U.S. bases Philippines). In this context, Holbrooke emphasized that we do not have "cooperative relations" with the PRC in any of these areas, even where we clearly have parallel interests. He also stressed the need for complete confidentiality in handling of what he was saying, on which point he received firm assurance from CCK.

10. CCK expressed his appreciation for candor of Holbrooke's briefing and proceeded to more questions. He asked about significance of the Secretary's statement in his banquet toast in Peking on policy

towards allies, former adversaries and regarding contingencies.³ Holbrooke responded this was a general statement of policy which should not be over-interpreted.

11. CCK asked if perceptions at the end of this visit differed from those at the outset, especially re PRC attitudes. Holbrooke noted that there was some improvement in the mood as the talks progressed but that he was not prepared to say whether this signalled anything or was merely a function of increased familiarity.

12. CCK asked several questions about PRM-10⁴ and Korea, expressing concern over reports we were drawing our strategic defense line in Asia from Alaska through Japan and Guam. After explaining what a PRM is—and is not—Holbrooke responded that the defense line the Premier had referred to was only one option, and he was firmly opposed to such a line and that it was not being seriously considered by the Secretary or the President. Holbrooke said that the Secretary had noted that day the necessity for a strong U.S. presence in the Asian and Pacific region.

13. CCK said he raised this because if the U.S. adopted this sort of strategic concept it would be very dangerous for America. Holbrooke said he would convey Premier's views to the Secretary.

14. Turning to China CCK observed that since President Carter assumed office he had stressed the importance of the Pacific region. He said he believed the President, when dealing with the "so-called China question" would take great care, and that he had confidence the final decision would be taken in the best interests of the U.S. and the Free World.

15. CCK pointed to the provision of the new Chinese Communist Party Constitution which casts the U.S. and USSR as perpetual enemies. He said that he hoped that even though we may now see common ground, and no matter what Peking might say now because it needs us, we would understand that sooner or later they would become a big problem for the U.S. Therefore, he concluded, it was important for the U.S. strategically that we be true to our friends and allies in the Pacific.

16. Chiang laid out three factors which he thought were motivating Peking in seeking to establish relations with us. First, since they do not have the military capability of annihilating the ROC, they hoped to use diplomatic and political methods to deal the fatal blow. Second, by forcing the U.S. to unilaterally break a treaty for the first time in its

³ For Vance's toasts at the August 22 and 25 dinners, see Department of State *Bulletin*, September 19, 1977, pp. 365–368.

⁴ See footnote 3, Document 50.

history, Peking seeks to deal a blow to U.S. prestige. And third, Peking hopes to use U.S. ties as a bargaining chip with the Soviet Union.

17. The Premier then devoted several minutes to describing the “very special” relationship between the U.S. and the ROC. He said that relationship had stood the test of three wars in Asia since 1941 and that the ROC had always faithfully implemented all obligations under the alliance, and would do so in the future.

18. CCK said that, “No matter how the international situation changes,” the ROC will always remain part of the Free World and will “never have dealings with any Communist regime.” There is only one China—the ROC. Though some may feel this is far-fetched, in the longer perspective this is the only solution to the “so-called China problem.”

19. Chiang said the “Japanese model” is not suitable for the U.S. because of the U.S. position as leader of the Free World and because of the Defense Treaty. He said the U.S. and ROC are as close as lips and teeth, when the lips are gone, the teeth feel cold. Anything that happens to U.S.–ROC relations will be hard for the ROC to bear.

20. CCK then asked about other areas of the world which were discussed in Peking. Did we talk about Southeast Asia? Holbrooke said that we expressed our views, but the Chinese had not responded. They had wanted to discuss Africa, Europe and the Middle East. They were not even so interested in SALT as in the Horn of Africa which they thought presented opportunities for eventual Soviet strategic gains in the Middle East, Europe and the Indian Ocean.

21. Holbrooke then commented in some detail on Chiang’s lengthy discourse. Saying that he did not want to get into a debate because we have difficult problems between two old friends, Holbrooke noted there is a need to clear away what is real from what is not.

22. Holbrooke cited ROC defense capability, achieved with a great deal of help from the U.S., as a tremendous tribute to the ROC Government and the people. This is an important factor, because the future well-being and security of Taiwan is of the highest concern to our government as we look forward to establishment of full diplomatic relations with the PRC.

23. Turning to CCK’s point about Peking’s effort to use political and diplomatic means to “deal a fatal blow,” Holbrooke said it was his impression the ROC was just as strong economically and politically as militarily, and Peking could not succeed in this tactic either. He said he wanted to repeat, in connection with Chiang’s statement, a point he had made earlier in a different context (i.e., Peking discussions), that we would not accept terms which in our opinion would undermine the security and well-being of the people on Taiwan.

24. Regarding the Premier's statement that acceptance of the PRC's three conditions would mean unilateral abrogation of the Defense Treaty, Holbrooke said no such decision has been made by the President. He noted, however, that the Premier was correct to state that the three conditions do imply lapsing of the treaty.

25. As to the point that the PRC wants to use U.S. ties as leverage on the Soviets, Holbrooke agreed this was a correct if not complete description of Peking's motives.

26. Holbrooke turned next to the U.S.–ROC "special relationship" question and agreed with Chiang's characterization. He noted the association was long-standing, deep, and cordial. He pointed out that they have many friends in America who will remain friends no matter what happens.

27. Holbrooke said he would report to the Secretary and the President CCK's "very important" statement that, no matter what happens, the ROC will remain in the Free World and have no dealings with "any Communist regime."

28. On "one China," Holbrooke emphasized the U.S. public position of favoring a peaceful settlement of the Taiwan question by the Chinese themselves. He said we all recognize the differences between Japan and ourselves, and in our respective relations with Taiwan. He said President Carter intends to maintain our strength and is leading a confident America.

29. On the lapsing of the Defense Treaty—and over 50 other treaties and agreements (to which CCK had referred)—Holbrooke reiterated that normalization, as discussed by the Secretary would mean establishment of U.S.–PRC diplomatic relations, but it would permit continuation of essential U.S.–Taiwan relationships.

30. Chiang supplemented his earlier remarks with two points: the lack of current PRC capability to attack Taiwan could change over time; and maintenance of diplomatic relations is even more important than the treaties.

31. At CCK's request, Holbrooke reviewed the PRC's position on Korea, pointing out essentially that they took the same line as in public and did not want to engage the issue. He also responded to a request for assessment of any contradictions between Soviet and Chinese positions in Korea by saying that, despite their similar rhetoric on reunification, neither really wants a change in the status quo out of fear it will rebound to the benefit of the other.

32. The meeting closed with mutual expressions of appreciation for candor. CCK said he had read all of President Carter's statements and was glad the U.S. has a new and great President. He sent his greetings to the President and Secretary Vance. Holbrooke said he would convey them.

33. CCK said he hoped Holbrooke would return for a longer stay in the future. Holbrooke said he hoped to come back as soon as possible, and in the meantime we could communicate through our Embassies.

34. In this connection, Holbrooke said he did not know what the future holds, but whatever it is, he believed that we should communicate in a candid, frank way so that the ties of friendship between our two peoples would continue, contributing to the maintenance of the security of the people on Taiwan.

35. Comment: Premier Chiang obviously appreciated Secretary Vance's having sent Holbrooke to give him a special report on Peking talks. The Premier, who is normally unwilling to schedule evening meetings and likes to get to bed by 9:00 PM, was clearly prepared to talk and to take advantage of Holbrooke's visit both to get his own views across and to probe our position to the extent he could do so without violating his own proscription against appearing to accept US-PRC normalization either as inevitable or even as a contingency possibility.

36. The Premier's comments on Peking's motives and his statement of resolve to remain a member of the Free World never having dealings with any Communist regime were almost word for word restatements of his August 25 speech to the Executive Yuan published August 26 to coincide with the conclusion of the Secretary's visit to Peking.⁵ What Premier Chiang is saying, is that no matter what we do (i.e., if we, out of desire for improved relations with Peking, virtually abandon the anti-Communist stance the U.S. and ROC have shared in the past as well as abandon an ally) the ROC will not change. It will maintain its identity as the sole legitimate government of China and guardian of Chinese culture; it will never elect independence for Taiwan or engage in talks with Peking (and we should not make the mistake of believing we could succeed in urging them to do so); it would never turn to the USSR; and over the long term, the ROC stance would be vindicated and we would regret our decision.

37. The Premier seemed to take reassurance from Holbrooke's presentation and the Secretary's Peking press conference statement confirming that U.S. has reached no decision or agreement with the PRC on concrete steps toward rupture of diplomatic relations with the ROC.⁶ We are confident, however, that the Premier noted Holbrooke's emphasis on the point that a process has begun and that talks with the

⁵ Telegram 5253 from Taipei, August 26, reported the Premier's remarks to the Executive Yuan on August 25. (National Archives, RG 59, Central Foreign Policy File, D770309-0037)

⁶ See footnote 4, Document 51.

PRC relating to normalization and other issues will continue. At the same time the GROC probably credits in large part its anti-normalization campaign with the U.S. press, public and Congress, for the fact that the Peking talks resulted in no concrete forward steps on normalization.

Unger

September 1977–May 1978

55. **Memorandum From Michael Armacost of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, September 6, 1977

SUBJECT

Major Policy Activities

China

Activity: Normalization of Relations with the PRC while retaining economic, cultural, and other appropriate ties with Taiwan.

Mode of Implementation: The next major step in our discussions with Peking will probably be a Vance meeting with a PRC representative to the UNGA (most likely Foreign Minister Huang Hua). Our discussions are aimed at identifying a mutually acceptable formula for normalization that would enable both sides to remain true to their principles. In addition, we may wish in the weeks and months ahead to undertake unilateral steps to invest some ties with Taiwan. Such measures might include reduction in the scope and intensity of joint military exercises with the ROC, reducing the quantity and value of our war materiel storage in the ROC (transferring some of the equipment to the ROC), [1½ lines not declassified]. Studies are underway on how we might sustain our post-normalization relations with Taiwan.

Congressional Activity: Legislation will be necessary to enable us to sustain our current relations with Taiwan in the event that we sever diplomatic relations with the ROC. Thus far, we have not identified the precise legislation that will be necessary, but we are in the process of doing so. It is possible that "Sense of Congress" resolutions will be introduced in the coming months dealing with our China policy, and we will want to keep an eye on this.

[Omitted here is material unrelated to Sino-American relations.]

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brzezinski: 7–12/77. Secret. Sent for information. Oksenberg prepared the section on China in this memorandum, which describes U.S. policy activities in East Asia.

56. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, September 12, 1977, 2148Z

218248. Subject: ROC Ambassador's Call on Secretary, September 10.

1. ROC Ambassador James Shen called on the Secretary September 10 at 10:30 A.M. to discuss U.S. China policy in the light of the Secretary's recent visit to Peking.² Assistant Secretary Holbrooke and EA/ROC Director Feldman were present. The Secretary characterized his meeting as useful. They included a wide-ranging exchange of views helpful to both sides.

2. The Secretary said that in the course of their review of international problems, the two sides found common interests in a number of issues. Normalization of US–PRC relations was also discussed at some length. The Secretary stated that our ultimate goal is full normalization of relations, emphasizing that this goal had to be reached in ways which did not undermine prospects for peaceful settlement of the Taiwan issue by the people of Taiwan and the Mainland themselves. Our essential relations with the people on Taiwan would continue after normalization.

3. Referring to the AP editors interview with Teng Hsiao-ping, Ambassador Shen asked if it were true that the Secretary had suggested elevating USLO Peking to an Embassy and downgrading Taipei to a Liaison Office.³ The Secretary replied that in the discussion of normalization the question of diplomatic relations did indeed arise. He stressed, however, that the visit was exploratory, was not intended to reach agreements and in fact none were reached.

4. Ambassador Shen reviewed at length Premier Chiang Ching-kuo's several restatements of basic ROC policies and their unchanging character: The ROC would not alter its basic structure (i.e., would not abandon its claim to be the legal government of all of China) nor its policy of full reliance on the U.S. U.S. China policy was seen in Taipei as inherently destabilizing to the peace and security of the area

¹ Source: National Archives, RG 59, Central Foreign Policy File, D770330–0653. Confidential; Priority; Exdis. Drafted and approved by Feldman (EA/ROC) and cleared by Holbrooke and in EA/PRCM. Repeated Priority to Beijing, Hong Kong, and Tokyo.

² See Documents 47–52.

³ Deng met with executives of the Associated Press on September 6. See Louis D. Boccardi, "Teng Says Vance Trip Set Back Normal Ties," *The New York Times*, September 7, 1977, p. 57. Boccardi reported, "Secretary Vance discussed setting up a United States liaison mission in Taiwan and a full diplomatic mission in Peking, but the Chinese rejected that." See also footnote 6, Document 62.

because Peking might be emboldened to attempt an attack on Taiwan. It was understood, of course, that Peking was not militarily able to do this at the moment, but its insistence that it could use any method it chose to “liberate Taiwan” carried an implicit threat for the future. Withdrawal of U.S. security guarantees could easily lead Peking to miscalculate.

5. Continuing, Ambassador Shen noted that some Americans have said the economy of Taiwan is so healthy, the leadership so good and the people so united that Taiwan can absorb any shock. This is not necessarily so. Although it has been able, with American assistance and American security guarantees, to overcome many difficulties, severance of U.S. diplomatic relations could lead to capital flight, economic collapse and even civil disorders. This would be in no one’s interest. The U.S., Shen said, has established its interest in dialogue with Peking; why not now leave matters where they stand? In particular, the GROG would greatly appreciate a USG statement of the kind requested by Foreign Minister Shen Chang-huan last May: That it is the policy of the administration to maintain diplomatic relations with the ROC for the foreseeable future.⁴

6. The Secretary said that both he and the President have recently made clear the deep concern of the USG for the security and well-being of the people on Taiwan. However, we will continue, from time to time, to discuss with the PRC matters of interest. Ambassador Shen again emphasized the ROC’s desire for a statement that diplomatic relations would continue for the foreseeable future. Asst. Secretary Holbrooke, in reply, emphasized the USG’s goal of normalization of relations with Peking while maintaining essential relations with Taiwan and without affecting the security and well-being of the people there. It is our hope

⁴ Ambassador Unger and Foreign Minister Shen Changhuan met on May 19. Unger reported that Shen gave him an aide-mémoire suggesting that the United States make a pronouncement “reaffirming” the position of “maintaining diplomatic relations with the ROC and abiding by the commitments under the Mutual Defense Treaty of 1954.” Unger noted that the aide-mémoire did not reflect his conversation with Shen as they had not discussed such a reaffirmation in the meeting. Moreover, he added, “the aide-mémoire contains in its final paragraph what I read to be a misinterpretation of Under Secretary Habib’s comments in his discussion with Ambassador James Shen as reported in State 034897.” (Telegram 2941 from Taipei, May 20; National Archives, RG 59, Central Foreign Policy File, D770180–0937) According to the aide-mémoire, “Early last February, at the meeting with Under-Secretary Habib referred to above, Ambassador Shen was given to understand that the new administration was prepared, at an opportune moment, to reiterate the United States position of maintaining diplomatic relations with the Republic of China and abiding by the commitment under the Mutual Defense Treaty of 1954. In this respect it would be reassuring to the Government and people of the Republic of China, if the United States Government could make a pronouncement reaffirming that position.” (Telegram 2942 from Taipei, May 20; National Archives, RG 59, Central Foreign Policy File, D770181–0084.) For the February 14 meeting between Habib and Ambassador Shen, see Document 10.

that we can work to the maximum extent possible with Ambassador Shen and his government within that framework.

7. Shen asked whether “essential relations” could be more specifically defined, and the Secretary replied that on the basis of Assistant Secretary Holbrooke’s briefing last month, Premier Chiang was fully aware of what we meant by that term.⁵ The conversation ended with Ambassador Shen expressing the hope that the U.S. would proceed with the utmost caution, understanding that the process on which the U.S. was embarked could result in great damage to the ROC and no benefit to the U.S. The Secretary emphasized that we were indeed proceeding with caution.

8. The Secretary and Ambassador Shen agreed that neither would discuss with the press the substance of their talk.

Vance

⁵ See Document 54.

57. Memorandum From the Deputy Assistant Secretary of State for East Asian and Pacific Affairs (Gleysteen) to the Under Secretary of State for Political Affairs (Habib)¹

Washington, September 19, 1977

SUBJECT

ROC’s Request for Fall-Out FMS Credits

As you guessed, I’m against any fall-out funds for the ROC this year. Despite Jimmy’s pitch,² the ROC is not hurting for money; they have a \$1.4 billion trade surplus with us, rapidly rising foreign exchange reserves, and ready access to foreign commercial loans. Our decision is, however, political not economic. We want to convey a signal by continuing the phase-out of FMS credits. We do not want the inevi-

¹ Source: Department of State, Papers of Philip C. Habib: Lot 81 D 5, Box 2, PCH Official Correspondence, June 1977–March 1978. Confidential. Drafted by David G. Brown (EA/ROC) on September 16 and cleared by Ericson (PM).

² Shen’s September 12 letter to Habib, attached but not printed, requested additional money for foreign military sales credits to help finance ROC purchases of U.S. military equipment.

table public knowledge of an additional credit from fall-out funds appearing on the eve of the Secretary's meeting with Huang Hua. Our failure to provide a couple of million extra credits will not become an issue on the Hill.³

³ A letter dated September 20 for Habib to send to Chen is attached but not printed. A copy of the signed letter is also attached. The letter informed Shen that although it "will not be possible to supplement this sum [\$35 million in foreign military sales credits for the ROC in FY 1977] with fall-out funds this year, the Administration has budgeted \$25 million in credits for FY 1978. The size of our credit allocation is, of course, not a limitation on your continuing access to military equipment required for your defense."

58. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, September 21, 1977

SUBJECT

Scheduling a Meeting with Chinese Foreign Minister Huang Hua on October 4

State and NSC will submit a coordinated plan for your approval for your UN visit. However, scheduling problems require your early assent to a meeting with the Chinese. Last Friday, we learned that PRC Foreign Minister Huang Hua, who will attend the UNGA, had been invited to Ottawa from October 4 to 7. To inform the Chinese that a visit on those dates would preclude meeting you, State called the PRC Liaison Office to say that you were planning to be in New York on October 4 and 5 and might be available for a meeting. On Monday the Chinese replied that Minister Huang is available for a meeting.

Cy Vance and I favor a 20-minute meeting with Huang during which you would express your commitment to normalization and describe your general approach to foreign policy. Vance will meet Huang on September 29 for a more extensive and detailed discussion.

You have not met with a Chinese official since February.² Your reception of Huang would balance Hua Kuo-feng's conversation with

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 7-9/77. Secret. Sent for action.

² See Document 5.

Cy—a meeting Cy did not request.³ Further, since normalization probably now must await ratification of the Canal Treaty, your meeting with Huang would suggest the relationship continues to be on track. A failure to see Huang would indicate slippage, while a carefully prepared statement by you after the meeting could strike just the right public note.

Recommendation

That you permit me to inform State to schedule the October 4 meeting.⁴

³ See Document 52.

⁴ Carter checked the Approve option and wrote, "OK. J."

59. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, September 23, 1977

SUBJECT

China Policy in the Doldrums: Analysis and Measures for Minimizing Risks of Erosion in the Relationship

Summary: You will recall from PRM 24, Part I,² that the Vance visit to Peking³ primarily sought to implement Option One: Seek normalization and to advance our security, economic, technological and cultural ties if the opportunity seemed present. Our own circumstances mean Option One is being temporarily shelved while we garner support for the Panama Canal. Vance's talks with Huang Hua during the UNGA will essentially attempt to consolidate the gains he made in Peking but not advance beyond them.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 9-12/77. Top Secret; Sensitive; Exclusively Eyes Only. Sent for action. At the top of the page, Aaron wrote, "ZB—This has some good ideas. DA 10/3." To the left of Aaron's comment, Brzezinski wrote, "MO. See my comments + let's talk. ZB."

² See Document 32.

³ See Documents 47-52

What comes after the Vance visit? State will bear the diplomatic burden of planning for that next round of discussions, presumably to be held in Peking through Woodcock. However, we are entering an uncertain era in Sino-American relations. We must examine ways to enhance the relationship through our international conduct—the President's exclusion of East Asia from his trip and his inclusion of India is no help⁴—and through initiatives in the security, economic, and technology realms.

This memorandum analyzes the situation, suggests some specific steps to retain momentum, and proposes that a PRC meeting be called to focus on several key issues.

The guidelines for Vance's September 29 meeting with PRC Foreign Minister Huang Hua have been set.⁵ They reflect a decision—whether consciously determined or not—not to move toward establishing full diplomatic relations with Peking during the coming five to six months. *Vance will not seek to advance the normalization discussions beyond his Peking presentation, but will attempt to reinforce and consolidate the accomplishments of his trip.* He will signal some flexibility on one key element of our presentation which aroused Chinese ire: the nature of our post-normalization representation on Taiwan. In Peking, Vance indicated we wished to retain non-diplomatic *governmental* representation in Taiwan, although we are prepared to settle for somewhat less than that. (How much less remains a matter for Presidential decision.) We deliberately had built bargaining flexibility into our position. Since we do not wish to retreat so swiftly, we will indicate that as a result of our visit, we understand the Chinese positions more clearly, that we are studying the matter, and that we will be back in touch. Vance also plans to dwell at length again on global issues—the Mid East, perhaps SALT, and the UNGA itself—and to repeat aspects of our normalization presentation to try to prevent misunderstandings about the seriousness of our intent. Finally, he will respond to the recent Chinese statements which have portrayed our stance as “regressive” and which have violated the confidentiality of our exchanges. He will not table a draft recognition communique.

I agree with this approach. We are not in a position domestically to absorb the normalization issue. Passage of the Panama Canal Treaty comes first, and raising the China issue would threaten that effort. It would be unwise for private discussions with Peking to race ahead of our *domestic*, public pronouncements. A gross discrepancy would be hard to keep totally secret and perhaps confuse the Chinese.

⁴ Carter visited India, Saudi Arabia, Egypt, France, and Belgium January 1–6, 1978.

⁵ Vance and Huang Hua actually met on September 28. See Document 62.

As a result, we are engaged in a holding operation, without a China policy in lieu of a focus upon normalization. In July, we had hoped by October to be narrowing our differences with Peking and to be preparing Congress and the public for a normalization agreement on mutually acceptable terms. We now face at least a four to six months hiatus on the normalization issue. While it is the only course available to us, we must be aware of its possibly serious and harmful consequences.

Although Vance will try to convince the Chinese of our continued earnestness, we should be prepared for an adverse Chinese reaction following the New York meetings. At worse, the Chinese may move toward a position of maintaining equidistance between the U.S. and the USSR, though they would be less likely to do so by moving toward the USSR than by moving away from us. *At best, the Chinese will wonder* whether our protestations of sincerity are genuine or serious. They may select from among these options to communicate their discontent and to prod us forward:

—They may continue and perhaps even intensify their critical comments about the Administration, claiming that we are not interested in normalization, that our strategy vis-a-vis the Soviets is ineffective, and that our foreign policy is worse than that of our predecessors.

—They may not appoint a replacement to Huang Chen when the PRC Liaison Office Chief returns to Peking in December.

—They may introduce irritants into the government-facilitated exchange program, as they did in 1975–1976, while expanding their non-facilitated contacts.

—They may extend many more invitations to potential political critics of the Administration (e.g., Rogers, Bush, Scranton, Kennedy, Jackson, and Zumwalt).⁶

—They may keep exports from the U.S. at their current low ebb, an unfortunate move for us since China appears on the eve of another round of turnkey plant purchases.

—They may heighten tensions in the Taiwan Strait through more active patrolling of the air and through a troop build-up in the provinces opposite Taiwan.

—They may hint that PRC–USSR relations might improve and even take small, largely symbolic steps in that direction.

This is not a fearsome list of possible immediate PRC reactions. Further, the two major risks which would alter our approach—a mili-

⁶ Three prominent Republican former officials had all planned visits to China in the fall of 1977: Ambassador George H.W. Bush, Secretary of State William Rogers, and Governor William Scranton. (Telegram 222362 to Beijing, September 16; National Archives, RG 59, Central Foreign Policy File, D770336–0129)

tary engagement in the Strait and Sino-Soviet rapprochement—are unlikely to occur in the next five to six months.

Perhaps the most serious risk we run is that during the six month period, the Chinese will conclude that we are not serious about normalization, which in turn could affect their global strategy. If they make such a judgment, it will be difficult to elicit a response at the time we are prepared to move forward. They may have adopted a mind set of waiting for a new Administration and posture themselves accordingly. In that case, the “window” will have closed. My own visceral feeling—a feeling widely shared by many China specialists—is that this is very likely to occur. The Chinese style is to make basic judgments about a person’s or government’s true intentions; once a conclusion is reached, it becomes very hard to reverse. In fact, one major reason for not tabling a draft communique is precisely to save that move for the moment when we will wish to have a maximum impact upon Chinese opinions about us—when we are indeed ready to normalize and desire a favorable Chinese reply.

Going into a holding pattern on normalization incurs domestic risks as well. For one thing, the Taiwan lobby will be emboldened to press their advantage. Moreover, in the absence of a general China policy, it becomes bureaucratically difficult to advance the relationship. Each step, each initiative, has to be fought on its individual merits. CIA China NIO Jim Lilley was able to join the George Bush trip only when Stan Turner talked to Cy Vance.⁷ An effort to monitor and curtail joint defense exercises with the ROC incurs the Pentagon’s counter-argument that such efforts are illegitimate attempts to make policy; our stated policy, DOD’s military planners correctly indicate, is enunciated in our still valid Defense Treaty with the ROC. An effort to facilitate the export of specific commodities or technologies which the Chinese have ordered for ostensibly peaceful uses becomes bogged down in bureaucratic routine; the items are subject to controls because some of their parts have defense applications. A search for a creative way to settle the claims-assets issue encounters resistance from legal obscurantists at Treasury whose careers are based on enforcing laws which inhibit settlement. In short, at a minimum initiatives that seek to implement the “spirit” of the Shanghai Communique engender debate because of honest differences over what the “spirit” means. At a maximum, they encounter insurmountable bureaucratic obstacles because the Communique has not been translated into the operative missions for most bureaucracies. Most departments still operate under guidelines that were based on pre-1972 China policy.

⁷ In Lilley’s memoir, he describes Department of State opposition to his participation in Bush’s delegation. (*China Hands*, p. 200)

As a result of these considerations, it seems to me, the cutting edge of our policy concerns now involves these questions: How do we minimize the risks of an irreversible erosion? Can we maintain some momentum in the relationship in the security, trade, and cultural realms? Indeed, can we make normalization appear to be inevitable, though not necessarily imminent? Such a posture would give us time to generate political support without arousing opposition. And more specifically for the President's October 4 meeting with Huang Hua,⁸ what can be said that can have a lasting value? [I'll address this issue in my talking points for the President.]⁹

Another issue involves the policy process itself. No agency is currently addressing China policy in the terms which I have now posed. For all us China specialists at State, DOD, NSC, etc., "normalization" has been seen as "the long bomb," the way to hit pay dirt quickly. Temporarily, at least, we're going to have to try to move on the ground, three yards at a crack. I frankly think that in this context, the burden will increase for the NSC and me in particular to seek and push the initiatives. I trust I will have your continued backing.¹⁰

One important way of fostering Chinese respect is to sustain the posture we established in Peking of conducting ourselves with integrity and self-respect. This means not promising more than we now feel confident we can deliver on normalization (such as by secretly promising normalization before 1980) and not pandering to their anti-Soviet biases. Kissinger adopted this course and it eventually backfired. We must avoid creating expectations we subsequently do not meet, to face intensified charges that we owe them a debt. At the same time, we need not apologize for the internal difficulties we face on normalization. The Chinese should realize that just as they have their principles, we have ours—namely, the cumbersome but democratic procedures which we intend to follow in the making of our foreign policy. We expect them partially to accommodate themselves to our principles, as we are prepared to do for their principles. As a result of this consideration, in their discussions with the Chinese, neither the President nor Vance should refer to the domestic scene as an excuse for our not normalizing, though Vance¹¹ may wish to note the importance of accurately understanding the complex and protracted process of government in which we have such pride.

⁸ Next to the reference to the President's meeting with Huang Hua, Inderfurth wrote, "Now cancelled. RI."

⁹ Brackets in the original.

¹⁰ In the margin near the end of this paragraph, Brzezinski wrote, "Yes."

¹¹ Someone crossed out "President" and wrote, "Vance."

Secondly, we will have to behave with discipline. If and when the Chinese become acerbic and/or distort the record, we will be tempted to set the record straight. I hope we will be able to avoid indulging ourselves and to handle our public commentary well. *The President in particular will have to display forbearance by not castigating the Chinese during a period when they may be attacking him.*¹² Most important, we will have to avoid characterizing the Chinese position or indicating normalization is an issue about which we can afford some patience. This may be true, but only so long as we do not *appear* complacent.

During this interim period, even in the face of possible domestic criticism from both pro-Peking and pro-Taiwan elements, we will not be able to say very much or defend ourselves at length. I personally think, for example, that it would be unwise for any extensive Congressional testimony to be offered on China policy. (Holbrooke is currently scheduled to testify publically at Wolff's China hearings in early October.¹³ I am encouraging him to speak only in executive session.)

How we behave globally will be a third, crucial determinant of our ability to sustain and cultivate our China connection. The President has said China is an important element in our total foreign policy; operational significance must now be given to that statement. Should Carter meet Brezhnev outside Washington, for example, in selecting the meeting place, we should take into account Chinese reactions. A meeting in the Pacific, which symbolically acknowledges the Soviet's Pacific role, would be less desirable than a meeting in Geneva or Vienna. A Mid East settlement which would assign the Soviets a significant role in helping maintain the peace would contradict all our explanations to Peking of the rationale of our policy: to exclude Russian influence. Progress toward an Indian Ocean naval limitation agreement would also prove disquieting. In short, during the Sino-American hiatus, if signs of Soviet-American cooperation and creation of a U.S.–USSR condominium far exceed signs of Soviet-American competition and rivalry, the Chinese will be more tempted to establish an equidistance between the two super-powers. This suggests we must now be more attentive to the Chinese dimension on such issues as SALT, MBFR, the Indian Ocean, and the Middle East. *Continued discussions with the Chinese about our global policies will also be imperative.*

Finally, we will wish to undertake several collateral measures for enhancing the relationship. The dangers with the collateral measures absent progress on normalization are first that the Chinese will react negatively on the grounds we are trying to have our cake and eat it too and

¹² In the margin, Brzezinski wrote, "Why?"

¹³ Representative Lester Wolff (D–New York) was Chairman of the House Subcommittee on Asian and Pacific Affairs.

second that some of the individual measures could induce Congressional opposition. The total list of possible initiatives is by now well known to you. Here are the specific items which I now recommend we undertake:

—Move to settle the claims/assets issue by *not* pressing the Chinese for the \$17 million contribution they had earlier promised, and by searching for imaginative ways *internally* to get a forty cent on the dollar settlement (e.g., by seeking interest from banks which held the blocked assets in interest free accounts and by reducing the value of claims which have already been compensated through tax write-offs).

—Facilitate the flow of technology to the PRC. In particular, after a more careful look, one of the four items we earlier had designated for special study appears to merit *immediate* licensing possibly through Presidential intervention. The item is used for aerial surveying and involves scanning and tape recording equipment.¹⁴

—Reduce our military presence on Taiwan by drawing forces down from the current 1000 to 500 by April 1. General Brown has indicated this goal can be met and he does not object to it.

—As part of our effort to reduce the scope, size, and frequency of our military activities on Taiwan, cancel all scheduled Lark/Eagle/Blue Sky joint military exercises with the ROC for 1978. These exercises are not really “joint;” rather, they involve U.S. jets based in South Korea and Japan and on aircraft carriers testing the ROC air defense system.¹⁵ The exercise does not involve enough jets to approximate a PRC air attack, nor would we wish it to. We should encourage the ROC to develop a capability of testing its own air defense system. This can be done.

—Instruct members of our NATO staff to establish contact with the PRC military attache in Brussels and give him a briefing on current NATO defenses and exercises, including Reforger. (DOD prepared a memorandum on this initiative at my request. It is at Tab A.)¹⁶

—Permit Mort Abramowitz of DOD/ISA to invite Ambassador Han Hsu for lunch.¹⁷ Talking points would cover PRM 10 and Presi-

¹⁴ In the margin, Brzezinski wrote, “develop memo.”

¹⁵ In the margin, Aaron wrote, “I disagree. DA.”

¹⁶ In the margin, Brzezinski wrote, “I agree.” The memorandum is not attached. A memorandum from Harold Brown to Brzezinski, stamped October 4, proposes that “members of the NATO staff brief the Chinese on the NATO initiatives program and recent NATO exercises to include Reforger. If appropriate, the briefing might conclude with an invitation to the PRC to either send a military delegation to tour NATO or observe future exercises.” (Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 4, Defense Department: 10-11/77)

¹⁷ In the margin, Brzezinski wrote, “invite deputy.”

dential Directive 18, as described in the *New York Times*.¹⁸ This would be the first contact between the Liaison Office and DOD and would occur at the appropriate level. If the meeting went well, it could lead to a Secretary Brown–Huang Chen meeting and/or a visit by a DOD official to Peking.

—We might wish to look at our weapons sales policy to Taiwan. The issue here is whether we should link weapons sales to progress on normalization. That is, as a means of securing leverage over Taipei, are there any sales or transfers we should seek to hold up because there is no progress toward normalization? The idea obviously would be to indicate to Taipei that they will bear some costs in the event momentum on normalization is lost. The arguments against are that we wish to accelerate arms sales prior to normalization so the island is well supplied and that restriction of sales would heighten Taipei's anxieties about our intentions.

Some of these issues ought to be the object of a PRC meeting, particularly whether to push for a claims/assets settlement (Treasury and State have interests here), whether to draw down our Taiwan military personnel, whether to ease technology transfer to the PRC, whether to engage in symbolic security cooperation measures, and whether to alter our weapons sale policy toward Taiwan during the normalization hiatus.

Beyond these specific initiatives, we also must decide how to integrate PRM 24, Part III (Technology Transfer to the PRC) with PRM 31. PRM 24, Part III is now in penultimate draft, is close to inter-agency clearances, and will soon await a PRC meeting. It adequately addresses the China side of the technology transfer issue. Hence, PRM 31 need not develop another set of options with respect to technology transfer to the PRC.¹⁹

Recommendation:

That you allow Mort Abramowitz to invite Han Hsu for lunch.²⁰

¹⁸ On July 11, William Safire discussed PRM 10 in his *New York Times* column ("PRM-10 and Era-Two," p. 19). PRM 10, February 18, is entitled "Comprehensive Net Assessment and Military Force Posture Review." PD 18, August 24, is entitled "U.S. National Strategy." Documentation on PRM 10 and PD 18 is scheduled for publication in *Foreign Relations, 1977–1980*, vol. IV, National Security Policy.

¹⁹ In the left margin next to this paragraph, an unidentified person (probably Inderfurth) wrote, "General policy guidelines developed by PRM 31 *should* apply to China. Specific China options, however, should be left to PRM 24, Part III." The executive summary of the paper prepared in response to Part III of PRM 24 is Document 67. Documentation on PRM 31, August 18, entitled "Export Control of US Technology," is scheduled for publication in *Foreign Relations, 1977–1980*, vol. III, Foreign Economic Policy.

²⁰ Brzezinski checked the Disapprove option and wrote, "invite deputy."

That you instruct me to draft a memorandum from you summarizing this paper to Cy Vance and that you instruct him to prepare an options paper for a PRC meeting to discuss the five questions I raised above.²¹

²¹ Inderfurth underlined “PRC meeting,” and wrote, “The PRC meeting could combine a discussion of PRM 24 Part III (technology transfer) with the five items Mike mentions. Rick.” Brzezinski checked neither the Approve nor Disapprove option.

60. Memorandum From Thomas P. Thornton of the National Security Council Staff to the President’s Assistant for National Security Affairs (Brzezinski)¹

Washington, September 27, 1977

SUBJECT

The Hua Non-Meeting and Sino-US Relations: A Polemic

The charade in New York over the President’s non-meeting with Huang Hua underlines the ridiculous situation that we have let the Chinese put us into. Consider for a moment: If Vance were in Peking and suddenly got asked to see Hua, would he not find a way to postpone his departure for a meeting in Japan for two hours? Obviously. But this is just what Huang was “unable” to do—postpone a flight to Canada in order to meet with the President. On top of this, our people were apparently running around in New York for several days trying to find ways of ensuring that a meeting take place.

We should not have asked Huang in the first place. He is only a Foreign Minister, and any initiative should have come from him. But for some reasons having to do, I gather, with the mystical Orient, we are not allowed to deal with Chinese as if they were ordinary mortals. Our Presidents and Secretaries of State haul themselves off to Peking to do homage; Chinese officials soil their shoes with American dirt only en route to the UN. It’s time we got over this.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People’s Republic of): 7–9/77. Secret. Sent for information. Copies were sent to Armacost, Oksenberg, and Hyland. At the top of the page, Brzezinski wrote, “Good job. ZB.” Above that, an unknown hand wrote, “DA,” denoting Aaron.

I know all the arguments about history, Taiwan, and the like, and I just don't believe that they wash. China has at least as much at stake in the Sino-US relationship as we do. We should not let ourselves be cowed by incantations from the Sinologists in the academic community nor by a misplaced guilt complex. We should treat the Chinese like ordinary humans. Perhaps then they would start to act that way.

I suspect that Mike Oksenberg might find a few details here with which he might mildly disagree. It would make an interesting debate in a staff meeting.

61. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, September 28, 1977

SUBJECT

A Response to Thornton Polemic (Log #6340)

I prefer not to engage in polemics.

I prefer to congratulate Tom on the excellent list of interlocutors he has arranged for the President through the rigid application of his principle. The validity of the principle Tom defends is revealed by the results it has produced.

It is clear Tom has chosen to draw conclusions before becoming fully informed about the effort to secure a Huang–Carter meeting. In particular, Tom seems to be laboring under the impression that we asked the Chinese for the meeting. That is inaccurate. I carefully monitored all messages between State and the PRC U.N. Mission. Both sides expressed an interest in a meeting, and the question was whether a time could be arranged.

By the time we were able to specify a day and hour, the Chinese had already made plans for the Canadians to send an aircraft to New York for a 10:00 a.m. pickup. Huang is scheduled to see Trudeau imme-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 7-9/77. Secret. Sent for information. A copy was sent to Thornton. At the top of the page, Brzezinski wrote, "DA. Things are getting lively! ZB." The memorandum was a response to Thornton's September 27 memorandum, see Document 60.

diately upon his arrival, the Chinese have told us. All sources suggest the Chinese were genuinely sorry a meeting could not take place.

Not only is Tom's characterization of our behavior as undignified simply incorrect, but I am concerned about his lack of discretion in disseminating inaccurate information to other staff members before discussing the matter with me. This is how inaccurate items find their way to the press.

I have mentioned this to Tom orally. There is no reason to involve you in issues before your staff first tries to clarify the issues and to prevent misunderstandings.

On the broader subject—how we should deal with the Chinese in the absence of normal diplomatic relations—I would welcome a staff discussion. It is clear Tom feels cowed by Sinologists. I am not surprised. Indianists, reflecting India, are generally cowed; it's one of the root problems of Hindu culture.

62. Memorandum of Conversation¹

New York, September 28, 1977, 8:40–10:50 p.m.

SUBJECT

Secretary's Dinner for PRC Foreign Minister Huang

PARTICIPANTS

<i>U.S.</i>	<i>PRC</i>
The Secretary	Foreign Minister Huang Hua
Ambassador Leonard Woodcock	Ambassador Chen Chu, PermRep to UN
Under Secretary Habib	Counselor Chou Nan, PRC UN Mission
Assistant Secretary Holbrooke, EA	Tsien Chia-tung, Adviser to UN Delegation
Deputy Assistant Secretary Gleysteen, EA	Ting Yuan-hung, Director, American Division, MFA
Michel Oksenberg, NSC	Kuo Chia-ting, Adviser to UN Delegation
Harry E. T. Thayer, Director, EA/PRCM	Shih Yen-hua, Interpreter

(The Chinese arrived ten minutes late. Press photographers remained for 2–3 minutes. The first portion of the conversation took place in a sitting area adjacent to the dining area. The Secretary and Foreign Minister exchanged greetings on behalf of their wives and exchanged other courtesies briefly.)

The Secretary: I understand that you will be speaking at the General Assembly tomorrow.

Minister Huang: Yes. I'll be speaking third in the afternoon at about 5:00 p.m.² This is only an expectation.

Middle East

The Secretary: I have just come back from Washington where I had two meetings with the Syrians and Jordanians on the Middle East problem. Now I have had meetings with Foreign Minister Dayan, For-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 9–12/77. Secret; Nodis. The dinner took place in the Secretary's Dining Room in the UN Plaza Hotel. Woodcock provided advice for Vance's meeting and also recommended, "Needless to say I think we should accept the 'Japanese formula' of non-official representation in Taipei." (Telegram 2138 from Beijing, September 21; National Archives, RG 59, Central Foreign Policy File, P840076–0632)

² Huang Hua's address to the UN General Assembly on September 29 was reported in the *The New York Times*. See Kathleen Teltsch, "Peking, at the U.N., Describes Russians as Top War Threat," *The New York Times*, September 30, 1977, p. 8.

eign Minister Fahmi and Foreign Minister Khaddam and Chief of Court Sharaf; and Boutros of Lebanon is coming next week. We are concentrating now on seeing whether or not we can resolve the question of participation of the Palestinians in the Geneva Conference. Everybody now is in agreement that there should be a unified Arab delegation, including the Palestinians. The big issue is how to define the Palestinians and how to organize them.

Minister Huang: The resolution now in the UN says that the PLO is the sole legal representative of the Palestinians. But UN resolutions often mean nothing to many people.

The Secretary: We will keep working hard to resolve the participation question; because if we can, we can then have a Geneva Conference by the end of the year, but we have a long way to go and it is going to be hard.

Minister Huang: While in Peking the Secretary of State was hopeful but now says it's hard.

The Secretary: But I am hopeful.

Minister Huang: Secretary Vance is always an optimist.

The Secretary: But now both parties say that the Palestinians should participate. The Israelis have changed their view. In addition, since I saw you in Peking, we have received suggestions from the parties on draft treaty language, and this has been helpful in getting more detailed expositions of the positions of the parties. It doesn't make the issues easier to solve, but it makes them clearer. We have gotten down to issues of what to do in particular areas, of specific territories, security arrangements and guarantees and those kinds of concrete matters. Since the last time I saw you the question of settlements has become more heated than it was.

Habib (to the Secretary): You have talked to the Soviet Co-chairman.

The Secretary: I have had discussions with the Soviet Co-chairman about the Geneva Conference and will be meeting again with him on Friday to talk about this and to see if the Co-chairmen should issue a joint statement about calling for convening of the Geneva Conference. You might be interested in what has happened on the SALT talks since I last saw you.

Africa

Minister Huang: May I interrupt?

The Secretary: Of course.

Minister Huang: I remember in Peking how Vice Premier Teng Hsiao-ping said that if in the Middle East you could check the Israelis

and in South Africa check the South Africans you would be able to get leverage so that things may change.³

The Secretary: As far as Rhodesia is concerned, we hope we can work out through the parties specific proposals for a special representative and discuss transitional arrangements. If so, it will be a positive first step.

Minister Huang: Why didn't you wait for discussion of the Anglo-American report? Why pick up Paragraph 11–C of the special report?

The Secretary: Because we think it's important to begin discussions with the parties about what is involved. So it would be useful for the UN Representative to sit down with the designated parties and see if there is a practical way to resolve the question. Security issues are of fundamental importance and we should proceed step by step. What's more, we think it is important that the Africans think we should proceed in this fashion rather than take up the whole thing first.

Minister Huang: The Security Council is now discussing this question and Ambassador Chen attended the discussion this afternoon.

The Secretary: I have not had time to catch up on today's events. How did it go?

Chen: The meeting adjourned without conclusion and will convene again tomorrow.

The Secretary: Who all talked this afternoon?

Chen: All member states except China, the Soviet Union (etc.). Nkomo also spoke. I don't know what the views of Mr. Mugabe are. The British are very vague about Mugabe's views.

The Secretary: And Nkomo?

Chen: They didn't touch on Mugabe's views. The Zambians distributed a statement which Nkomo and Mugabe signed. Our British friends are very impatient and wanted a Security Council resolution today, but many problems need to be clarified and many Africans want to speak. There is a Chinese saying: "much haste less speed." Perhaps the Africans are dissatisfied with the proceedings today. Tomorrow afternoon after Foreign Minister Huang's speech we will have a Security Council meeting.

The Secretary: The Front-Line Presidents have spoken but perhaps others will want to speak too.

Minister Huang: You were about to say something about SALT.

SALT

The Secretary: Since I last saw you we have had two meetings with the Soviets, and last Thursday and Friday Gromyko was in Wash-

³ See Document 50.

ington. There was some narrowing of differences. Then last night he came down, as you know, and there was further narrowing of differences, but there are still issues that divide us. We agreed to turn it over to our two delegations in Geneva and ask them to resolve differences. They will keep the two Foreign Ministers informed and we will see what progress they will make.

Minister Huang: What is the aim of all this, because both sides have agreed to prolong the agreement?

The Secretary: Perhaps I can finish and then answer the question. My judgment is that agreements will eventually be reached, but I cannot say when now. It depends on the flexibility that will be shown. We will just have to wait and see. Regarding the interim agreement, it does expire on October 3. But both sides felt it would not be useful if the agreement expired to have an immediate build up of arms. So it would be useful for each side to agree to abide by the agreement, but each could terminate at any time, without notice to the other party.

(The Secretary invites the Chinese to move to the table.)

Meeting With President Carter; Visit to Canada

The Secretary: I gather you are going to Canada from here?

Minister Huang: That is something I was going to tell you. While I was in Peking we contacted the Canadian Embassy to arrange a visit when I came to New York. (Huang notes approvingly that he has been served Mao-tai). It was agreed that I would go on a visit from October 4 to October 6. We know that this is the busiest time for the Canadians. There are two Prime Ministers and two Foreign Ministers visiting so they can have little room for changing our program. So when President Carter proposed a meeting, we suggested early on the morning of the 4th before his speech, but there seemed to be difficulties in making such an arrangement. I am very sorry I was not able to meet President Carter.

The Secretary: He is sorry too.

(Small talk about the menu and Mao-tai.)

The Secretary: We have seen a good deal of the Canadians recently, including the Foreign Minister in the last few weeks. We have done a great deal of work together, including working on a joint enterprise to transport natural gas down to the U.S. overland. We have also been discussing fishing problems, new treaties, boundary arrangements, working out some of these problems. Do you still know a number of people in the Government who were there when you were there?

Minister Huang: Prime Minister Trudeau; but apart from him I don't know many people.

Someone: Mr. Jamieson?

Minister Huang: No. Mr. Sharpe was Foreign Minister. That was 1971, and I was Ambassador to Canada for only five months before I left.

Chinese Agriculture; Fertilizer; CCPIT Visit; Ambassador Woodcock's Trip

(There ensued joking among the Americans about Mr. Habib's service in Canada as an expert reporter on eggs. His assignment to New Zealand was also mentioned.)

Mr. Habib: The Canadians are facing many political problems.

Minister Huang: Quebec?

The Secretary: Yes. But it also spills over into other provinces. It has a ripple effect.

Mr. Habib: Are you still buying lots of Canadian wheat?

Minister Huang: Yes, but I don't know the exact figure. Canada and Australia are our main wheat suppliers.

Mr. Holbrooke: Did the China Council for the Promotion of International Trade have a good trip?

Minister Huang: I had no time to meet them.

Ambassador Woodcock: A few days ago I was introduced in the Northeast of China to Kaoliang chiu (wine). It makes this Mao-tai taste mild.

Minister Huang: Did you go to the North East?

Ambassador Woodcock: Before the 18th. I visited Shenyang, Changchun, Taching, Harbin.

Minister Huang: Taching is very interesting.

There is a chemical fertilizer plant nearby, purchased from the U.S. I had a very interesting visit there.

(Both sides discuss the expansion of China's agricultural production and the need for fertilizer and water. Mr. Habib mentioned the writings of John Lossing Buck on Chinese agriculture, noting that Pearl Buck was not a very popular figure in China but that her husband was a good agricultural economist.⁴ The Secretary recalled his 1975 trip and meeting with engineers from the fertilizer plants.)

Mr. Habib: Did you agree to buy another fertilizer plant, Mr. Minister? Let's close a deal.

Mr. Holbrooke: Has Huang Chen arrived back in the U.S.?

Minister Huang: (After consulting with others.) Yes. Yesterday.

⁴ John Lossing Buck was an agricultural economist who worked in China in the 1920s and 1930s. His wife, Pearl S. Buck, wrote about China and was the first American woman to win the Nobel Prize in Literature. Some leftist intellectuals criticized her work as anti-revolutionary.

(The two sides discussed National Days in Washington and New York; Mr. Habib said he was sorry that he could not make the National Day celebration in Washington. There followed small talk about the Secretary's previous service as Pan Am board member, enabling his wife, but not children, to travel free on Pan Am.)

Mr. Habib: (After small talk about New York City.) Let's get down to basics, Mr. Minister, are you an optimist or a pessimist?

Minister Huang: For different reasons, I am an optimist.

Yugoslavia

Mr. Habib: (After someone mentioned Lazar Mojsov, GA President.) He is a good man, and will make a good President of the GA.

Minister Huang: Yes. He is a good man.

The Secretary: I am very sorry that I did not meet Yugoslav Vice President Kardelj this afternoon. But I became tied up with a Middle East meeting.

Minister Huang: In the Yugoslav Party Kardelj is the senior official apart from President Tito—a veteran.

The Secretary: How was the Tito visit?

Minister Huang: Very good. Both sides were very much satisfied. When you were in Peking Vice Premier Teng talked about Yugoslavia. Through the visit of Tito to China, it has been proved that what Vice Premier Teng told you was correct: the determination of Yugoslavia to defend its independence, sovereignty, and to resist outside aggression. The Yugoslavs have made full preparations. Through this visit, our two countries are able to fully develop their relations—trade, science and technological cooperation, cultural exchanges and exchanges of visits.

The Secretary: Yes. We are fully familiar with this. We have discussed preparations with Yugoslavia—logistic support.

Minister Huang: I think in arms production, the Yugoslavs are self sufficient (at least) in infantry weapons.

The Secretary: Yes, but they need tanks and other things. We have discussed weapons, and we have supplied them with aircraft in the past. I believe that I will meet with the Yugoslav Foreign Minister tomorrow or the next day.

Minister Huang: Minic?

The Secretary: Yes. I last met him several months ago in Paris.

Minister Huang: My impression is that Mr. Minic is very knowledgeable. He is a veteran fighter, the same generation as President Tito, who launched the guerilla war against fascism. He started with the underground student movement.

The Secretary: That generation of Yugoslavs was very courageous and very able.

Minister Huang: President Tito is the only survivor of the leaders of the Second World War, who led the people in the fight against fascism. Now he is already 85. President Tito expressed the desire to visit Chairman Mao long ago. Chairman Mao had high regard for President Tito. When the Foreign Minister visited China, in 1975, Chairman Mao passed his high regards to Tito. His name means the same as iron, and Mao described him as strong as iron. So, when President Tito came, we paid him a warm welcome. He is the only survivor of the three leaders of the non-aligned movement—the other two were Nehru and Nasser. Yesterday, the President of the General Assembly, Mojsov, told me that when Tito went back to Yugoslavia from China, the Yugoslavs dispensed with the usual protocol for welcoming their leader upon his return. Six hundred thousand of Belgrade's one million people came to the streets to welcome President Tito.

Mr. Habib: President Tito went to North Korea on this trip. Did he learn anything interesting? He went before Peking, didn't he?

Minister Huang: The first country he visited was the Soviet Union, then North Korea, then China. As for his trip to the Soviet Union, as we can see from the joint communique, Yugoslavia adheres to its own principles.

Mr. Habib: That means he doesn't like the Soviet Union. But what about North Korea? Anything interesting?

Minister Huang: He received a very warm welcome.

Mr. Habib: That's not very interesting. If they gave him a cold welcome, then it would have been interesting (laughter).

Disarmament

The Secretary: (After a pause) How do you see the special session?

Minister Huang: You mean on disarmament?

The Secretary: Yes.

Minister Huang: We don't have much interest in it. There have been many lessons in this field. The talks in Geneva have been going on for 17 years. Documents have been piled up, in room after room. But not a single rifle or bullet has been reduced . . .

Mr. Habib: It is not a place for an optimist.

Minister Huang: This is not exaggeration.

Africa: The Horn

The Secretary: Have you been following the situation in the Horn of Africa recently.

Minister Huang: It seems that the situation has gotten out of Soviet hands recently. As you said in Peking, the Soviets are trying to ride on two horses.

Mr. Habib: And they have already fallen off one.

The Secretary: The situation is still very unstable.

Minister Huang: I believe Ethiopia has asked for arms.

The Secretary: Yes, but we are not giving any.

Mr. Habib: Nor are we giving spare parts, and we are giving nothing to Somalia either.

The Secretary and Habib: They have enough. They are getting what they need, and they have some rich friends.

Minister Huang: But the Somalis are complaining. They have Soviet arms.

The Secretary: Yes. And the Soviets have cut them off.

Mr. Habib: That's the first horse from which they have fallen.

The Secretary: They have had to reduce their presence in Berbera, too. We have been invited to put a ship in for a port visit there. We will probably do it.

Minister Huang: You have decided to visit?

The Secretary: No. They have invited us to do so, and we are placing that under consideration. They have said it would be interesting.

Minister Huang: Is it true there is a missile base there? We have seen pictures of them in your newspapers.

The Secretary: Not a base, but there are missile repair facilities. We have pictures of them. We have offered our Soviet friends these pictures if they want them.

Mr. Habib: Do you think the Somalis will hold on?

Minister Huang: I don't think they will give it up. But the war will be expanded and continued.

The Secretary: The Kenyans are getting worried now.

Minister Huang: The OAU is not quite in favor of the Somali action. It wants to mediate.

The Secretary: But it can't make up its mind to do anything. It can't get the votes to take action.

Mr. Habib: Have the Somalis asked you for arms also?

Minister Huang: They mainly have asked for assistance in other fields. Vice President Ismail visited in June. He raised requests for economic assistance and economic cooperation. We are doing our utmost to help Somalia with roads, textile mills and bridges. Some projects are completed. They now have requested help to build dams for a hydroelectric power plant to raise agricultural production.

The Secretary: Are you giving help to Mozambique too?

Minister Huang: Yes. But I do not know the details.

Mr. Habib: You used to do a lot more in Africa than you are now doing. You have reduced your effort.

Minister Huang: Several years ago we had a big project, the Tanzam railroad. In terms of money this was a big portion of our effort, and that effort has now been reduced.

Africa: Southern

The Secretary: If we go forward in our project to help the Rhodesians—the black Rhodesians—to achieve majority rule, and the right to rule their country, we have agreed to give a great deal of additional assistance, to help the country come into being. We would expect also that Namibia—after elections are carried out—would also need much help, and we will give considerable help to them also.

Minister Huang: It's not going to be easy to solve these two problems.

The Secretary: Right. It will be difficult, but we are on the way. I am an optimist.

Mr. Habib: You can help.

Minister Huang: The help we can give them is to give rifles and artillery to defeat the Smith regime. When that is accomplished, it can be solved. Smith will not yield until his troops are defeated.

The Secretary: It also needs political and economic pressure against him.

Minister Huang: What about Vorster?

The Secretary: He has been helpful to a minor degree behind the scenes, but not as far as we wished he would go. We have indicated that if he is not more helpful, we are prepared to take steps that will affect South Africa itself. We will be watching very carefully to see what happens in the next month or two.

Mr. Habib: You have heard what our Ambassador said on this topic today?

The Secretary: We have talked to Kaunda, Nyere and Machel—at great length on many occasions.

Chen: Yes. Ambassador Young said that the OAU is strong enough to force the super-powers to act on behalf of the African states. (laughter)

Mr. Habib: He meant the Soviet Union and China.

Chen: Everyone smiled at this portion of his speech.

Minister Huang: Does he still believe the Cuban presence in Africa to be a stabilizing factor?

Mr. Habib: If he still believes it, he doesn't say anything. Have you asked him?

Minister Huang: He is very active.

The Secretary: He has been very successful.

Mr. Habib: In many respects, he has helped turn around African policy.

President's Trip

The Secretary: I might say a word about the President's trip. In the latter part of November, he is visiting Latin America, Africa, India and several countries in Europe. It is his first real extended trip outside of the U.S., aside from his brief trip to Western Europe. He will go to Latin America, visiting Venezuela, a country which has worked closely with us in the hemisphere, cooperating with us on a number of important issues. Also Brazil, an increasingly important country. Then he goes to Nigeria. As I told you in Peking, our relations had deteriorated for a number of years, but now our relations are warm and friendly. Since the change of Government in India, our relations have improved markedly and we will visit there as well. We will pay a return visit to the Shah, who will visit here next month. Then he will go to Europe: Poland, Belgium and France. In eleven days he will visit four continents and eight countries. He will cover a good deal of ground in a brief period and have an opportunity to further develop relations.

Minister Huang: How many days altogether?

The Secretary: Eleven days.

Mr. Habib: Four continents and eight countries.

The Secretary: Lots of travelling. I will go for much of the trip. I may come back in order to work on Middle East problems.

Secretary's Toast

The Secretary: (rising) Mr. Minister, a word of welcome. It is a great pleasure to welcome you to New York. New York is not new to you. It is a great pleasure to have you here as Foreign Minister. I warmly recall the splendid hospitality extended to me in Peking. I recall that in Peking we had serious and candid exchanges on a wide variety of subjects, both global and bilateral topics. I recall that at the Summer Palace, Vice Premier Teng Hsiao-ping said he hoped that relations would continue to move forward. In my meeting with Chairman Hua, he said he hoped to move forward and that I would so inform President Carter.⁵ I have done so, and can tell you that the President has asked me to reaffirm that he deeply shares this view and the hope that our relations will move forward to the point of normalization.

⁵ See Document 52.

I propose a toast to the health of Chairman Hua, of the Foreign Minister and of our Chinese friends and to the friendship between the Chinese and American peoples.

Huang's Toast

Minister Huang: It is a great pleasure to return to New York in my capacity as head of the Chinese delegation at the 32d session of the GA. I have lots of old friends in the UN and lots of good friends among the American people in New York. This time, when I have come back, I have had the chance of meeting old friends, especially American friends, and this gives me the opportunity of exchanging views on a number of questions. And this evening, Your Excellency Mr. Vance and other friends who visited China are holding this dinner for us. I wish to express thanks.

When Chairman Hua learned that I was going to the UNGA, he asked me to convey a message to President Carter. So I'll take this opportunity to convey a message from Chairman (sic) Hua to President Carter. Chairman (or Premier?) Hua expresses greetings to President Carter. Premier (sic) Hua hopes you will convey to the President that he thinks Sino-US relations are not a diplomatic question but a political question. It is necessary to consider this question from the viewpoint of long term strategic interests. He hopes Sino-US relations will develop on the basis of the Shanghai Communiqué.

I propose a toast to President Carter, to the Secretary, and to other friends, and to friendship between the people of China and of the United States.

(Small talk about tea and coffee.)

Normalization

The Secretary: On the question of normalization of relations, when I was in Peking, the Vice Premier indicated we should, in his judgment, reflect on what he had to say and asked that I discuss his views with President Carter and consider it from the strategic point of view. We have been doing this, and we have not yet completed our reflections. This should be in the near future. When we have, we shall be back in touch with you. And when that time comes, I suggest we will ask Ambassador Woodcock to convey our thoughts to you. We would convey our thoughts in that fashion. Both the President and I have complete confidence in him. So if you think this is appropriate, we can proceed in that way, in accordance with what the Vice Premier said. We would plan to do this in that fashion. (Huang clearly understood this in English and was nodding his head throughout the presentation.)

Minister Huang: I remember that Vice Premier Teng at that time said he did not request an immediate reply. He suggested that, after se-

rious consideration, you may give us a reply. He also said that he would not press.

As to when the Secretary thinks he is able to present new views on the question of normalization on the basis of the principles of the Shanghai Communique, it is up to you. I think it is perfectly appropriate to give the reply through Ambassador Woodcock. We agree to this idea.

(The Secretary began to end the dinner by offering Mrs. Vance's best wishes, expressing hope that she would be able to see Madame Huang before the latter returned to China. Huang asked Ambassador Woodcock how long he would remain in the U.S., to which the Ambassador replied, "a few days". Ambassador Woodcock joked that Peking is now his "home," and when in Harbin he referred to it as such. He added that he hoped to travel south shortly after returning to Peking.)

(The Secretary proposed that if he encountered the press after the dinner he would say that it had been a great pleasure to have had a chance to meet the Foreign Minister again and to exchange views on a variety of subjects, and that he looked forward to continuing these exchanges in the future. If asked about normalization of relations, he would say we would continue to be guided by the principles of the Shanghai Communique, with the ultimate objective of normalization. Huang agreed.)

(In conducting Huang to the elevator, the Secretary briefly addressed the issue of the Vice Premier's public characterization of the Peking visit. He said he had received the message through Ambassador Bush and that he now considered the matter closed. The Secretary said later that Foreign Minister Huang seemed puzzled by the reference to the Bush message, perhaps indicating that he wasn't aware of that exchange with Teng.)⁶

(Messrs. Holbrooke and Thayer accompanied the Chinese down on the elevator. In encountering the press on his way out to 44th Street, the Foreign Minister substantially followed the press line proposed by the Secretary, saying that the two sides exchanged views concerning

⁶ Deng and Bush met in the Great Hall of the People on September 27. During their discussion, Deng noted that, while talking to a reporter with the AP, he had felt compelled to say that there was no flexibility in the Chinese position on Taiwan. He remarked that he had done this in order to contradict public comments, which Deng attributed to Vance, indicating that there was flexibility in the Chinese position. A transcript of the Deng–Bush conversation was transmitted in telegram 2199 from Beijing, September 29. (National Archives, RG 59, Central Foreign Policy File, D770354–0660) Deng's interview with AP reporter Louis D. Boccardi is attached to a memorandum from Oksenberg to Brzezinski and Aaron, September 6. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 7–9/77) See also footnote 3, Document 56.

the international situation and agreed to continue to contact each other on bilateral relations.)

63. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, October 7, 1977

SUBJECT

Five Reasons We Treat the Chinese Differently

Tom Thornton's memorandum on the ill-fated President–Huang Hua meeting² did raise a good question which now merits a more considered response: Why should we be willing to treat the Chinese differently? Here are five reasons.

—In fact, we treat each major nation distinctively—the Soviets, England, France, Japan, Israel, and so on. Our foreign policy must take into account special cultural and strategic factors in dealing with each country. So be it with China.

—We pay China less to support NATO than we do some of our NATO allies. If it takes a certain amount of deference to Chinese symbols to help ease Chinese tacit support of our global strategic posture, it is a cheap price to pay. Put more abstractly, on balance, our current relationship with China is basically reciprocal, but the overall symmetry is attained through asymmetry in particular realms. For example, we have diplomatic links with both Peking and Taipei; we are the only country in this position. Even comparatively low ranking Americans meet high-level Chinese officials in Peking, but the President and Vice President rarely greet visiting Chinese. We must therefore keep in perspective those areas where the advantage is in Chinese hands: our willingness to visit them in Peking and, to a certain extent, to conform to their Middle Kingdom outlook.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 10/77–1/78. Confidential. Sent for information. A copy was sent to Thornton. There is no indication on the memorandum that Brzezinski saw it.

² See Document 60.

—How we treat the Chinese, as superior, equal, patron, client, or whatever, has been an issue since Americans first came to Chinese shores in the late 1700s. If history teaches us anything, it is this: Efforts unilaterally to stipulate the terms of interaction between the Chinese and us, particularly with the intent of inducing them to behave like us, are bound to fail. We are engaged with the Chinese in the search for mutually satisfactory modes of interaction. It will take a long time to identify them. But in these early stages of that search, we must be flexible and innovative, while simultaneously making sure precedents are not set that will return to haunt us. In the U.N. case, I was perfectly content for us to exert some initiative to set a meeting, since in Peking the Chinese display the initiative in similar circumstances.

—Let us recognize that the United States is not the only country which partly configures itself to conform to Chinese ritual. Others do it as well, particularly Japan and Western European countries. Before departing from the general pattern, one might ask whether others would emulate our example or whether once again our China policy would be isolated from the way others approach diplomacy in Peking.

—Finally, we must remember that we do not recognize PRC officials to be the legitimate representatives of China. We still officially acknowledge Taipei officials to be the representatives of the government of all of China. Until we change this position, it is impossible to deal with PRC officials as we do with diplomats from other countries. We have to compensate for lack of recognition by exaggerating our respect for them in other ways.

In conclusion, we must not approach Peking as supplicants. We must behave with self-dignity. At the same time, we must remain aware of the special strategic, historic, and diplomatic circumstances that surround our relationship with China and adjust ourselves accordingly.

64. Memorandum From the President's Special Adviser for Science and Technology (Press) to President Carter¹

Washington, October 14, 1977

SUBJECT

P.R.C. Access to U.S. Technology

Over the past few weeks the Chinese leadership has taken a number of actions to move technological development to the highest priority including a decision to strengthen technical education and obtain technological help from abroad. The head of the Chinese Academy of Sciences was elevated to the Politburo. Chinese technological delegations touring space, energy and industrial facilities in Western Europe, Japan, and the U.S. have increased.

The Chinese have repeatedly stated a desire to buy U.S. technology and have complained about U.S. Government inaction on export licenses. I have looked into this matter and I believe that bureaucratic delays and indecision on selling civil technology with remote military applications are hindering such sales. Two examples of such delays are the following:

—Two years ago the Chinese placed an order with an American firm for geophysical prospecting equipment. The vendor has been unable to obtain a licensing decision from the U.S. Government. Recently the Chinese indicated they will approach another Western nation for the equipment if the order is not forthcoming.

—For five months the U.S. Government has not answered an IBM request to sell a 370/138 computer to the Shenyang Blower Works. This computer has performance parameters well within the favorable consideration limits. State, Commerce and ACDA view the transaction favorably, but DOE and DOD have not responded. West Germany has requested COCOM approval to export a closely competitive computer to the same plant. The U.S. has already exported two larger CDC Cyber 172 computers to the P.R.C.

Arguments against such sales are based on possible military application and the perceived need for balanced treatment of the P.R.C. and the USSR. U.S. national security concerns, however, generally are not over-riding considerations for limiting technology exports to China. The greatest concern is the anticipated negative reaction in Moscow if a

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 42, PRM-24 [2]. Secret. A handwritten "C" at the top of the page indicates Carter saw the memorandum, which is also stamped, "The President has seen."

technology export appears to aid Peking in building up its anti-Soviet military capabilities. Other technology suppliers have exhibited less concern about this Soviet factor. In fact, the argument can be made that technological disparity between the USSR and P.R.C. is such that the Soviets can better utilize the same technology export since they are further advanced.

Those who support civil technological sales cite the large potential market which will accrue to Japan and Western Europe, if not the U.S. In addition, contributing to Chinese economic stability and mineral and oil exports is viewed as aiding general political stability in Asia. Perhaps most important is establishing long-term ties between China and American industry, as well as our scientists and engineers. The Chinese are making decisions now on technologies which they wish to acquire abroad and from whom they wish to buy. These choices should be made with a view of the U.S. as a valuable potential source.

These issues will be explored more fully in the ongoing PRM 24 (Part III—U.S.–China Policy) and PRM 31 (Technology Transfer).² However, you may wish to consider the following options now for the reasons indicated above:

(1) allow present licensing practices and delays to continue pending PRM 24 and 31 recommendations and evolution of relations with P.R.C.

(2) I will work with Dr. Brzezinski and Secretaries Brown, Vance and Kreps, using existing regulations,³ but expediting licensing decisions in selected areas such as oil prospecting equipment and computers eligible for COCOM clearance.

I recommend option (2), mainly to keep open the possibility that the impending major technological expansion in the PRC will be based on cooperation with the U.S., during the period that relations between the two countries develop.⁴

² See footnote 19, Document 59.

³ Carter underlined "using existing regulations" and initialed "J" in the margin.

⁴ Carter checked his approval of Option 2 and initialed "J."

65. Intelligence Appraisal¹

IAPPR 336–77

Washington, October 31, 1977

**PRC: MILITARY CONTACTS AND MODERNIZATION
OF THE PLA***Summary*

Within the past year, and particularly the last few months, the Peoples Republic of China has expanded its exchange of military-related delegations with other nations along the ideologic and economic spectrums. In addition to proclaiming the need for vigilance on the USSR's perfidy and for concern over US unreliability, Peking has used these exchanges to assess available foreign military equipment and technology, and to establish military contacts with countries that have a stake in the struggle between the two Superpowers.

The military visits and statements made by Chinese officials reveal Peking's appreciation of its own military strengths and weaknesses as well as its determination to correct any deficiencies in the Peoples Liberation Army through modernization. The personal involvement of Vice-Premier Teng Hsiao-ping in the military modernization program underscores the importance attached to this undertaking. Although Peking is somewhat restricted by the lack of available foreign exchange and by its limited technical capability to absorb modern technology, it apparently intends to import more foreign military weapons and technology to support this modernization. If Peking can enhance and mobilize its technical resources and can adopt a more flexible stance on foreign indebtedness, then it could significantly improve its military capability during the next few years by concentrating on the most serious deficiencies.

[Omitted here is the discussion section of the appraisal.]

Outlook

The Chinese will continue to attack Soviet "expansionism" through every means possible. The exchange of military delegations will most likely slacken as Peking reviews the results of recent delegation visits. A few major purchases of modern weapons or technology will probably (75 percent) be made. However, given the economic and technical constraints on the PRC, the amount of arms traded should remain relatively small and will have only a limited impact on Peking's military capabilities and on its role as an arms supplier in the near fu-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 24, Arms Sales: 4–11/78. Secret; Noform; Noncontract; Orcon.

ture. Nevertheless, Peking has obviously embarked on a new phase of military modernization and intends to import foreign military equipment and production technology. These purchases will forge ties with European weapons producers and will ultimately strengthen China's defenses against the Soviets. The modernization effort will not include any large-scale direct participation by the US under the current status of relations between the two countries, and the USSR can be expected to issue strongly worded denunciations of any arms and technology purchases made by China.

Prepared by: [name not declassified]

66. Memorandum of Conversation¹

Washington, November 3, 1977, noon–1:20 p.m.

SUBJECT

Vice President Mondale's Lunch for PRC Ambassador Huang Chen

PARTICIPANTS

President Jimmy Carter (drop in)
Vice President Mondale
Secretary James Schlesinger
Acting Secretary of Treasury Robert Carswell
Deputy Secretary of Agriculture John C. White
Under Secretary of Commerce Sidney Harmon
Under Secretary of State Philip C. Habib
Assistant to the President for National Security Affairs Zbigniew Brzezinski
Assistant Secretary of State Richard Holbrooke
A. Denis Clift, Asst to the VP for National Security Affairs
Michel Oksenberg, Staff Member, NSC
Assistant to the President Stuart L. Eizenstat

Ambassador Huang Chen
Ambassador Han Hsu
Counselor Hsieh Ch'i-meï
Counselor P'eng Chin-po
First Secretary Tien Yu
Third Secretary Hsu Shang-wei

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 34, Memcons: Mondale: 5/77–6/79. Confidential. The meeting took place in the Roosevelt Room of the White House. A briefing paper from Brzezinski to Mondale is in Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 10/77–1/78.

Ambassador Huang Chen began, while the journalists were taking pictures, by telling Brzezinski that he would be welcome to visit China. Brzezinski replied that he would be delighted to visit China and that “it is a date.”²

The conversation broke into several discrete colloquys. Vice President Mondale first asked whether Huang Chen had read Han Suyin *The Crippled Tree*. He had just finished it. Huang had not heard of the book but knew Han Suyin who thereupon became the subject of conversation. Mondale and Huang Chen talked at length about energy and agriculture, with Schlesinger joining in. Brzezinski and Hsieh Ch’i-mei discussed the PRC’s “Three World” concept—particularly where such countries as South Africa, Rumania, and Czechoslovakia fit.

The toasts were as follows:

Vice President (prepared text):

Ambassador Huang

Ambassador Han

Distinguished guests and friends.

—This is an historic occasion, marking as it does the departure of the first representative of the People’s Republic of China to serve in Washington.

—We have been honored to have the Chinese Government assign a man of the stature of Ambassador Huang Chen as the first Chief of the Liaison Office of the People’s Republic in China in Washington. You have been in Washington for nearly four and a half years. Your ability to weather five Washington summers and the rigors of last winter—which was more typical of Minnesota than of Washington—testifies to your stamina and endurance. You have represented your government well. Your presence will be missed.

—Your arrival here marked an important step in our mutual efforts to forge new bonds of friendship, respect, and cooperation between our two peoples. President Carter has repeatedly emphasized the importance he attaches to our relations with the People’s Republic of China.

—We have set as the goal of our policy the full normalization of our relations in accordance with the principles of the Shanghai Communiqué. We intend to continue our efforts to accomplish this objective.

² During a farewell lunch for Tsien Ta-yung on October 21, Oksenberg had suggested that the PRC formally invite Brzezinski to visit Beijing. (Memorandum of conversation, October 21; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People’s Republic of): 10/77–1/78.)

—We are aware that constructive relations between China and the United States have strategic significance and promote the cause of peace. I hope that on your return to China, Ambassador Huang, you will report to your government that President Carter recognizes the historic and strategic importance of friendly relations with the People's Republic of China.

—During your stay here, Ambassador Huang, much has been accomplished. Our two nations have resumed contact after a costly period of confrontation. The American people have learned of the efforts of your government to modernize your country and speed the economic development. We believe continued expansion of our economic and cultural relations will be to our mutual benefit. We thank you for your personal contribution to the enhanced understanding between our two peoples. Though much has been accomplished, much remains to be done.

—We look forward to working with your successor to continue the process started with the Shanghai Communiqué.

—May I ask all of you to join me in wishing Ambassador Huang success in his next assignment. We know that the many friends you have made here will warmly welcome you back whenever you may have an occasion to return.

May I propose a toast to the health of Ambassador Huang Chen;

To the health of Premier Hua Kuo-feng and of our other Chinese friends here today;

To friendship and cooperation between the Chinese and American peoples; and

To the health of all present.

Ambassador Huang Chen (extemporaneously):

Upon the recall of my government on transfer, I'm going to conclude a four and a half year assignment. Today, the Vice President has hosted a lunch, inviting me and my colleagues. On behalf of my colleagues, I wish to express thanks for the warm hospitality and friendly remarks of the Vice President.

As a diplomat, though I leave, I will miss our friends. On the other hand, the globe is small and we can meet again someday, somewhere.

As President Carter said to me when we met, the Chinese and American people are great peoples.³ Our two countries are great countries. Our peoples have always been friendly to each other. For reasons known to all, our mutual relations were suspended for a period of time—for twenty years.

³ See Document 5.

But since former President Nixon visited China in 1972 and issued the Shanghai Communique, relations were opened between our two countries and contacts have been resumed. I believe friendship between our two countries will remain from generation to generation. Good relations between our two states conforms to the interests of our two peoples and the interests of the whole world.

The population of our two peoples, when added together, totals over a billion. It is unthinkable for our two countries to be hostile and in confrontation with each other.

I am glad to notice that President Carter has repeatedly said the new administration will continue to develop relations on the basis of the principles of the Shanghai Communique. As I have said, this is my hope. So I am glad to have this opportunity, in a toast, to say that I hope that relations between our two countries will continue to improve on the basis of the Shanghai Communique.

Huang's toast was interrupted at this point by the surprise entry of President Carter.

The President said, "Sorry to see you leave. You have done a fine job here." Huang thanked the President for his hospitality. The President asked the Ambassador "to convey my greetings to Premier Hua, Vice Premier Teng and other leaders." The President then noted that it is unprecedented to have a going away luncheon for a diplomat but he was glad that we had the chance to do it. The President then exited.

Huang then attempted to resume the toast, but at first seemed at a genuine loss for words. He then said:

I just mentioned that I had been pleased to note President Carter's commitment to the Shanghai Communique. So I propose a toast to the health of the President, to the health of Vice President Mondale, to the health of the assembled American hosts, to the friendship of the Chinese and American people.

Ambassador Huang then walked around the table, clinking glasses with each of the Americans.

The Vice President next attempted to generate a single conversation, gently gaining attention and then asking Huang what departing advice he had to offer us after his stay in Washington. The Ambassador said he offered his advice to President Carter in February and he had nothing new to add. Everyone laughed.

The Ambassador said perhaps the Vice President wished to offer advice. Mondale turned to Brzezinski, who said the President had covered all that ought to be said. Laughter again. Mondale then asked Holbrooke if he wished to say something. Holbrooke said no. Mondale asked Huang whether his advisors were of the same quality as the Vice President's. In a lull in the conversation, Commerce's representative

said he has had a long interest in China and has just been reading Mencius. Huang looked surprised and smiled at the Commerce representative.

The luncheon broke up about eight minutes later—the adjournment not related to Mencius.

67. Paper Prepared in Response to Section III of Presidential Review Memorandum 24¹

Washington, undated

[Omitted here is the table of contents.]

PRM–24, Section III

Executive Summary

Issue

Section III of the PRM–24 response considers what measures, if any, the United States should take to relax controls over the transfer of defense-related technology and equipment to the People’s Republic of China.

Summary of Report

The study is divided into five sections and an annex:²

—The *Introduction* notes that increased Chinese access to US and other Western sources of defense-related technology and equipment might serve two US objectives: improved bilateral relations with the PRC and a desire to see the PRC, and our relations with it, remain a check on Soviet power, influence, and freedom of action. It also summarizes the limits on China’s willingness and ability to import and exploit significant amounts of such technology, and the risks such increased access could involve to our relations with the Soviet Union, and to US security and that of our allies.

—*Section 2 describes the current state of Chinese defense-related technology, and Chinese policy toward imports from the West in this area. China*

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 9–12/77. Secret. Tarnoff sent Brzezinski this paper under a November 12 covering memorandum. (Carter Library, NSC Institutional Files (H-Files), Box 42, PRM–24[2]) PRM 24 is Document 24.

² The annex is attached but not printed.

has failed to keep pace with Soviet or Western technological developments. Measured against the Soviet threat, Chinese military needs are great and the gap between Soviet and Chinese military capabilities has been widening. It would take a major flow of defense-related equipment and technology from the West to have a significant impact on Chinese capabilities. However, China's ability and willingness to acquire significant amounts of defense-related technology and equipment from the West and Japan will continue to be limited by economic and cultural/political factors, and by its absorptive capacity. While China may increase its imports of specialized military-related items in the future, the PRC is unlikely to want to become dependent upon major purchases of actual military end items from the West. A detailed description of Chinese technology by sector, and its relationship to military capabilities, is in the annex to the study.

—*Section 3 analyzes four major factors bearing on a decision on the issue:*

1. *Policy Benefits:* A major factor in considering the liberalization of controls on the export of defense-related technology and equipment to the PRC would be the potential benefits of a US initiative in this area. Since it appears unlikely that China would dramatically increase imports of such technology and equipment from the US, the major impact of a liberalization of controls would be measured in political terms rather than in terms of a significant increase in Chinese military capabilities or major commercial benefits for the US. The study discusses two potential benefits. First, liberalization of controls might provide a supplemental means of improving US–PRC bilateral relations, particularly in the absence of progress toward normalization. Second, a modest and limited US initiative in this area could emphasize to the Soviet Union the potential of improved US–PRC relations. However, the agencies participating in the study do not agree on the possible risks to US–Soviet relations in attempting to use transfers of defense-related technology and equipment to the PRC for this purpose. This is discussed further below. As for potential commercial benefits, they are probably modest, but should not be entirely dismissed as a factor in considering our policy.

2. *Potential Threats to the US and its Interests:* The current Chinese military threat to the US is extremely limited, and none of the possible initiatives outlined in the study would significantly increase this threat. Improvements in Chinese capabilities could, however, increase somewhat the potential threat to certain Asian areas, notably Taiwan, and the ROK, through PRC support to North Korea.

3. *Soviet Perceptions:* The study concludes that the degree of Soviet concern and the nature of its response to any US initiative in this area would probably be determined by five variables:

- a) the timing of the transfers in the context of overall US relations with the USSR and China;
- b) the size of the exchange, and its impact on Chinese military capabilities;
- c) whether the transfer involved production technology or actual military end-items;
- d) whether the material transferred was also available to the Soviet Union; and
- e) whether the transfers were from the US or other Western sources.

Depending on these variables, there is a wide range of possible Soviet reactions to a US initiative. At one end of the spectrum is the possibility that the Soviets would be more forthcoming on Soviet-American issues—a development which the Department of Defense and the CIA find plausible under certain circumstances but which the Department of State views as unlikely. At the other extreme would be the possibility of a serious Soviet rethinking of fundamental policies toward the US.

4. *Attitudes and Policies of our Allies:* Primarily for economic reasons, our NATO allies have generally been willing to see export controls liberalized, for the USSR as well as China. Japan also favors more liberalization but would be concerned if this led to an increase in actual PRC military strength. Other Asian countries would be more concerned on this score, because of geographical promixity and historical apprehensions of China. Fears in Taiwan, of course, would be particularly keen.

—*Section 4 describes US export controls on defense-related technology and equipment to communist countries, including the PRC, and shows how they are related to those of our major allies through the Coordinating Committee (COCOM). Possible US initiatives toward China are constrained by the 1951 Battle Act, which prohibits sales of “arms, ammunition and implements of war”, as well as materials and technology with military applications, to nations threatening US security. To date all communist countries except Yugoslavia have been subject to this embargo. Exceptions from the embargo are permitted, however, for industrial and scientific items with civil as well as military applications. Recent revisions to the Export Administration Act permit a more liberal approach to sales of these “multi-use” items to communist countries, though they do not require a loosening of the embargo toward the PRC or any other communist country. To date, US sales to China of multi-use items have been modest: in 1976, 85 exceptions cases were approved, for a total value of \$13 million. We are also constrained from taking initiatives by the fact that export control procedures are in principle the same for China as for the Soviet Union, although here again the new Export Administration Act contemplates differentiating among various countries.*

—*Section 5 illustrates five alternative courses of action for the US. Of the four alternatives involving a liberalization of PRC access to defense-*

related technology and equipment the first two are modest steps, while the third and fourth are more substantial. All of them are generally designed more for political effect than for their impact on PRC military capabilities. There are no proposals for security assistance to China, nor do any of the alternatives involve sales of weapons to China by the US. The alternatives are:

1. *Maintaining Current Policy and Controls.*

2. *Marginal Pro-China Tilt within the General Guidelines of Current Policy:* This would entail marginal adjustments in current control procedures. We would apply the criteria for approving exceptional sales to the PRC less stringently and by explicit directive would not necessarily consider sale of controlled items to the PRC a precedent for a sale to the USSR. The aim would be to remove minor irritants in our relations with the PRC through smoother, more expeditious and somewhat more lenient consideration of the occasional more sensitive sales to the PRC of controlled equipment and technology.

3. *Even-Handed Liberalization of PRC and Soviet Access to Controlled Technology and Equipment:* This would involve removing control on selective items of equipment and technology with both civil and military applications, but not on actual military equipment or weapons. Items to be de-controlled would be selected with a view toward being more attractive to China than to the Soviet Union, but they would be available to both countries in order to avoid the risk to US-Soviet relations of overt favoritism toward the PRC.

4. *Explicit Pro-PRC Liberalization:* This alternative would establish separate control procedures for China and the Soviet Union, with controls over sales to the PRC less extensive than those to the Soviets. It would be administered either by a shorter list of embargoed items for China, or by a broad policy of more favorable treatment of exceptions cases for the PRC. As in the previous alternative, the extent of liberalization would be limited, and no military equipment or weapons would be sold.

5. *Major Liberalization of PRC Access:* This alternative would establish the same separate control procedures for China and the Soviet Union as the previous one, but would go further by permitting the sale of certain types of military equipment and technology (to include production technology). It would *not*, however, involve the sale of *weapons* systems or facilities for their manufacture.

In addition to these five alternatives, Section 5 discusses as a separate issue the question of the US attitude toward defense-related sales to China by our principal allies, including sales of weapons. The study notes that there have been recent indications of possible Chinese interest in purchasing military items in Western Europe and Japan. It notes that existing US legislation would make it difficult for us to en-

courage or acquiesce in third-country sales of equipment and technology if US exporters are prohibited from selling the items in question. The study notes potential gains from third country sales to China in terms of strengthening China, but questions the benefit for US–PRC relations and identifies the limited advantages in terms of Soviet reactions that a policy of encouraging such sales has over bilateral dealings between the US and China. Nonetheless, we may have to address this issue anyway, if Western European or Japanese sales to the PRC begin to materialize.

Each of the five alternatives is analyzed in terms of its advantages and disadvantages. The study does not examine specific items which might be transferred to the PRC under any of the alternatives. Nor does it make recommendations on which course of action the US should follow.

Major Policy Problems

The study illuminates five major problems which must be considered in making a decision on possible defense-related transfers to the PRC:

1. *Chinese Attitudes.* The Chinese are well aware of their weakness vis-a-vis the Soviet Union, but there is mixed evidence on the extent to which they would be prepared to use imports from the West, particularly the United States, to improve their military position. China's new leadership has emphasized modernization, both in the civilian and military sectors, and there have been a number of recent intelligence reports indicating Chinese interest in defense-related imports from the West. On the other hand, major economic and political constraints, particularly China's desire to avoid dependence on foreign technology to the extent possible, make it unlikely that the PRC would take significant advantage of such an opportunity. If the Chinese did step up such imports they might be more likely to turn to Western Europe and Japan than to the US, although this could change if normalization of US–Chinese relations were to occur. Hence, there are distinct limits on the extent to which US initiatives in this area might advance our bilateral relations with the PRC. The study concludes that such initiatives could not substitute for progress toward normalization of US–PRC relations, though they could have a marginal utility as a supplemental action to deepen US–PRC relations.

2. *Soviet Perceptions and Reactions.* The impact of US initiatives in this area on our relations with the Soviet Union is a crucial, and controversial, problem. A US initiative sufficiently far-reaching to improve China's relatively backward military capabilities, or significantly enhance US–Chinese bilateral relations, would involve risks in our relations with the Soviet Union.

The agencies participating in the study effort do not agree on the extent of this risk, or on the nature of the potential Soviet reaction to different US initiatives toward China. The Department of State believes that Soviet tolerance would be low, and that even modest US initiatives in this area would run the risk of hardening Soviet positions on important bilateral issues with us. This is particularly the case during a period of general cooling in US-Soviet relations and succession uncertainties within the Kremlin, when defense-related initiatives to China would certainly be interpreted by the Soviets as a US measure to aggravate the differences between us. It rates low the chances that even a very limited and cautious expansion of defense-related exports to China would prompt the Soviets to be more forthcoming with the US, as a means of heading off a deeper US-Chinese relationship. On the other hand, the view of the Central Intelligence Agency and the prevailing view within the Department of Defense is that the Soviets would react less strongly, provided the US did not attempt to improve Chinese strategic capabilities. Under these circumstances the Department of Defense rates the chances higher that the Soviets would adopt a more cooperative posture toward the US, to prevent our going further with China.

3. *Timing of an Initiative.* The question of the timing of any US initiative is vital. This would involve judgements on the current state of relations among the members of the US-Soviet-PRC triangle. The study does not specifically address the current state of US relations with China and broad US policy choices toward the PRC, which are dealt with in Section I of the PRM response.³ We would have to consider, however, whether an initiative on defense-related sales would be appropriate until we have a clearer idea of the chances for progress toward normalization of relations with China.

4. *Impact on US Security and Relations with Allies.* We must also weigh the possible benefits of defense-related transfers to China against potential threats to our own security and that of our allies, and against strains in our political relationships, particularly with Asian allies. While the Chinese threat to us, including our forces in the Western Pacific, is low and likely to remain so, the threats to Taiwan, the ROK and even Japan are more real. Taiwan is particularly important, since it is the most plausible area for a US-PRC confrontation. Any substantial improvements in China's strategic capabilities could increase the threat to us and our allies. Significant improvements in China's air and naval capabilities would be particularly relevant to the PRC's capability against Taiwan. (Air and ground force improvements are most relevant to the Soviet threat.) Even modestly increased Chi-

³ See Document 32.

nese access to defense-related technology and equipment, designed essentially for political effect rather than to enhance China's armed strength significantly, would probably be greeted with concern by the ROK and some alarm by Taiwan.

On the other hand, to the extent that they believed a modest liberalization of Chinese access helped to prevent a deterioration in US–PRC relations, some of our East Asian allies—with the notable exception of Taiwan—might see it as beneficial. However, they might prefer to see US–PRC relations made secure through other US initiatives with less potential for increasing Chinese military capabilities.

5. *Problems of Export Controls.* Finally, there are problems which arise from the nature of our export controls on defense-related equipment and technology. Currently these controls are the same for China as for the Soviet Union, despite the disparity in the nature and level of threats which the two countries pose to the US. Theoretically, the most efficient method of increasing China's access to our technology would be to establish separate controls for China and the USSR, with those for China less stringent. Such an overt pro-China tilt, however, would be most provocative to the Soviets. On the other hand, if we maintain the current even-handed treatment of China and the Soviet Union, we would be limited in the kinds of equipment and technology we could make available to China, since it would also have to be made available to the Soviet Union.

Moreover, there is a conflict between the requirements of those who must administer our export controls and those of the policy-maker. The former need clear and concrete guidelines on what we would and would not be prepared to sell to the Chinese. The latter will wish to have greater flexibility, so that sales to China might be timed and orchestrated to fit the changing patterns of our relations with Peking and Moscow.

[Omitted here is the body of the paper.]

68. Memorandum of Conversation¹

Washington, November 15, 1977, 4:30 p.m.

SUBJECT

The Secretary's meeting with Huang Chen

PARTICIPANTS

PRC

Huang Chen, Chief, PRCLC

Han Hsu, Deputy Chief, PRCLC

Hsu Shang-wei, Interpreter, PRCLC

US

The Secretary

Richard Holbrooke, Assistant Secretary, EA

Michel Oksenberg, NSC

J. Stapleton Roy, Acting Director, EA/PRCM (Notetaker)

The Secretary: I am sorry this means you will be leaving all too soon. As I said before we will miss you.

Ambassador Huang: I have been here over four years. Diplomats come and go. This is inevitable. I've made so many friends here. I will miss them.

The Secretary: You have indeed made a great many friends in Washington and in lots of cities around the country. I keep running into people around the country who say they have met you and were glad to have had the chance to meet you.

Ambassador Huang: Recently I have received many telegrams and letters from such friends (about my departure). As I have said, I truly feel that there are friendly feelings between the Chinese and American people—a traditional friendship.

The Secretary: I certainly agree. Since we last talked, there have been some international events. When we were last together we talked about the situation in the Horn of Africa. We have seen what has happened there since then. I still remain concerned over the long run, however, that the situation could deteriorate as Ethiopia gets more arms, which could shift the balance. I discussed this matter with the Shah of Iran today. We have been meeting with him most of the day. We have had many good conversations with him on a whole range of matters. The Horn of Africa was one of the topics. I might also add that Foreign Minister Garba of Nigeria is coming shortly to see me to discuss the

¹Source: Department of State, Executive Secretariat Files: Lot 84 D 241, Box 10, Vance NODIS Memcons, 1977. Secret; Nodis. Drafted by Roy on November 22. The meeting took place in the Secretary's office.

question of the Horn of Africa. President Obasanjo of Nigeria has been given responsibility by the Organization for African Unity to see if he can bring about a resolution of the dispute. The Foreign Minister has asked to come and exchange views with us about the subject.

In addition, since we last met, we've seen new events in the Middle East with the possibility of a trip by President Sadat to meet with Mr. Begin and address the Knesset. The Israelis gave us this morning, our time, a formal invitation which they asked us to deliver to President Sadat. We will of course do that. In the meantime, President Sadat is going to meet with President Assad tomorrow in Damascus for all-day talks. It is my best guess right now that there is a strong likelihood that Sadat will accept the invitation and go to Jerusalem to address the Knesset. In doing so, he probably will make a statement of the Arab position and of their feeling that the Geneva Conference should be convened to move forward with the negotiations. One cannot be sure of that until after tomorrow's meeting of Sadat and Assad.

What are your thoughts on these matters?

Ambassador Huang: Our position on the Middle East is already known to the Secretary. Not long ago, our Vice Premier Teng Hsiao-ping talked on this subject with the Secretary.² As long as you can put a check on Israel, you will be able to maintain your advantage in the Middle East longer.

Assistant Secretary Holbrooke: In Peking in August, Vice Premier Teng and Foreign Minister Huang Hua both raised the question of our relations with Sadat.³ I think the events of the last two months, what is happening now, and the way that Sadat is dealing with this Administration, provide a clear answer to the Foreign Minister's question as to how we are getting on with Sadat. This shows we are working closely with Sadat toward the objectives that the Secretary laid out in Peking.

The Secretary: That is true, quite true. We are in daily contact with President Sadat and Foreign Minister Fahmi. The dialogue is very close and continuing.

Ambassador Huang: That is good. As Chairman Mao said before, you should use a "two hands" policy: one to Israel and one to the Arab people, because there are a hundred million Arabs.

The Secretary: We are. We are extending a hand to each.

Ambassador Huang: That is good. This policy will be useful in preventing the Soviet Union from interfering. On Somalia and the Horn of Africa, we have just received a commentary from Peking stating that

² See Document 50.

³ See Documents 50 and 51.

we fully support the decision by the Somali Government to oppose Soviet hegemony.

The Secretary: We have not seen that yet.

Ambassador Huang: I think that Somalia has now seen through the true features of the Soviets. Their real future is one of “false support and real control.” A few years ago Egypt saw through their true colors. Now Somalia in turn has become clear about the true nature of the Soviets. This leads to the conclusion that anyone who deals with the Soviets for a long period will come to the same conclusion.

The Secretary: Perhaps I could say a word about where we stand in our discussions with the Soviets. I know you are going home and they will want to know where we stand, both on SALT and CTB. On SALT, the discussions are continuing, but there are still a number of issues to be resolved, some of which are difficult and complex. I can assure you that any final agreement will be an agreement that is advantageous to the US. We have refrained from publicly commenting on concessions that the Soviets have given to us during the negotiations since they are still going on. But I am satisfied, as is the President, that the direction in which the negotiations are moving is constructive and that as a result of these negotiations we will be in a better position as a result of SALT II agreements. There have been a number of misleading stories in the press. We have refrained from commenting on them because it would not be helpful during the negotiations to discuss the substance. The results will speak for themselves and will be satisfactory.

On CTB, I can cover the situation very briefly. As you undoubtedly saw, the Soviets recently agreed to a proposal which we have been pushing for a long time, i.e. that Peaceful Nuclear Explosions (PNE's) should be covered as part of any treaty. For a number of months, the Soviets refused to accede to our position, but they have now changed their position and agreed to a moratorium on PNE's for three years, which is the same period they have proposed for the treaty itself. They have proposed this be included in a protocol to the treaty, and we have taken this under consideration. There are other issues that are still unresolved and the negotiations are continuing. But that is where we stand on these two matters.

Ambassador Huang: I hope you will get satisfactory results, such as the Secretary said. Recently—today—we got the news that recent public opinion in West Germany is very concerned about your concessions to the Soviets. They are concerned that too many concessions will endanger West European security.

The Secretary: I would like to answer that. Chancellor Schmidt raised that. He wasn't fully informed. He was talking of the cruise missile and on the cruise missile we got exactly what the West Germans were asking for. He has been informed now.

Ambassador Huang: Our only hope is that you will keep your vigilance high in talking to the Russians and will not be taken in.

The Secretary: We will keep high vigilance, never fear.

Ambassador Huang: I wonder whether you have said what you wanted to say. If so, I will say goodbye.

The Secretary: I have said everything. Is there anything else?

Ambassador Huang: The Chairman of the Board of Coca Cola, Mr. Austin, is waiting to meet me. But I will be glad to stay if there is anything else.

The Secretary: We received a cable today reporting on Ambassador Woodcock's talk with Foreign Minister Huang Hua.⁴

Ambassador Huang: We got a message also.

Assistant Secretary Holbrooke: Do you (the Chinese) have any questions?

Ambassador Han: (Prompting Huang) Mr. Holbrooke asked if we have any questions.

Ambassador Huang: No questions. Not long ago, the Secretary and Mr. Holbrooke were in China and had talks with our leaders.

Assistant Secretary Holbrooke: (To the Secretary) You know, Ambassador Huang has invited Governor Harriman to go to China.

Ambassador Huang: Because it is his long cherished wish to visit Peking. Of course we would like to meet his wish.

The Secretary: That's nice.

Ambassador Huang: He (Harriman) first wished to visit China in 1905, 72 years ago. During World War II, he visited various Chinese cities but not Peking.

The Secretary: Today is his birthday. Mrs. Vance was at a lunch today where they had a birthday cake for him.

Ambassador Huang: I hope we meet again in Peking.

The Secretary: That's good.

⁴ Telegram 2654 from Beijing, November 14. (National Archives, RG 59, Central Foreign Policy File, P850056–1753)

69. Intelligence Assessment Prepared in the National Foreign Assessment Center, Central Intelligence Agency¹

RP 77–10328

Washington, December 1977

Policy Issues in the Post-Mao Leadership

Key Judgments

This study concludes that, despite an impressive record of achievement in restoring order and reviving the economy, differences over policy still divide the post-Mao leadership. These differences are mainly political (having to do with the distribution of power), but are also reflected in the new leadership's discussion of economic, military, and, to a lesser extent, foreign policy problems.

With respect to *political issues*, it appears that individual and group conflicts have carried over from the bitter factional struggles of the Cultural Revolution era (now defined as encompassing the entire period from 1966 through the fall of the "gang of four" in October 1976). It is a working hypothesis of this paper that, as a result of these conflicts, the political agreement that led to the rehabilitation of Teng Hsiao-ping and the convening of the 11th Party Congress is beginning to break down. This agreement—[*less than 1 line not declassified*] by Teng Hsiao-ping to the Central Committee—appeared to call for a threefold commitment by Teng (1) to serve on his return in a subordinate capacity to Chairman Hua Kuo-feng, Mao's chosen successor; (2) not to criticize the Cultural Revolution or its creator, Mao Tse-tung; and (3) most important of all, not to seek revenge against those in the new leadership who had both contributed to, and benefited from, his fall.

Despite the pledge to defer to Hua, Teng Hsiao-ping since his return has moved so rapidly to extend his power and influence by appointing associates to high posts and stamping his imprint on nearly every area of policy that, to most Western observers, he, rather than Hua, already appears to be the real head of government in China. Whatever the relationship between Hua and Teng, it seems clear that Teng's share of power is still a contentious issue in the post-Mao leadership.

The second promise made by Teng Hsiao-ping as a condition for his rehabilitation—that he honor the Maoist legacy and not criticize the Cultural Revolution as an important part of that legacy—also appears

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 28, Brzezinski 5/78 Trip to China: 2–12/77. Secret; [*handling restriction not declassified*].

to have been broken. Teng has openly criticized the Cultural Revolution on several occasions, most notably in his recent bitter comment that it will take China "20 to 30 years" to recover from the turmoil and disruption of the past decade.

Teng Hsiao-ping's third pledge—not to try to settle accounts with those in the new leadership who had opposed him—may also be in the process of breaking down. The recent widespread rumors that three Politburo members (all of whom had opposed Teng) are under attack and will be demoted or purged suggest that Teng may in fact be engaged in settling scores with those who profited at his (and other veteran cadres') expense during the Cultural Revolution. The end result may very well be a struggle for positions in the new government to be established by the now postponed National People's Congress, with Teng Hsiao-ping and his adherents seeking to expand their power base and Hua Kuo-feng, along with other leaders who benefited from the Cultural Revolution, trying not to lose further ground.

With respect to *economic issues*, there are clearly differences within the post-Mao leadership over the allocation of scarce resources to achieve the four modernizations—the ambitious goal first enunciated by Chou En-lai three years ago of modernizing China's agriculture, industry, national defense, and science and technology by the end of the century. Vice Chairman Li Hsien-nien recently told Western visitors that "debate" within the leadership over investment "priorities" often becomes "very heated and animated." There are indications, moreover, that these differences may have delayed the making of hard decisions on resource allocation in China's modernization program.

The issue of *economic versus defense spending*, or of the proper relationship between economic and military modernization, is one of the most difficult problems in resource allocation confronting the post-Mao leadership. Appearing more or less openly in the press, the current controversy over defense spending continues the series of guns-versus-butter debates that began in the mid-1950s, reappeared in the 1960s, and figured prominently in the leftist campaigns of the early and mid-1970s. In addition to this conflict between economic and military planners, another significant aspect of the current debate has been the apparent competition among China's armed forces (especially the Navy and Air Force) for the limited funds available for military modernization.

The issue of *incentives*, the motivating of China's work force, may well be the most critical long-term problem confronting the post-Mao leadership. With no general wage increase since the 1950s, there is a tremendous pent-up demand in China for higher pay and a higher standard of living. This revolution of rising expectations is taking place at a time, however, when the need to make up production and revenue

losses and increase investment rules out significant improvement in the income of most of China's work force.

With respect to *foreign policy issues*, it appears that the fall of the "gang of four" and the return of Teng Hsiao-ping will have a greater effect upon China's relations with the West than with the Soviet Union. In relations with the Soviet Union, although Peking has reduced its confrontational posture and improved Sino-Soviet atmospherics, basic hostility remains, and the United States is still viewed as a partner in China's anti-Soviet global strategy. In relations with the West, the new flexibility in foreign policy will probably be most noticeable in the areas of trade and technology transfer. There is some reason to believe, however, that internal differences may be slowing down the rate at which Teng would like to expand trade in order to acquire advanced technology from the West.

One may well ask what these indications of tension and of differences within the leadership, some of which are admittedly speculative and tenuous, signify. They suggest, first of all, that, in constructing a new model to explain the nature and character of the post-Mao leadership, Western analysts should recognize (1) that, although it would be manifestly wrong to cling to the factional model of the Cultural Revolution era, (2) it would be equally wrong to go to the opposite extreme and substitute a conflict-free consensual model in its place. Although no longer split along ideological lines, the post-Mao leadership does appear to be divided into loosely organized opinion groups expressing different views on different policy issues.

Do these differences pose a serious threat to the stability of the post-Mao leadership? A key variable determining the answer to this question is the health and continued influence of China's aging military leader, Yeh Chien-ying, who, it appears, negotiated the agreement governing the return of Teng Hsiao-ping and since then has sought to balance the interests of the two groups within the leadership. But whatever the outcome (for example, an uneasy stalemate or perhaps the demotion or purge of one or two members of the Politburo), it seems safe to conclude that the degree of political instability will not approach the bitter and protracted factional struggle that characterized China's leadership during the Cultural Revolution era.

Will these differences have a significant impact on the substance of China's domestic and foreign policies? Although concerned primarily with the distribution of power, the current divisions within the leadership do appear to involve differences over policy. But since these policy issues are not being used as political weapons in an all-out struggle for power as they were during the Cultural Revolution, it appears that, at least for the foreseeable future, the differences will not affect the sub-

stance so much as the manner and pace with which the post-Mao leadership implements its domestic and foreign policies.

[Omitted here are the table of contents and the body of the assessment.]

70. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Deputy Assistant for National Security Affairs (Aaron)¹

Washington, December 16, 1977

SUBJECT

Informing the Israelis of the PRC's Attitude Toward the New Middle East Situation

A number of CIA TDs point unmistakably in the same direction:

—The Chinese are supporters of Sadat's initiative and believe that it offers the best hope of peace in the Middle East in many years.

—The Chinese recognize the permanency of Israel and their own need *eventually* to establish relations with Israel.

—The Chinese have concluded that the PLO is no longer an effective organization and is faction-ridden.

—The Chinese believe they have a strong interest in the maintenance of stability in the Middle East. They believe the only victors in any conflict would be the Soviets.

—One PRC diplomat stated Peking would like to assist Sadat and would be responsive to requests by him.

—The Chinese believe the U.S. has a major role to play in the area, and that it must play this role in an even-handed manner.

This is a new development. In the early 1950s, Israel recognized the PRC and was making progress in eliciting a Chinese response

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 10/77–1/78. Secret. Sent for action. On December 29, Robert Gates returned this memorandum to Oksenberg under cover of a memorandum in which he stated, "David has asked that this memorandum be redone with the changes suggested on page 2. With some emphasis, David asked me to tell you to avoid sending memos to him that contain such phrases as 'deter Israel's drift toward Taiwan,' 'links with the outcast nations of the world,' and 'cooperation between the Taiwan and Israeli lobbies.'" (Ibid.) See footnotes 2–4 below.

through Burmese intercession. But Dulles pressured Ben Gurion not to pursue the matter. After Bandung and the PRC's opening to Cairo, Peking's Arab links precluded a Peking response. Indeed, from the early 1960s to the early 1970s, Peking's best links were with the radical Arabs. Since 1971–1972, however, the PRC has been drifting toward the Egyptians—particularly as Sadat became increasingly anti-Soviet.

Israel has approached us on several occasions since 1972 to indicate to Peking Tel Aviv's interest in establishing relations. At the same time, however, Israel has been drifting toward closer relations with Taiwan, with arms sales forming the link.

I believe it is in our interest to deter Israel's drift toward Taiwan² and to foster an Israeli-PRC link for these reasons:

—Israel should not have major military-security links with the out-cast nations of the world: South Africa, Rhodesia, the ROC. Rather, it should broaden its connections with Third World countries when possible.

—An Israeli-Taiwan connection has an impact on U.S. domestic politics, for it provides the basis for cooperation between the Taiwan and Israeli lobbies.³

—It is desirable to involve PRC interests in the maintenance of a stable Israel–Egypt relationship through Peking having good relations with both.

Recommendation:

In your next conversation with a suitable Israeli official you (1) mention what we have learned about Peking's new attitude toward the Middle East; (2) you indicate that we think it is premature for Israel to try to establish contact with Peking at this point, but that if Israel allows the situation to mature without engaging in acts that would be deliberately provocative to Peking, such a connection seems possible within the foreseeable future.⁴

Bill Gleysteen concurs with this recommendation and believes that you are the person who should deliver the message. He believes that such an initiative would get hopelessly mired at State.

² The passage, "in our interest to deter Israel's drift toward Taiwan," was put in brackets by Aaron or at his request.

³ This sentence and the first sentence of the previous paragraph were put in brackets by Aaron or at his request.

⁴ Aaron did not check either the Approve or Disapprove option.

71. **Action Memorandum From the Adviser to the Secretary of Defense on NATO Affairs (Komer) to Secretary of Defense Brown¹**

Washington, January 3, 1978

SUBJECT

Using China to Help NATO

We need further analysis of how NATO might confront the USSR with more of a perceived two-front strategic problem (recall my comments on PRM–10). Of course, Peking has been actively pushing a similar theme. US hesitations seem to arise largely from (a) concern lest overtures to Peking adversely affect our ability to reach arms control agreements with Moscow (a dubious argument to this one-time Soviet NIE drafter); and (b) the fact that the new Administration has had so many other things on its plate and it's never really gotten around to China policy.

In any event our dominant NATO interest dictates exploring soonest at least a modest step to sharpen the constraints on Moscow without going so far as to risk the alleged adverse results. Since DoD has a major stake in this matter, we also need some such concrete proposal to use as a vehicle for moving the USG China debate off the plane of lip service in theory but immobilism in practice. Is there any such step which also would avoid the Taiwan issue? That would bring our Allies (Europe and Japan) into the act? That would be cheap enough to be practical, yet have significant impact?

An ATGM sale or license would meet all these criteria, in my view. One of China's greatest military vulnerabilities is to Soviet armored blitzkrieg tactics. Hence modern ATGMs would be very useful, yet not increase Chinese offensive capabilities. My hunch is that Peking would be as eager to acquire them as the US, Japan, and WE should be to sell them. Three possibilities seem worth prompt analysis:

1. *Sell X-number of TOWs directly, or better still a facility to produce them. This probably would have the greatest direct impact on Moscow*

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Reds), 092. Secret. Copies were sent to William Perry, David McGiffert, Russell Murray, and Morton Abramowitz. Stamped, "6 Jan 1978. SecDef has seen." At the top of the page, Secretary Brown wrote, "1/4 RWK—This issue clearly involves US relations with PRC, with USSR, and with NATO. I believe that Mort A. + Dave McG should consider this particular weapon—ATGMs—carefully. The issue of whether US does it, encourages it from others, is neutral, discourages it—is an interagency one. I don't want a big study or publicized discussion of it in DOD, though obviously we should have a substantial input. HB."

(and Peking) perceptions, but also raise the most issues here and in Taiwan. So let's look at *indirect* sales.

2. *License Japan to produce TOWs* (or are they already?) and to sell X-number to China. Japan has at least as much strategic interest as the US in strengthening China's defenses.

3. *Discreetly propose that France/FRG sell or license MILAN facility.* MILAN is probably the best ATGM for Chinese, since it has 2000m. range (in between TOW and Dragon) and is simplest to use. I'll bet both Paris (commercially) and Bonn (strategically) would be interested.

Recommendation. I'm not arguing that DoD should float the above right now, merely that we internally analyze the pros and cons. But if the proposal stands up under our own analysis, it is a logical initiative for DoD to launch. Therefore, why not ask ISA to look at this and any other relevant ideas, and give you a preliminary reaction by say 15 February. You could do so simply by endorsing this memo.²

R. W. Komer³

² Brown did not check either the Approved or Disapproved option.

³ Komer initialed "RWK" above this typed signature.

72. Memorandum From the Deputy Secretary of Defense (Duncan) to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 5, 1978

SUBJECT

Resumption of Taiwan Troop Drawdowns

This memorandum responds to your request of 10 November 1977 to submit for the President's approval a plan to draw down Department of Defense military and civilian personnel on Taiwan to a ceiling of 500 by August 1, 1978.²

¹ Source: Washington National Records Center, OSD Files: FRC 330-81-0202, China (Reds), 320.2. Secret.

² This request was not found.

The JCS believe that a reduction to 500 Department of Defense personnel by the cited date is possible but will have the following impact:

—“a degraded but acceptable U.S. capability” to fulfill our obligations under the Mutual Defense Treaty (MDT) can be maintained only if qualified civilian contractors can be hired to perform certain tasks;

—elimination of all non-MDT related activities on Taiwan, such as aircraft programmed depot maintenance (PDM), adverse effects on PACOM readiness and other military requirements and at considerable unprogrammed expense;

—little, if any, remaining flexibility without degrading our ability to carry out Taiwan contingency functions.

The Joint Chiefs of Staff do not believe that such a reduction is warranted under present circumstances. Annex A presents details on the specific nature of the required reductions and the resultant impact.³

In order to avoid the heavy penalty costs and degradation of PACOM operational readiness involved in the above plan, an alternate plan has been prepared (Annex B) which would retain approximately 660 Department of Defense personnel on Taiwan.⁴ The additional personnel under this plan would:

—permit retention of essential MDT support functions at a near minimum manning level;

—permit retention of the Aircraft Programmed Depot Maintenance Facility, the Naval Medical Research Unit, and other theater support functions until plans for an orderly relocation of these units can be implemented; and,

—reduce financial impacts, for example, relocation of the PDM facility would significantly increase costs of PDM service (estimated at \$11.3 million for USAF aircraft during FY 77—Part II, PRM-24)⁵ and the USAF could be liable for additional unprogrammed costs in excess of \$2.5 million.

Finally, I believe it important to note that we might achieve a sounder reduction below the 660 level after we examine contingency plans (due March 1) for relocation of the USAF Aircraft Maintenance Center and the War Reserve Materiel Storage.

I recommend that we move to implement the alternative Joint Chiefs of Staff plan (Tab [Annex] B). The political purposes of the reduction are met by the resultant 53% reduction in authorized strength. I see no further political benefits at this time and considerable operational

³ Annex A is attached but not printed.

⁴ Annex B was not found.

⁵ See Document 32.

and financial costs in implementing a reduction to a 500 ceiling by August 1978. Obviously, this problem must be kept under constant review.

CW Duncan Jr

73. Report Prepared in the Bureau of Intelligence and Research¹

No. 908

Washington, January 11, 1978

CHINA STEPS UP ITS BIRTH CONTROL PROGRAM

Summary

According to a number of reports from China, the government has recently initiated a new phase in its birth control program by requiring couples (either parent) to be sterilized after the second child. This tightening of the anti-natalist population policy appears to be an outgrowth of the 11th Party Congress, held in August 1977. Late marriages and a five-year minimum interval between the first and the second birth remain active components of the family planning program.

If these reports are accurate, the new policy marks an abrupt attempt to intensify China's long-standing and seemingly successful birth control efforts. The government may be seeking to extend the geographic coverage of the program and to apply uniform demographic targets to all sections of the country. In the past, three-child families were, on the whole, tolerated in rural areas while urban residents were exhorted to limit themselves to two children.

We do not know whether the new instructions represent a successive step in a long-range birth control strategy or the new leadership's dissatisfaction with the current pace of fertility decline. The government's ability to popularize a small family norm in a relatively poor and predominantly agricultural society is also conjectural. If the government's two-child policy is effective, however, China's 1975 population can be expected to increase by less than 30 percent by the year

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 28, Brzezinski 5/78 Trip to China: 5/5–9/78. Confidential. Drafted by Lydia Giffler and approved by James H. Noren, both in the Office of Economic Research and Analysis.

2000. It would expand by no more than 50 to 60 percent (over 1975) before ceasing to grow in the second half of the 21st century.²

[Omitted here is the main body of the report.]

² The analysis in the body of the report predicts that the PRC effort to reduce population growth would greatly strengthen that country's potential for economic growth during the next few decades, but would produce a rapid aging of the population.

74. Memorandum From Acting Secretary of State Christopher to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 18, 1978

SUBJECT

Reduction in DOD Civilian and Military Personnel on Taiwan

We have reviewed the proposals in DOD's January 5 memorandum concerning further reductions on Taiwan.² With certain important qualifications, listed below, we agree with your preliminary conclusion that a ceiling of 660 DOD civilian and military personnel on Taiwan as of August 1, 1978 would be acceptable.

One: The DOD proposal envisages maintaining a considerable number of personnel on Taiwan to perform War Reserve Materiel (WRM) and related airbase caretaker functions. The question of removal of War Reserve Materiel, or its other disposal, is presently under study by DOD and a memorandum on the subject is due at the NSC by March 1, 1978. Should the results of that study permit further personnel reductions between March 1 and August 1, 1978, the 660 figure should be reduced by the amount of those reductions.

Two: We are most reluctant to agree to DOD's proposal to transfer to civilian contractors certain military functions now being performed by DOD personnel. It is our view that as DOD personnel depart as foreseen under the Shanghai Communique, the functions they perform should be eliminated rather than continue in a new guise. [*1½ lines not*

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 11, China (Republic of China): 1/77–5/78. Secret.

² See Document 72.

declassified] be prepared to reconsider the use of contractors if DOD could present compelling reasons for doing so. Since most of the proposed contractors appear to be related to WRM functions, the issue could be considered in the context of the forthcoming WRM study.

[1 paragraph (13 lines) not *declassified*]

With the above qualifications, we believe that a ceiling of 660 as of August 1, 1978 should be acceptable.

Finally, we note that the DOD report indicates the study of relocation of the Aircraft Programmed Depot Maintenance facility at Tainan, which is due at the NSC by March 1, 1978, probably will state that a lead time of at least 18 months will be required in order to relocate the facility elsewhere in the Far East. We believe DOD should be instructed now to take steps which will significantly shorten that lead time.

75. Memorandum From the President's Special Adviser for Science and Technology (Press) to President Carter¹

Washington, January 23, 1978

SUBJECT

An Approach to the People's Republic of China Through Science and Technology

I should like to make the case that your Administration should develop a range of scientific and technical initiatives with the PRC similar to the extensive relationship the USSR enjoys with us under the S and T Cooperation Agreement which I direct. I believe it is timely to start the process now for the following reasons:

- Premier Hua Kuo Feng and Vice Premier Teng Hsiao-ping have emphasized building a strong S and T base, involving acquisition of foreign technology.
- CIA reports that a new wave of Chinese purchases of foreign technology is likely to begin soon that could top the billion dollar mark within the first twelve months. The PRC is seeking computers, telecommunication equipment, electronic instruments, oil and mineral exploration and exploitation equipment, and agricultural technology. Teng

¹ Source: Carter Library, National Security Affairs, Staff Material, Science and Technology, Box 1, Huberman Subject File: People's Republic of China: 5/77-9/80. A handwritten "C" at the top of the page indicates Carter saw the memorandum.

announced that China intends to build a proton accelerator ranking in size to the world's largest. Chinese scientists are being sent for training to Western European laboratories and Peking indicates that foreign training programs will be arranged in connection with purchases.

- Peking has enthusiastically accepted the United States Government's invitation to the energy group, currently here (which I understand you suggested).

- Western European Nations and Japan are actively seeking trade, training and exchange links with China *that may preempt deferred U.S. moves.*

Advantages for the U.S.:

- Increasing U.S. share of the China market.
- Establishing long-term ties between influential segments in both societies; U.S. trained Chinese scientists and engineers are mostly in the age bracket over 65. We have no contacts with the younger generation.
- The political value of contributing to an economically strong China, as a counter to the USSR, by strengthening China's agricultural and industrial capabilities and its ability to export natural resources and to become self sufficient or even an exporter of food.

Risks:

- PRC would reject approaches because of lack of diplomatic ties.
- Offering too much in the absence of ties reduces PRC incentive to soften on key issues impeding ties.

Recommendations:

- That you have Zbig and me, with the help of the agencies, develop a range of scientific and technological initiatives with the PRC for your approval. Areas might include energy resources, space applications, high energy physics (accelerators), earthquake prediction, natural resources exploration and exploitation, and agriculture. Initiatives would involve trade, training, and long-term S and T exchanges. The effort would be cognizant of the reviews underway in PRMs 24 and 31 on transfer of military-related technology to the PRC.²

² Carter checked the "President Approves" option and initialed "JC." For the PRM 24, Part III study, see Document 67. Regarding PRM 31, see footnote 19, Document 59.

76. Memorandum From the Deputy Secretary of Defense (Duncan) to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 7, 1978

SUBJECT

Resumption of Taiwan Troop Drawdowns

This memorandum responds to your request of 3 February to review State's comments on the Department of Defense's plan to draw down DOD military and civilian personnel to a ceiling of 660 by 1 August 1978.² Fortunately we had received an informal copy of State's comments and had begun to prepare a response. Otherwise it would have been extremely difficult to reply to your request (which was dated on Friday, arrived on Saturday and required a response on Sunday). There is no need for such timing.

With regard to the Acting Secretary of State's comments:

—I agree with his first point. As was noted in the memorandum forwarding our plan to you, we may achieve a sounder reduction below the 660 level after we examine contingency plans (due March 1) for relocation of the USAF Aircraft Maintenance Center and the War Reserve Materiel Storage. However, I do not want to prejudge the results of these studies.

—In accordance with your initial directive, the DOD plan identifies 40 personnel spaces that would be replaced by civilian contract personnel. The functions involve administrative support, security police, munitions maintenance, and special services. I do not believe that these functions can be eliminated (although the munitions maintenance and some of the security police requirements may be eliminated if a Presidential decision is made to change the status of our WRM). In addition, the nature of each function is self-explanatory and does not require further justification, i.e., there is a need for security police, munitions maintenance personnel, etc.

—With respect to the small Human Source Intelligence (HUMINT) detachments (total of 9 persons), the Joint Chiefs of Staff believe that these, like other elements of the intelligence effort on Taiwan, should be considered separately because in the JCS view they support national re-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 1/77–5/78. Secret.

² Brzezinski's February 3 memorandum is in Washington National Records Center, OSD Files: FRC 330–81–0202, China (Nats) 320.2. The Department of State's response is Document 74. For the Department of Defense plan, see Document 72.

quirements. JCS feels that if the DOD HUMINT elements are not excluded from the proposed ceiling, the ceiling should be adjusted upward. I have initiated a review of the role of the DOD HUMINT elements in the overall intelligence effort. Until this review is completed, I recommend that we defer a decision on whether these elements should be included under the 660 ceiling or the ceiling adjusted upward to accommodate them.

With regard to the Acting Secretary's comments concerning the Aircraft Programmed Depot Maintenance facility on Taiwan, it should be noted that this is a civilian contractor doing work for the United States Government. Therefore, it is not a question of relocating it, but of finding another contractor who has the capability (or will develop the capability) to perform this type work. If we are to avoid significant unprogrammed costs and/or a severe decrease in operational readiness, a prospective contractor must be given a reasonable amount of time to prepare his physical facilities and expand and train his work force to meet U.S. contract requirements. In any case, we should not prejudge the ongoing DOD study or prematurely conclude that we must terminate the use of this facility on Taiwan in less than eighteen months. Finally, even if normalization does occur, it does not necessarily preclude some form of U.S.–PRC agreement which would provide for an orderly transition period for the phasing out of this facility.

In short, while some of State's concerns seem appropriate and we do have an obligation to reduce our presence on Taiwan under the terms of the Shanghai Communiqué, a difference of 100 or 200 DOD personnel on Taiwan is no substitute for substantive steps that influence U.S.–PRC relations. There is little to be gained by further withdrawals beyond those in the DOD plan in the absence of significant progress of our normalization efforts or at least a change in PRC attitudes.

CW Duncan, Jr

77. Memorandum for the Record by Michel Oksenberg of the National Security Council Staff¹

Washington, February 8, 1978

SUBJECT

Summary of Ambassador Woodcock's Conversations in the White House,
February 7, 1978

I. Brzezinski–Woodcock—10:30–11:00 a.m.

In his meeting with Dr. Brzezinski, Ambassador Woodcock stated he was enjoying Peking.

Brzezinski thanked him for the cable.² Brzezinski said he had shown Secretary Vance a copy of his own cables and he hoped the Secretary had indicated that to Woodcock. Woodcock said Vance has said so. Brzezinski said his relations with Vance were very good, they kept each other fully informed, and there were no bureaucratic differences between them. Brzezinski did not preclude Vance's subordinates from fearing that Brzezinski was a potential Kissinger and saw a trip to Peking in this light.

Woodcock said he would welcome a Brzezinski trip. When Brzezinski's cable first arrived, Woodcock discussed the matter with his DCM and both agreed a trip would be very desirable.³ However, in the light of the press stir which Woodcock's remarks created last week (concerning the absurdity of not recognizing Peking as the government of China),⁴ Woodcock feared that a Brzezinski trip might raise concerns

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 43, Meetings: 1–3/78. Top Secret; Eyes Only.

² Not further identified. Brzezinski may be referring to backchannel message 169 from Beijing, November 22, 1977 (mistakenly dated August 22), in which Woodcock wrote, "I would be genuinely delighted to welcome you in Peking. Ideally, the best timing would be as soon as possible after the conclusion of the SALT II agreement with Soviets. A briefing on SALT and other important global policies would be of real interest to Chinese leaders. Our strategic stance is at the heart of our relationship, as the Chinese have reminded us many times, and being informed by you of our latest thinking in this regard would be of real help in demonstrating our continuing interest in our relations with the PRC." (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 11/77–5/17/78)

³ Woodcock is probably referring to a backchannel message (the number is illegible but may be WH70578) to Beijing, December 19, in which Brzezinski expressed an interest in visiting China. (Carter Library, National Security Affairs, Staff Material, Subject File, Box 8, Backchannel Messages: Peking: 2/77–8/78)

⁴ On February 2, *The Washington Post* reported an interview with Woodcock on February 1 in which he said that the lack of normal relations with the Mainland was "founded on an obvious absurdity." (Lee Byrd, "Woodcock Sees U.S. Establishing Full Peking Ties," p. A1)

about normalization, which in turn might become an election issue in the fall. Woodcock also was concerned that the Chinese might react negatively to a trip that would not advance normalization. Woodcock said he was not speaking on instructions but was voicing his own opinion.

Brzezinski expressed concern that we have not managed the triangle well and that by year's end, our relations with both the PRC and Moscow could be worse off than when we took office. We could enter the elections without a SALT agreement and with the Soviets consolidating a position in the Horn. For there to be no trip to China during 1978, at a time when SALT and Ethiopia are before us, would run counter to our objective of developing a genuinely consultative relationship with Peking. Brzezinski did not think we would be managing the triangle well by giving such low priority to China.⁵

Brzezinski said he considered our relations with Peking to consist of two tracks: the bilateral and the global-strategic. Naturally, one affects the other and presumably normalization would enhance our ability to have a genuine dialogue with Peking. Brzezinski would not wish to visit Peking unless Woodcock thought it would be helpful. In conjunction with a trip to Tokyo and Seoul possibly in late March–early April or in June, Brzezinski thinks a trip to Peking to discuss world affairs—particularly SALT, the Middle East, and Ethiopia—might be appropriate. The President would have to decide.⁶

Oksenberg added that with respect to Woodcock's concerns, a spring visit would probably be forgotten by the fall. Moreover, it could

⁵ On February 9, Brzezinski discussed the "triangle" in one of his regular weekly reports to the President: He listed "Our failure to exploit politically our relatively favored position in the U.S.-Soviet-Chinese triangle" as one of "three developments which cumulatively may adversely affect the overall global position of the United States." Next to Brzezinski's comment about the failure to exploit the triangle, Carter wrote, "Later—(post-Panama)." Brzezinski also noted, "we have failed almost entirely to take advantage of the opportunity inherent in the Sino-Soviet hostility, while concentrating heavily on enlarging the scope of U.S.-Soviet negotiations." (NSC Weekly Report #46 from Brzezinski to Carter, February 9; Carter Library, Brzezinski Donated Material, Subject File, Box 41, Weekly Reports [to the President], 42–52 [1/78–3/78])

⁶ In his February 9 weekly report to the President, Brzezinski advocated a visit to China: "Finally, in part because of Chinese rigidity, and in part because (in my judgment) of excessive sensitivity to the Soviets, we have slighted the Chinese connection. Even if normalization has to proceed slowly, and Vance's trip to Peking bears this out, there is no reason why the consultative relationship—resting quite frankly on a shared concern over Soviet aggressiveness—should not be cultivated. This is why I favor your instructing me to visit China sometime in March or April to engage in quiet consultations (not bilateral negotiations—and the Chinese would have to agree to this in advance) regarding global issues, thereby also sending a signal to the Soviets which might prove helpful on such matters as the Horn or SALT. (Domestically, it would be viewed as a hard-nosed act, and hence useful.)" Carter underlined "Chinese rigidity," and wrote, "yes" in the margin. He underlined "sensitivity to the Soviets," and wrote, "no" in the margin. (Ibid.)

be made clear to the Chinese and American press in advance that the trip will deal primarily with world affairs.

Brzezinski stated that while it would be impossible totally to avoid bilateral matters on his trip, to the extent these issues arose, he would wish Woodcock to take the lead in this portion of the talks, since normalization primarily fell in State/diplomatic channels.

Brzezinski then asked Woodcock what his views were on normalization and whether he heard of Cranston's idea. Woodcock knew of Cranston's proposal and he too favored a unilateral action by the U.S., accompanied by a statement on how we would continue our relationship with Taiwan unimpaired.⁷ Brzezinski expressed regrets that we didn't do that in the first month, that this was one of three gordian knots—Korea and the Mid East being the others—which required decisive, clean cut Presidential leadership.

Woodcock and Brzezinski agreed that the timing on normalization should come soon after the Congressional elections.

II. The President–Woodcock—11:40 a.m.–12:00 noon

Woodcock told me the meeting went well. The Vice President joined soon after the session began.⁸ They discussed domestic politics. On China, Woodcock said the President had agreed with him on the importance of normalization, on the way it should be done, and as far as a time frame is concerned, the President privately indicated he thought soon after the fall elections would be appropriate. Woodcock told me the possibility of a Brzezinski trip arose, and Woodcock responded as he had to Brzezinski—initially for but currently having two concerns.

Holbrooke told me Woodcock had reported the President said he regretted not having moved on normalization in the first month.

Woodcock told me he had briefed Brzezinski on his conversation with the President.

III. Woodcock–Mondale—12:00 noon

Woodcock told me he met with the Vice President after the joint meeting with the President. Woodcock said the Vice President asked whether Woodcock would have even greater concerns if the Vice Presi-

⁷ In his February 1 interview, Woodcock stated he was "delighted" with Senator Alan Cranston's idea that the United States end diplomatic recognition of Taiwan. See footnote 4 above. Cranston had visited China in January with a group of Congressmen.

⁸ According to the President's Daily Diary, Carter met with Woodcock on February 7 from 11:40 a.m. until 12:05 p.m., with Brzezinski in attendance only from 11:40 until 11:42. Mondale arrived at 11:45 and stayed until 12:05. (Carter Library, Presidential Materials)

dent visited China this spring, to which Woodcock replied, “Well, obviously.”

78. Memorandum From the Executive Secretary of the Department of State (Tarnoff) to the President’s Assistant for National Security Affairs (Brzezinski)¹

Washington, February 8, 1978

SUBJECT

Transmittal of Joint State–Defense Memorandum on Arms Sales to the Republic of China

We forward herewith the attached memorandum on the subject of Arms Sales to the Republic of China. The memorandum was prepared jointly by the Departments of State and Defense in response to an informal request from the National Security Council. Although it sets forth in the introduction the general recommendations of the two Departments on the policy which we believe should govern weapons sales to the Republic of China in the context of our overall normalization policy, it does not provide specific recommendations with respect to the individual weapons systems discussed. It is intended that these specific weapons systems recommendations would emerge from a discussion meeting, to be chaired by NSC and would then be forwarded to you in a supplementary paper.

Peter Tarnoff²

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 42, PRM–24 [2]. Secret; Nodis; Sensitive.

² Acting Executive Secretary Frank G. Wisner signed above this typed signature.

Attachment

Joint Memorandum Prepared in the Departments of State and Defense³

Washington, undated

SUBJECT

Arms Sales To the Republic of China

I. Introduction

This paper addresses the question of arms sales to the Republic of China within the framework of a policy of affording the ROC “limited access to new weapons”. Within the context of avoiding serious complications in our relations with Peking, the paper is based on the premise that we will approve sales to the ROC of new military equipment and technology so long as it is essentially defensive in nature and its provision:

- does not, in our best judgment, pose a serious threat to our normalization policy with Peking;
- does not distort the military balance in the Taiwan Strait;
- does not contribute to the ROC’s nuclear, long-range/intermediate missile, or chemical warfare development programs;
- is consistent with the President’s policy on arms transfers.

The paper attempts to evaluate pending ROC requests for the purchase of U.S. military equipment in the light of these considerations and with the objective of helping the ROC maintain a reasonably high cost-inflicting defense capability against the PRC. We would be prepared to risk some PRC displeasure over our actions in the arms supply area, but would continue to give high priority to avoiding serious problems in our relations with Peking.

ROC and PRC Views.

The ROC leadership recognizes that political factors—the PRC’s stake in good relations with the U.S. and Japan, and continuing Sino-Soviet tension—are increasingly important elements in stability in the Taiwan Straits area. But for the foreseeable future most in the ROC will continue to believe that the island’s survival depends upon maintaining a credible military deterrent. Taiwan hopes that political factors

³ Secret; Nodis; Sensitive. Drafted by Feldman (EA/ROC), Romberg (S/P), and Richeson and Ridge (OSD/ISA); cleared by Thayer (EA/PRCM), Kreisberg (S/P), Ericson (PM), Gleysteen (EA), Notargiacomo (PM/SAS), Sennewald (OJCS), and Abramowitz and Pinckney (OSD/ISA).

in the U.S. will delay full normalization of relations with Peking, and force the U.S. to continue to guarantee the island's security even after normalization. The ROC, at the same time, has attempted to expand its own arms production, develop new weapons systems and find non-U.S. sources of supply. A recent U.S. intelligence memorandum concluded, however, that for the foreseeable future, the ROC will be dependent on the U.S. as its source of modern weapons and that Taiwan's self-defense capability will continue to be linked to its ability to buy arms from the U.S.

For Peking, continuation of U.S. arms supply to Taiwan, however distasteful, is only one factor in a complicated equation. Pending normalization, there are some indications that Peking views our existing relationship to Taiwan as a deterrent to Taipei's looking elsewhere for support, or seeking unilaterally to alter the island's status. It is far from certain, however, that Peking would establish full diplomatic relations with the U.S. on terms which included continuation of U.S. arms sales to Taiwan. At a minimum, Peking could be expected to oppose U.S. military support at a level which might cause the ROC leadership to conclude it was invulnerable to pressure.

Implications for the U.S.

There is inter-agency unanimity in the view that serious PRC–ROC fighting in the Taiwan area would be highly damaging to U.S. policy interests; and agreement as well that serious political or social instability on Taiwan would greatly complicate the normalization process. Maintenance of a credible military deterrent in the ROC not only works to preserve military stability in the area but also provides the sense of psychological confidence on Taiwan which helps to protect against potential political instability on the island.

Consistent with the broad policy framework laid out above, the U.S. should continue to maintain a balance between accommodating both PRC sensitivities and the ROC's need to be confident in its security, and should do so in the following ways:

—Continue to consider ROC military requests on a case-by-case basis.

—Avoid, as far as possible, periods of massive arms flow alternating with periods of unresponsiveness to ROC requests. Instead, communicate responses, whether positive or negative, in timely fashion employing as criteria the President's arms transfer policy, interpreted in the light of our overall normalization policy, and the importance to us of a credible military deterrent in ROC hands.

—Avoid, as unhelpful to our dealings with both Peking and Taipei, major variations in the flow of arms to Taiwan. This would be particularly true at the time that normalization approaches, when we

would want to avoid an "Enhance Plus" arrangement.⁴ Accordingly, deliveries should be scheduled in a way that presents an image of steady but modest flow, and of U.S. restraint.

[Omitted here are Section II on aircraft and air defense related items, Section III on naval related items, and Section IV on land armaments.]

⁴ "Enhance Plus" was the operation that rapidly transferred a large amount of military supplies to South Vietnam before the cease-fire of January 1973.

79. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, February 27, 1978

SUBJECT

Trip to the Far East

A couple of weeks ago you said that you felt that a consultative visit by me to China would be useful; you mentioned this also to Mansfield in Cy's presence; and this morning the matter was brought up by Harold. Considering the importance of the U.S. maintaining a better relationship with both China and the USSR than either of them has with each other, and bearing in mind developments on the Horn and the related need to send a sensitive signal to the Soviets, the time is ripe for your decision on this subject.

Since it would be inadvisable to convey a sense of haste to the Chinese, and since it will take time to plan a serious consultative meeting, I would envisage proceeding along the following lines, subject to your reactions and approval:

1. Following your decision, I would consult with Cy, and then approach the Chinese to inform them that I am now ready to accept formally the invitation which they have more than once issued since last fall;
2. I would propose that such a two or three-day visit to Peking be labeled clearly in advance as consultative. In this context, I would pre-

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 11/77-5/17/78. Top Secret.

pare myself to present the Chinese with a full briefing on our current SALT negotiations as well as on the overall strategic situation. In addition, I would be prepared to discuss with the Chinese other matters of common concern, such as developments in the African Horn.

3. Subject to Chinese response, probably the best time for the visit would be somewhere around the middle of April. Hopefully, this would be after the ratification of the Panama Canal Treaties.

4. To dampen speculation, the meeting would be deliberately labeled as consultative; to send the proper signal to the Soviets, it could probably be announced in a low-key fashion sometime soon, even if scheduled for the second half of April; it would be agreed beforehand with the Chinese that there would be no communique on the conclusion of the visit, and we would make no further comments from here after my return, thereby giving the Soviets some food for thought.²

² Carter did not check either the Approve or Disapprove options, but wrote at the "Other" option, "I'll probably decide this week. J."

80. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, March 1, 1978

SUBJECT

Joint State–Defense Memoranda on Arms Sales to the ROC

Background

Several months ago, I became concerned that we did not appear to have a coherent arms sales policy to Taiwan, and that we appeared to be making a series of ad hoc decisions on separate arms sales without any overall view of the type of military posture we wished the ROC to possess over the next few years. I therefore requested State and Defense to submit a memorandum to you on arms sales to the ROC.

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 42, PRM–24 [2]. Secret; Sensitive. Sent for action. A note at the top of the page reads, "See DA note p. 3." See footnote 8 below.

At Tab A is the quite good study they have submitted.² I chaired a meeting February 28 to discuss the paper, to surface State–Defense differences, and to identify next steps in deciding on sales.³

The core issues as far as hardware are concerned are that:

—The ROC F–100s and F–104s are aging and will have to be replaced within the next four years if Taiwan is to maintain an adequate air defense against China’s growing jet fighter capability.

—The ROC must acquire some kind of response to the PRC’s growing naval capability, particularly to counter the threat posed by 185 PRC ships and missile attack boats armed with the Styx missile—a missile with a 25 nautical mile range.

—The ROC must acquire an enhanced ASW capability to deter Peking’s gradually increasing capability to impose a blockade of the island.

The threats which we wish the ROC to feel confident it can deter are:

—An invasion attempt.

—A blockade.

—Excessive PRC air and naval patrolling of the Taiwan Strait.

At the same time, we do not wish to so arm the ROC that we do damage to our relations with the PRC or that we encourage the ROC to behave without restraint toward the PRC. In short, our arms sales must be carefully calibrated to maintain an adequate balance in the Strait.

Decisions

Go forward on some sales. Against this background, State, DOD, and I agreed that appropriate authorization should be sought for immediate U.S. sale of the following five weapon systems: (1) 150 M–48 A–1 unserviceable tanks for cannibalization; (2) 100 155mm self-propelled Howitzers; (3) 100 8-inch Howitzers; (4) four PPS–43 mobile radar systems; and (5) a low-altitude aircraft detection system.

All of these systems marginally improve Taiwan’s land armaments and air defense control systems.

Recommendation:

That you approve our going forward with these sales.⁴

² Attached; printed as an attachment to Document 78.

³ See Document 82.

⁴ Brzezinski approved this recommendation and wrote, “but *not immediately*. Later in the spring.”

NSC Delay on Hawk Missile Sale. State and DOD approve the sale of a third Hawk anti-aircraft missile battalion. Such a sale will require Presidential approval and notification of Congress. This large sale makes eminent sense in terms of Taiwan's defense needs. I wish, however, to hold this sale for awhile, to consider whether we should approve several major sales together (others are discussed below) as a more dramatic way of underscoring to Taipei, Peking, and the American public our commitment to the maintenance of an adequate defense of Taiwan even as we move forward on normalization.⁵

Recommendation:

That you approve my temporary holding up of the Hawk missile sale. No security questions arise from a short delay.⁶

State and DOD disagree strongly at this point on two major issues:

—*What airplanes to sell Taiwan as the F-100s and F-104s are phased out.* DOD is for the F-4, State is for the F-5E.

—*What system to sell to Taiwan to counter the Styx missile.* DOD is for the Harpoon, State is for equipping F-5Es with a Maverick missile.

I have asked State and DOD to develop options on these two issues, searching for intermediate compromise solutions as well as the two "pure" each agency advocates.

I was asked whether the decision on these two issues would ultimately go to you, Cy, and Harold, and perhaps even to the President. I stated that I thought we should proceed on that assumption.

Recommendation:

That you agree that I inform State and DOD that the major arms sales items to Taiwan—planes and major missile systems—would be the subject of decision at the Secretarial or Presidential level.⁶

Les Denend concurs.⁷ You should be aware that the self-propelled Howitzers and 8-inch Howitzers total approximately \$150 million, all of which would count toward the ceiling. We are likely to encounter problems in fitting these sales into the FY 78 total.⁸

⁵ Inderfurth underlined "a more dramatic way of underscoring" and in the margin wrote, "Some use should be made of the announcement politically & within the context of the normalization process with the PRC. RI."

⁶ Brzezinski approved this recommendation.

⁷ Denend initialed above this sentence. After the sentence, Inderfurth wrote, "with the 3 recommendations Mike makes. Rick."

⁸ Someone, probably Aaron, underlined the last sentence of the paragraph. At the bottom of the page, he wrote, "ZB—You better worry about the *timing* of these moves. DA."

81. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, March 3, 1978

SUBJECT

Conversation with Dick Holbrooke on China Policy

I had a long talk with Dick Holbrooke about China policy on March 2, and the highlights should be of interest to you:

—Vance is beginning to tell some Senators that we intend to normalize relations with the PRC after the elections. For example, he mentioned this to Kennedy in a private conversation. I think this is a mistake on Cy's part for two reasons: First, such statements might leak; and second, normalization is not an issue the timing of which is entirely for us to decide. Cy should be cautioned about this.

—If indeed Cy, you, and possibly the President do believe that we should *attempt* to normalize after the fall elections, we must begin *now* or at the very latest immediately after the Canal Treaty vote to undertake measures toward the PRC which will create the proper environment for an effort to normalize in the fall. Dick Holbrooke and I decided to draft a paper for a meeting with you, Cy, and Harold—a meeting similar to the one we had on arms sales to the PRC [ROC]²—which would discuss *a strategy* for normalization. It is not good enough to say that you would like to consider the issue after the elections; unless we undertake steps to generate some momentum to the relationship, we will really enjoy no options on the issue in the fall. Among the measures we have in mind would be renewal of Taiwan troop draw-downs, recall of Unger in mid-summer, a major arms sale to Taiwan in late summer, in my opinion a trip by you to China in May, the licensing of several key technology exports to the PRC *coupled* with a major PRC purchase of U.S. grain, and possibly a major effort to settle the claims/assets issue. Dick and my idea would be to attempt to get the President to approve a sequence of moves, the purpose of which would be to give him the option of then making an effort to normalize after the November election. We should have this paper for your consideration by the end of the month.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 2-5/78. Confidential. Sent for information. A note in an unknown hand at the top of the page reads, "RI, lunch item."

² See Document 82.

—Dick told me that Cy remains skeptical of both your trip to China or a possible trip by Mondale. I suspect Dick has not sought to turn Cy around on this one; Mike Armacost agrees with me on Dick's position. The only reason in our opinion that Cy and certainly Holbrooke are opposed to such trips is bureaucratic. Cy apparently is going to propose to the President that Bergland and Schlesinger be offered to the Chinese. I hope you will resist a Bergland trip *very strongly*. It would be insulting to the Chinese to have Bergland go to China while Mondale visits Southeast Asia. Do we take the Chinese seriously or not? Further, what is Bergland going to talk about—peddling wheat when the Chinese have made it clear the U.S. is a residual supplier?

—Holbrooke told me that he probably would go against his EA Bureau advisors and support the sale of F-4s rather than F-5Es to Taiwan, providing that we manage such a sale to gain political credit on the Hill.

82. Memorandum From the National Security Council Staff Secretary (Dodson) to the Executive Secretary of the Department of State (Tarnoff) and the Office of the Secretary of Defense¹

Washington, March 10, 1978

SUBJECT

Joint State–Defense Memoranda on Arms Sales to the ROC²

The recommendations of a February 28, NSC-chaired Inter-agency meeting on possible arms sales to the Republic of China have been reviewed. You should be aware of the following decisions:

1. The following requests by the ROC should begin the clearance process this Spring, including an assessment of when the two Howitzer sales could be accommodated within the arms sales ceiling:

- 100 155mm self-propelled Howitzers.
- 100 8-inch Howitzers.
- 150 M-48 A-1 unserviceable tanks for cannibalization.

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 42, PRM-24 [2]. Secret; Sensitive.

² Attached to Document 78.

- Four PPS–43 mobile radar systems.
 - A low-altitude aircraft detection system.
2. Consideration of the third Hawk battalion should be deferred.
 3. Major requests for arms (i.e., jet aircraft—F–4s, additional F–5s, or Kfir fighters—the Harpoon missile; or the Maverick) should be the subject of a separate analysis and possible PRC meeting.

Christine Dodson

83. Memorandum From Secretary of Defense Brown to President Carter¹

Washington, March 11, 1978

SUBJECT

Consultations with the PRC as a Response to Soviet Actions in the Horn of Africa

Along with Cy and Zbig, I have been thinking about what we could do to show the Soviets that the kind of adventurism they have been displaying in the Horn of Africa bears a high risk of retaliatory action by us. The problem has been to find actions that hurt them more than they hurt us. This criterion, in my view, excludes such courses as slowing down SALT (“linkage”), because our interest in early conclusion of an equitable SALT agreement is properly as great as the Soviets’.

I suggest that we respond by initiating talks with the PRC on matters of common interest. This would surely cause the Soviets to be concerned. It would be a response to their actions in the Horn of a kind appropriate in magnitude and in nature, being political and strategic.

What I have in mind is talks at the ambassadorial level, as have in the past been carried on by us and the PRC through our respective ambassadors in Warsaw; I suppose it could now be done in Peking. An alternative would be through a special emissary to Peking, if that can be carried out as part of a visit by Zbig to Peking, a visit which I strongly support in any event. An advantage, in my view, (others might say a risk) of using the Brzezinski visit for this purpose is its stronger impact.

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Reds) 092. Secret. The memorandum is marked “Personal.”

One concern would be its necessarily limited duration, though it could be followed up by further discussions by Woodcock or elsewhere.

We and the PRC would discuss at these meetings just such matters as how to work together on the Horn. We could plan coordination of US–PRC efforts aimed at frustrating such further Soviet adventurism in Africa as undermining Kenya, stirring the waters in Rhodesia and then fishing in them, or sending the Cubans to threaten southern Africa or toward the Sudan and Egypt. I would also include such topics as: the strategic balance; NATO and Eurocommunism; evolving parallel policies in other areas—South Asia, Indo China—where we share a concern about Soviet influence; even quadrilateral relations in northeast Asia among the USSR, the US, the PRC, and Japan.

I know that Cy believes this could be a dangerous move, presuming that the Chinese would agree to such talks. He considers US–USSR relations both fragile and deteriorating. Indeed the course I propose would get Soviet attention; that is just the point. Actions such as canceling or postponing the Soyuz–Shuttle cooperation are just the opposite; they appear petulant and ineffective, without any particularly troubling effect to the Soviets. I believe we must be prepared to upset the Soviets as much as they have upset us by their actions in the Horn, in order to discourage them from expanding such activities into even more dangerous places. I would not suggest that we publicize the nature of these talks; the Soviets would find out soon enough, and so would others such as the Saudis, the Iranians, and other friends to whom we wish to demonstrate that the Soviets cannot act with complete impunity.

Because the Chinese may not be willing to go all the way through such a list, we could enter such discussions in phases, beginning specifically with Africa.

We would not include the subject of normalization of relations in these talks. Normalization presumably depends on how we and the Chinese are prepared to deal with the Taiwan issue; my judgment is that at the moment our positions on that subject do not overlap sufficiently to reach an agreement. However, success in the kind of talks I propose, or even their mere existence, would advance the prospect of normalization. A Brzezinski visit, ambassadorial talks, and (later) steps toward normalization—probably with Cy making another trip to Peking—could all be separate but would in my view be mutually supportive.

I would like to suggest, moreover, that we may have a chance later this year to proceed substantively on normalization. As I see the evolution of SALT, agreement is a reasonable prospect in late spring or summer, but a delay in the ratification process to next year is likely. This will provide a window during which we may be able to take on

one additional difficult foreign policy issue. I nominate normalization with the PRC. Moreover, particularly following a dialogue of the kind I have discussed with the PRC, normalization would be understood domestically as involving an element of countering the Soviets. That would make it go down more easily with people who would ordinarily be opposed to normalization of relations with the PRC.

Harold Brown

84. Paper Prepared by the National Security Council Staff¹

Washington, undated

A Proposal for Asian Policy Adjustments

Our most urgent requirement at present is to undertake bold and dramatic measures to escape the sense of drift which afflicts the Administration's foreign policy in general, and Asian policy in particular.

Our global strategy is deficient insofar as we are allowing our principal adversary to define the regions of the world in which we compete for influence. The Soviets have chosen Africa as their principal locus of competition for the foreseeable future, and we find it difficult to develop appropriate local responses. Our response should not be confined to Africa. Nor should we rely heavily on a linkage with arms negotiations since a SALT II agreement can serve our own interests. If we hope to have any chance of obtaining domestic support for a SALT agreement this year, however, it will be politically essential to find other ways of responding to the Soviets' African adventure. We believe the most effective strategic rejoinder can be fashioned from adjustments in our Asian policy, with emphasis on China and Korea. Put crudely, as the Soviets seek to extend their influence to the South, we should remind them of their vulnerabilities in the East.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 43, Meetings: 1–3/78. Secret; Sensitive; Eyes Only. Sent to Brzezinski under a March 13 covering memorandum from Oksenberg and Armacost that reads, "Attached is a paper calling for some rather dramatic adjustments in our Asian policy. We think they make sense in foreign policy terms and would improve the President's political prospects. Mike and I would like to discuss the proposal in the paper with you and David [Aaron] at your earliest convenience." On this covering memorandum, a handwritten note reads, "ZB has seen." (Ibid.)

It is important that we act boldly. The public increasingly assesses the President as a leader who lacks the capacity for dramatic and decisive moves. In addition, the President's prestige in Asia is low, and we need to act to reverse this before the impression is irretrievable. In response, we believe he should select issues on which he can act boldly and which fall preeminently in the Presidential domain. These moves, moreover, must appeal to his natural constituency in the South lest he risk further erosion of his political base.

Policy opportunities exist in Asia for profitably broadening our competition with the Soviets, and they can be exploited through essentially Executive action. It is important that we seize these opportunities and thereby address these substantive foreign policy problems:

—*Our Korean policy is in great jeopardy.* Congress may not pass the equipment transfer legislation; Jaworski holds the key, and we cannot expect him to be helpful. If we go through with the first withdrawals without the compensation package, the JCS would withhold their support.

—*Our China policy is stalled;* there *never* seems to be an opportune time to move forward, and this robs our diplomacy of much needed flexibility.

—In the region as a whole—most notably in the eyes of the Japanese—our Asian policy lacks coherence, decisiveness, and a sense of priorities.

Only bold and positive gestures are likely to be psychologically sufficient and politically effective in dealing with these dilemmas.

I. A Proposal

We recommend an appropriately dramatic adjustment of our Asian policy which would alter our situation. It should include the following elements:

(1) *postpone the initial phase of the Korean troop withdrawal;* (2) *move rapidly to normalize relations with China;* (3) *accelerate delivery of defensive weapons systems to Taiwan,* and (4) *inform Japan of these policy adjustments in advance.*

Each of these moves can be justified on their merits; but it is the inter-relationship between them that is important politically and substantively.

(1) *Postponing the Korean Withdrawal.* The case for this is clear. Postponement of the first withdrawals—on grounds that the Congress cannot be expected to address the security dimensions of the problem while the Tongsun Park affair hangs over them—would remove a contentious issue from the Executive-Legislative agenda. It would enable the President to avoid expending political capital on an issue he might lose. It would assuage the anxieties of our Asian allies—particularly the

Japanese—with whom the withdrawal policy has never been popular. It would greatly relieve Congress where a majority favors strong security ties with the ROK, but does not wish to confront a vote for large-scale aid to Korea in an election year. It would cover the Administration's flank on the Right, thereby facilitating political management of the China normalization issue. Nor would the President have to modify the broad contours of the withdrawal plan; he could reaffirm our intent to remove ground combat troops over the next four-to-five years. The effect of a postponement of the initial phase would merely be to "backload" the withdrawal still further.

(2) *Normalize in 1978*. The case for rapid normalization likewise stands on its own merits. There is little we can do immediately in the Horn of Africa to affect the outcome of the Ethiopia–Somalia imbroglio. But we must not allow the Soviets to alter the local balance of forces in East Africa through their aggressive policies without forcing them to pay a major price in the larger global strategic balance. A strengthened China connection—including formal diplomatic relations, expanding trade and exchanges, and fuller strategic consultations—is the most effective card we have, and the sooner we play it the better. An acceleration of the normalization timetable would respond to the Soviet's African adventure, thus meeting conservative reservations and promoting normalization in a context most likely to elicit conservative support on strategic grounds. As with the Soviet response to our opening to China in 1971–72, such a move will likely increase Soviet incentives to cooperate with us in other areas, including SALT. It would strengthen China's commitment to a moderate policy in Asia and thereby limit still further opportunities for the Soviets to translate their growing military power in the Pacific into any significant political influence.

Politically the time is ripe for this. Rapid normalization is more palatable when the Soviets are acting up. The recent National Party Congress in China confirmed a moderate leadership interested in developing relations with the United States while accelerating internal industrial development and registering strong concern with Soviet actions. Hua and Teng may be induced—in the context of prospective movement on the normalization front—to make major grain and technology purchases from the U.S. this year, thus demonstrating to the U.S. public the tangible benefits to be derived from normal relations. As noted above, adjustments in our Korean policy would serve to undercut Rightwing assertions that we are "selling out all our small Asian allies". If we don't normalize at an early date—at the outside by early 1979—the next "window" will be in 1981. By then the situation could change, and that timeframe may pose even greater complications.

(3) *The Taiwan Angle*. The efficacy of this combination of moves depends in part upon our willingness to put Taiwan in a better position to

defend itself while protecting the Administration against charges that it is abandoning Taipei. The most obvious means of accomplishing these objectives would be to accelerate weapons transfers of air and naval defense equipment. We should, therefore, indicate at an early date our willingness to sell a Hawk missile battalion, a substantial number of additional F5E aircraft, and, perhaps, the Harpoon missile system to the ROC. This would provide reassurance to Taipei, ease the concerns of Taiwan's friends in the U.S., and send the right signal to Peking. It would also confirm a point we have been making to Peking for some years: their unwillingness to provide concrete public statements of their intent to resolve the Taiwan issue peacefully leaves us no alternative but to help Taiwan preserve access to essential defense equipment.

(4) *The Japan Connection.* How would this play in Tokyo? Clearly a deferral of Korean withdrawals would be welcomed. The Japanese remain ambivalent about U.S. normalization with Peking but are reconciled to its inevitability. We need foresee no serious problems with the GOJ, provided Fukuda is informed of our intentions in advance. Informing Japan, moreover, would have another salutary result. It would prompt Fukuda to hasten the pace of his negotiation of a Sino-Japanese Peace and Friendship Treaty, thereby increasing the Soviet Union's political isolation in the Far East. Japan, meanwhile, will have the satisfaction of moving ahead of us, and the completion of Japan's negotiations should affect favorably the discussion of normalization in this country.

(5) *The Soviet Connection.* These initiatives are predicated on three assumptions:

—If we are going to sign a SALT agreement at a time when the Soviets are moving aggressively in Africa, it is politically imperative to protect our flanks by reacting in some other theater to Soviet policy in the Horn.

—Moves on the China front are likely to induce flexibility from the Soviets in SALT and other negotiations—probably after some initial bluster and bluff from the Kremlin.

—We can manage these moves with sufficient skill to exploit the current concerns about Soviet policy in Africa without returning to the hostile atmosphere of the Cold War.

The Soviets will have no grounds for taking exception to any of these steps. Our Korean policy is none of their business; they have "normal" relations with China already; and none of these moves need be portrayed publicly by the Administration as directed against the USSR.

II. Timing and Modalities

There are essentially two options for proceeding—a "strike while the iron is hot" alternative, and a policy evolution with a more measured pace and more complicated set of moves.

1. *Swift Normalization.* The first approach rests on the premise that our China policy has been constantly bedeviled by efforts to find just the right moment to complete the normalization process. Consequently, since the moment now seems opportune, we should take it and seek to achieve a breakthrough in the next three months. It assumes that this move will be politically attractive in the U.S. and should be arranged to facilitate a trip by Hua to Washington to cap the process even before the fall elections. It would be played as a contribution to peace, leaving to Senator Jackson and others the explicit anti-Soviet themes.

In this scenario, normalization is the bold move; everything would be directed toward maximizing possibilities for its rapid attainment. We would consequently sell a postponement of Korean withdrawals as an add-on generating credibility with the Chinese while neutralizing conservative elements at home on normalization. In addition, in view of difficulties Japanese have with avoiding “leaks”, we would delay consultations as long as possible with them in order to prevent premature disclosure of our intentions. With respect to Taiwan we would begin approving arms transfers to Taiwan right away. As for method, we would forswear widespread advance consultations on the Hill in order to avoid generating obstructionist countermoves before we have our ducks in a row with Peking. This implies a willingness to rely on secret diplomacy with Peking at present—your trip being the centerpiece of the strategy.

2. *A More Measured Strategy.* An alternative strategy would alter the sequence of moves, slow the pace of normalization, and broaden the range of consultations here and abroad.

This strategy would begin with postponement of Korean withdrawals.

Several Congressmen—e.g. Senator Glenn, Senator Nunn, Congressman Stratton—have indicated that they may soon propose postponement of the withdrawals or other “fallbacks” from our current Korean policy. If we *are* to fall back, we should get the credit for taking the initiative. And we should move swiftly in order to avoid expending political capital on this issue when we already have a full plate on the Hill. Moving immediately on Korea would not only be helpful politically here, but it would set the proper tone for a successful summit with Fukuda, would signal to the Soviets that we will slow down reductions in our military deployments in East Asia, and would be perceived in Peking as a positive indication of American prudence.

Second, your (ZB) trip to Northeast Asia should be scheduled as soon as possible (e.g. late April or early May). While your stopover in Peking should be billed as a consultation on global strategic issues, it should also be utilized to signal unmistakably to Peking our will-

ingness to move rapidly on normalization, to invite their assistance in the political management of the normalization issue by making sizable grain and technology purchases prior to the November election, and to alert them to the prospect of additional equipment deliveries to Taiwan. A stop in Tokyo will enable you to debrief the Japanese and avoid a repetition of the “Nixon shock”. In Seoul you can inform Park of our decision to delay withdrawals and, perhaps, seek to translate that into further moves by Park on the human rights front that would further defuse current bilateral problems.

Next, equipment deliveries to Taiwan should be announced during the summer, but should be timed, if possible, to coincide with commercial sales to Peking so as to achieve a maximum political payoff on the China issue during the election.

If things are proceeding in a promising fashion, Cy Vance might then make a second trip to Peking later in the summer to discuss the modalities of normalization in detail, and to firm up our judgment as to the most effective timing of normalization itself—before the elections if it seemed politically advantageous; deferred until afterwards if the advantages are not so clear-cut.

*We strongly favor the second option,*² and would like to discuss this with you at your earliest convenience.

² At the bottom of the page, Inderfurth wrote a note to Brzezinski and Aaron about the proposal, “Option 1, however, is appealing. *Panama will have been decided*, one way or the other. *SALT*, most probably, will still be *in progress*. This is a ‘window’ worth exploring.” Inderfurth went on to discuss the Korean withdrawal and Philippine base negotiations.

85. **Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, March 16, 1978

SUBJECT

Recent Favorable Chinese Signals to the U.S.

You should inform the President that in its subtle way, Peking has begun to signal to us that they are interested in broadening their relationship with the U.S.:

—They have granted exit visas to permit the reunification of two divided families, after a protracted period of American efforts on behalf of these two families which previously had elicited no Chinese response.

—The Chinese have offered us a second compound in Peking to house our Liaison Office activities, again after a protracted and unsuccessful effort to find more space for the Liaison Office.

—Chinese military attaches abroad clearly are now working under new instructions which permit them to have social contact with their American counterparts. In four countries—Burma, England, Japan, and Hungary—our military attaches have cabled about their meetings with the Chinese Attache.

—Going back to early February, the Chinese featured Edgar Snow on the front page of *Peoples Daily* as an American who had contributed to Sino-American friendship. Similar publicity to Edgar Snow in late 1970, we now know, was a signal to the Nixon Administration of the Chinese interest in an expanded relationship.²

I do not mean to suggest that the Chinese have altered their position on Taiwan. Rather, I simply draw your attention to indications that the Chinese may prove to be receptive to overtures from us to restore some momentum to the relationship.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 2–5/78. Confidential. Sent for action.

² Edgar Snow (1905–1972) was an American journalist who met with and wrote about Mao Zedong during the 1930s. In 1970, Mao appeared with Snow during the October 1 National Day parade and met him again on December 18. The *People's Daily* published a photo of Snow and Mao on the front page of the December 25, 1970, issue. (The page is reproduced as Document 4 of the National Security Archive Electronic Briefing Book No. 145.) These were all apparent signals of China's desire to improve relations with the United States. See *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, Document 103, and Henry Kissinger, *White House Years*, pp. 698–699, 702–703.

86. Note From President Carter to Vice President Mondale and Secretary of State Vance¹

Washington, March 16, 1978

To Vice President, Sec Vance

I've decided it would be best for Zbig to go to China—perhaps as early as next month if it is mutually satisfactory with the Chinese.

We need to expedite the arrangements and plans.

J.C.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 11/77–5/17/78. Confidential. The note is handwritten by the President on White House stationery. At the bottom of the page, Carter wrote, "bcc: Dr. Brzezinski."

87. Memorandum of Conversation¹

Washington, March 21, 1978, 9–9:30 a.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Ambassador Han Hsu

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

Ambassador Han Hsu, Acting Chief of the People's Republic of China Liaison
Office

Tsao Kuei-sheng, Political Counselor, People's Republic of China Liaison Office
Yang Yu-yung, Interpreter, People's Republic of China Liaison Office

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1–4/78. Top Secret; Sensitive. The meeting took place in the White House. Oksenberg drafted a cable for Woodcock and Vance summarizing the meeting. In a covering memorandum to Brzezinski, Oksenberg wrote, "When you give a copy of this cable to Cy, if you think it appropriate, you might ascertain Cy's disposition to inform Dick [Holbrooke]. My own preference would be for Cy to keep Dick informed and for us to know that Dick has been informed. Mike [Armacost] and I have worked effectively with Dick over the past year because we shared information. I would like to minimize any potential strains in the relationship as we begin to plan for your trip. Certainly Dick drew me fully into the planning for the Vance trip last fall. I think it will be easier to get him to accept his not being included on the final trip if he has been made part of the process at an earlier stage." (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 2–5/78)

(*Background:* Ambassador Han Hsu shook Dr. Brzezinski's hand warmly, clasping his hand in the friendliest Chinese fashion. Mr. Oksenberg had informed him by phone on Friday, March 17, that the purpose of the meeting was to discuss the matter which Mr. Oksenberg had raised earlier with Mr. Tsien Ta-yung and which Ambassador Huang Chen had earlier raised during the Mondale lunch.² During that conversation, Han Hsu understood immediately what Oksenberg meant, saying "Yes, that matter. I would be glad to see Mr. Brzezinski.")

Dr. Brzezinski: How are you? It is good to see you again.

Ambassador Han Hsu: I am fine.

Dr. Brzezinski: I have been traveling. I went with the President over the weekend to visit the aircraft carrier *Eisenhower*, which weighs 95,000 tons. It is huge. Can you guess how many sailors it has?

Ambassador Han Hsu: 1000.

Counselor Tsao: 1500.

Dr. Brzezinski: 6000. It is like a sailing fortress. It contains over 100 aircraft. I had no idea how enormous it was before I visited it. It is 17 stories tall. One has to use the stairs. President Carter and Mrs. Carter went all the way up and down.

The mechanisms for launching and landing a plane are impressive. For a plane to take off, there are huge catapults that propel it off the ship and within two to three seconds the plane has cleared the deck and is flying at 100 miles an hour. Landing is also extraordinarily difficult. As the pilot touches down, he speeds up so that in case the tripping mechanisms fail to hold him, he will have sufficient speed to go off again.

The President gave an important speech at Wake Forest.³ I asked Mr. Oksenberg to deliver it to you. I hope you got a copy and hope you read it.

Ambassador Han Hsu: The New China News Agency has already carried excerpts of this speech, and I have brought you a copy of the NCNA dispatch.

² That is, Brzezinski's proposed trip to China. The memorandum of conversation of Mondale's lunch with Huang Zhen is Document 66. Regarding Oksenberg's meeting with Tsien, see footnote 2 thereto. Brzezinski commented in his memoirs about the "warm personal relationship" he developed with Han Hsu: "our conversations grew increasingly candid and far-ranging. I came both to trust him and to like him." (*Power and Principle*, p. 203)

³ Carter's speech at Wake Forest University in Winston-Salem, North Carolina, on March 17 addressed national security. It is printed in *Public Papers: Carter, 1978*, pp. 529–535.

Dr. Brzezinski: I have read Hua Kuo-feng's program, which he delivered to the National People's Congress—its mention of 120 key development projects and the development of 14 industrial regions in China.

Ambassador Han Hsu: Yes. The next eight years for China will be decisive years. We are entering a crucial period until 1985. The four modernizations depend upon a major effort. If we are able to fulfill our targets in the first eight years, then we will meet our targets to the year 2000.

Dr. Brzezinski: Is the goal more ambitious than that of the programs of the 1950s and early 1960s?

Ambassador Han Hsu: It is a program which seeks to grow on the basis of what was accomplished during the 1950s and early 1960s. But in terms of overall growth, we hope to achieve within the next eight years what was accomplished over the past 28 years.

Dr. Brzezinski: Will it involve a great deal of sacrifice?

Ambassador Han Hsu: Our hope is to minimize the sacrifice. We will make efforts to increase the standard of living. We hope that wages will be able to increase every year. We seek to secure increases for 90 percent of the peasants annually and their incomes. No targets have been set for wage increases. The increases will depend on productivity, for we must combine the interest of the individual with the interest of the state.

Dr. Brzezinski: Well, I have not read the full Hua Kuo-feng statement, but Mr. Oksenberg has given me a summary of it and key excerpts from the speech.⁴ I was struck that it is balanced, integrated, and systematic. The program that has been outlined envisions a scientific and modern China.

Let me change the subject. I know you are busy. You will remember that your predecessor said it would be opportune for me to visit China. The President has approved, on the Secretary of State's recommendation, for me to make such a visit and to explore with you whether such a visit would be possible and what its implications would be and how to arrange it.

Ambassador Han Hsu: Because Mr. Oksenberg had previously mentioned this to the Chinese side, the Chinese side has already expressed a formal invitation and said that you would be welcome.

Dr. Brzezinski: I am gratified with this invitation. I have always had great admiration for your country, your history, your people. I will

⁴ Oksenberg's March 7 memorandum to Brzezinski describing Hua Guofeng's speech to the National People's Congress is in the Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brzezinski: 1-3/78.

welcome this opportunity to visit your country. Here I speak personally, aside from the substance of the conversations I hope to have in China, which are also of great interest to me.

Let me outline my thinking on the timing and outline of the visit and its special characteristics. You may respond now or when I have finished outlining my thinking.

Ambassador Han Hsu: I would prefer to listen to your total views.

Dr. Brzezinski: The visit would have maximum utility if we could have authoritative consultations on matters of common interest. It will be useful for us to examine together the current world situation, to exchange perspectives, and to share our best thinking and latest information.

I would think, for example, that the Chinese side might be interested in and might wish to hear about U.S.-Soviet relations in SALT, our analysis of Europe, Yugoslavia, and the Central European front, the Middle East, the Horn, and southern Africa. We would be interested in having a Chinese assessment about these areas as well. Of course, we would wish to assess the situation in the Far East and Asia and also discuss and learn your estimates of it.

I cite these items as possible agenda items. Our hosts may wish to add. But we need to prepare the visit so that it is of maximum useful advantage, and it would be useful to discuss beforehand the agenda in some detail. So this is the first point—the agenda. We would like to be able to set the specific meetings and with whom we would discuss these issues.

As to the timing of the trip, from our point of view, the President has a trip coming up to Africa and Latin America. You then have your May Day celebrations. So it seems to me that perhaps sometime in the middle of May would be most appropriate. We would welcome the Chinese view.

As for the appropriate duration for such consultations, I would envision a meeting from two to three days, with the first day of talks, then a break during the second day when I might see some of Peking, and then a third day of conversations.

I would like to take only a small party of five or six officials with no press accompanying. Until this has been arranged, we would intend to make no announcement. If a leak occurs—and we recognize the proneness of our government to such leaks—we would state that no plans have been made for such a visit. But it is probably desirable to make an announcement as soon as possible.

When an announcement is made, perhaps we should make a joint statement of my visit. In any case we would coordinate the text so that you know what we intend to say. That, in essence, is the way we want

to approach the visit. I would appreciate your reactions now or when you wish to convey them.

Ambassador Han Hsu: I will convey what you have said to Peking, and as soon as Peking replies, I will inform you. But let me make sure I understand what you have said. I have one question: You only wish to visit Peking and do not wish to visit other places?

Dr. Brzezinski: Time does not allow me to go elsewhere.

Ambassador Han Hsu: So, with regard to your forthcoming visit, I will convey your ideas and I will reply to you.

Dr. Brzezinski: Maybe you can seduce me to stay longer to travel elsewhere. I would be interested in your suggestions.

Ambassador Han Hsu: We would like to know your assessment of the Horn. The Somalians have withdrawn from Ethiopia, but the Russians and Cubans do not wish to go away.

Dr. Brzezinski: My concern is that the Soviet Union and Cuba will crush the Eritrean movement. This concerns both the Saudi Arabians and the Egyptians, and we will be talking to them about this. I am also concerned that the Soviet Union and Cuba will give aid to elements in the patriotic front and become involved in the Rhodesian situation giving them an arc of influence across Africa.

When the President visits Nigeria, he will talk to the leaders of the front line states and the patriotic front. He will also have extensive conversations with General Olusegun Obasanjo. Only if the leaders and people in the region are concerned about and understand the nature of Soviet imperialism can its hegemonistic designs be thwarted.

Our objective is to create in all Africa governments based on a black majority which are genuinely independent and not an extension of Soviet influence.

I know that over the years China has played an important role in Tanzania and Zambia. You have relations with a number of African movements. We need to talk seriously with you about the African states, even if we have different ideological and historical perspectives. Let us talk again.

Ambassador Han Hsu: What is the situation in the Middle East?

Dr. Brzezinski: The discussions are in a difficult stage but progress must be made. It is important that we make all efforts to obtain a Mid-East settlement. The African and Mid East situations are related.

I apologize, but I am late for another meeting.

Ambassador Han Hsu: I understand. I look forward to seeing you.

Dr. Brzezinski: I look forward to hearing from you.

88. **Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, March 27, 1978

SUBJECT

Holbrooke—Your Trip

I was unsettled at our regular Monday evening East Asian meeting today. Holbrooke *informed* me that he was calling Harry Thayer, the head of the PRC Desk, to join the meeting so we could begin talking about China policy, including your trip. I said I was not prepared to discuss your trip in a larger group.

Through this exchange, I learned to my surprise that Tony Lake and his deputy, Paul Kreisberg, as well as Harry Thayer, have already been informed of your trip.

I told Holbrooke that as far as I was concerned, your trip was still hypothetical and was to be tightly held—meaning I could only talk to him and Gleysteen. I did not detail your meeting with Han Hsu.²

In addition, Holbrooke said that in his lunch with you, you agreed planning for your trip would proceed as for a Vance trip. This would mean papers would be prepared at State, primarily in the EA Bureau, and that Holbrooke would take the lead bureaucratically.

I request your permission to tell Holbrooke the following:

—Your trip is still not scheduled. No firm plans exist for it to take place. We wish to keep our probe “low key,” so that, should your trip not take place, no loss occurs. This means as far as EA is concerned, only Holbrooke and Gleysteen are to be updated on developments prior to the announcement of the trip.

—Assuming your trip takes place, planning for it will occur here. Your talks will focus on global affairs, and your staff is well equipped to prepare you for the trip. It also has a proven capacity for discretion.

Recommendation:

That you have me take these two points up with Dick Holbrooke.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brzezinski: 1–3/78. Secret; Outside the System. Sent for action.

² See Document 87.

That you also inform Cy that Tony and others who might know should be told not to inform their staffs.³

³ Brzezinski checked the Approve option under both recommendations and wrote, “absolutely,” in the left margin.

89. Memorandum of Conversation¹

Washington, March 27, 1978, 4:45–5:15 p.m.

SUBJECT

Summary of Dr. Brzezinski’s Meeting with Ambassador Han Hsu

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

Ambassador Han Hsu, Acting Chief of the People’s Republic of China Liaison
Office

Tsao Keui-sheng, Political Counselor, People’s Republic of China Liaison Office
Shen Jo-yun, Interpreter, People’s Republic of China Liaison Office

(*Background:* Mr. Oksenberg received a telephone call at 2:45 p.m. on March 27 indicating that Ambassador Han Hsu had a response to Dr. Brzezinski’s message of March 21.² Mr. Oksenberg arranged for a 4:45 p.m. meeting, called in haste since Dr. Brzezinski was departing the next day for the President’s Latin America and Africa trip.)

Dr. Brzezinski: Excuse me for not being able to see you for a longer period of time and for calling you here so swiftly after learning that you had a message for me, but I am leaving on the President’s trip tomorrow. We are in a state of chaos.

Ambassador Han Hsu: I know you are leaving, and I very much appreciate and thank you for making arrangements to see me so quickly.

Concerning your visit to China, here is the reply to the points you raised the last time we met: First, with regard to a date, the Chinese side

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1–4/78. Top Secret; Sensitive. The meeting took place in the White House.

² See Document 87.

is preoccupied in mid-May, and a visit of two to three days would be possible after May 20.

Second, as to Dr. Brzezinski's visit, the Chinese side will make appropriate arrangements. The U.S. side is aware of Chinese customs. The Chinese side finds it difficult to say with whom Dr. Brzezinski will be visiting.

Third, the Chinese side has no plan to issue an announcement of the visit. The U.S. side can do that.

Dr. Brzezinski: As far as the announcement is concerned, fine. We will tell you in advance when we intend to make our announcement and give you a text in advance concerning what we would say. It would go probably something like this: "With the President's approval and advice of the Secretary of State, Dr. Brzezinski will be visiting China from May 20 to May 23 to engage in consultations about matters of common interest."

As to date, we will check carefully with the Presidential calendar and come back with a proposal soon after my return from the President's trip. The NATO Summit is planned for sometime at the end of May, perhaps in the last week. I do not remember precisely. I will have to check to see if I can be away just prior to that. It may be better to go right after the NATO Summit.

So, as to the announcement, if it is agreeable with you, that is the way we will handle it. As to the date, we will be back in touch with you.

As to the third point, I should underline that my going underscores our desire to consult on important matters of concern. I am going for reasons of state. My visit could be in keeping with our view that the PRC occupies a paramount position in world affairs, and that we attach great importance to these consultations.

I would hope that my visit will be viewed in the same way by my hosts in the country I am so eager to visit. This is in keeping with Chairman Hua Kuo-feng's statements on the common points we share in the world today.

It would seem to me desirable for you to be able to indicate to me in advance the nature and the participants in the talks I would have. It would be difficult to go unless I knew of the nature of the trip, at least a portion of it.

Naturally, this would not be disclosed in advance. I have mentioned that I do not intend to take press with me. But I repeat that I would like to know in advance something about the nature of the program.

I might add that I realize your practice of not specifying the full nature of trips to your country, but a partial indication is both desirable

and necessary for our own planning and preparation. I hope you report this back, since I think this is in our mutual interest.

(At this point the conversation was interrupted as Dr. Brzezinski took a telephone call which was from the President. The Chinese became aware that it was a Presidential call.)

Dr. Brzezinski: So, to summarize, from my point of view, it is difficult to make such a leap into the unknown. This is not a leap forward, but a leap into the unknown.

Ambassador Han Hsu: So, when you get a firm date, you will let us know. We will wait on that until you get back.

As to your second point, we are aware that you know that our practices are consistent. Visitors to China do not know their schedule or who they will see. But you may rest assured that you will be welcomed and will make appropriate arrangements.

Dr. Brzezinski: If I were the Secretary of State, the Secretary of Defense, or the Secretary of Treasury, I would know who I would meet because of established protocol. But my position as the National Security Advisor is more ambiguous. The purpose is consultative and to discuss matters of highest importance. This is unusual in diplomatic practice, but there are precedents. So, if you are unable to give me a complete sense of my trip, perhaps you could give me a general idea.

Ambassador Han Hsu: Last time you mentioned the problem of leakage. So far as the Chinese side is concerned, leaks are out of the question.

Dr. Brzezinski: I know. But here leakages are not out of the question.

Ambassador Han Hsu: The problem lies with the American side and with the situation here. There are no problems of leaking in Peking.

Mr. Oksenberg: But as to Mr. Brzezinski's trip, the first mention of it occurred at a lunch when newspaper men were holding microphones as Ambassador Huang Chen spoke. (Ambassador Han Hsu noted and said "Yes.")

Dr. Brzezinski: We will be in touch when we come back from our trip. I will check on our schedule and meanwhile I hope that you will seek to see whether a greater degree of predictability can be injected into my visit.

Ambassador Han Hsu: I will report back to Peking. We will leave discussion of the world situation to the next time.

90. Memorandum From the Assistant Secretary of Defense for International Security Affairs (McGiffert) to Secretary of Defense Brown¹

Washington, March 31, 1978

SUBJECT

Timing of a US–PRC Normalization Initiative

This memorandum sets forth my thoughts on when we should normalize diplomatic relations with China.

The Basic Options

Timing has always bedeviled our efforts to improve relations with the PRC. There has never been a “perfect” time—only better or worse times. The keys are to recognize when an opportunity exists and to be willing to move boldly. In this regard, we should move soon—well before the next Presidential election. If we don’t it is likely that we will not be able to do so until 1981.

Within this time frame, we have two options.

—First, we could make a major effort to complete and announce normalization before the 1978 Congressional elections. This would require us to move more rapidly and decisively than anyone now expects, in order to capitalize on what appears to be a favorable environment for normalization.

—Alternatively, we could take a more measured approach and develop a public and Congressional consensus supporting normalization prior to announcing any US–PRC agreement. Our efforts in consensus building would proceed gradually over the year but would peak only after the Congressional elections in order to avoid having normalization become a campaign issue. Normalization would be announced sometime in 1979.

The Need for Exploratory Talks

Both alternatives would require exploratory discussions with the Chinese to see if an agreement is possible. During these talks we would accept China’s three conditions as long as they are willing to accept a “US formula” which:

—explicitly or implicitly allows us to continue to sell arms to Taiwan;

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Reds) 092. Secret; Eyes Only. This memorandum was stamped “SecDef has seen” on April 4 and again on April 10. At the top of the page, Brown wrote, “4/4. Save for 4/10 meeting on Asian issues. HB.” The meeting took place on April 11; see Document 94.

—would leave unchallenged a US statement or Congressional resolution which affirms our continuing interest, as in the Shanghai Communiqué, in a peaceful settlement of the Taiwan problem (we see this as essential to explain why, in fact, the Mutual Security Treaty is no longer necessary); and,

—provides an explicit PRC agreement to unimpeded economic and social contacts.

Although we could announce the exploratory talks in advance, it would be better to conduct them in secret in order to avoid a public label of failure (such as another Vance visit without demonstrable progress) and/or needlessly involve the China issue in the 1978 elections.

We believe that Teng and Hua will have to be personally involved in these exploratory discussions and, therefore, the talks will have to be conducted in Peking. Since the initial approach should be low-key it seems most practical to have Leonard Woodcock do it.

Difficulties and Uncertainties

Either option could create difficult bureaucratic (and possibly political) problems, since there still are many loose ends to the normalization issue, particularly legal ones. For example, we have to determine how we can “do business as usual” with Taiwan in the absence of diplomatic relations. Similarly, we have to decide how to do away with the Mutual Defense Treaty (do we let it lapse, ask Congress to repeal it, etc?) While these legal questions are important, they should be manageable. Unfortunately, we have not done so as yet.

We also face a particular problem with the management of arms sales to Taiwan. We have a number of major items for Taiwan awaiting approval. These include 60 F-4s or F-5s, an additional battalion of Improved-Hawks, and the Harpoon missile. Provision of some or all of this equipment would make public and Congressional support for normalization more likely. However, an announcement of such a large volume of sales could adversely affect normalization negotiations with the PRC. The longer the period before normalization, the more such sales announcements can be spaced out. After normalization sales of this magnitude will be difficult even with an implicit or explicit PRC agreement to US arms sales to Taiwan.

Finally, there are uncertainties under either alternative.

—We are not sure that the PRC is willing to make accommodations to our internal political requirements either in the absence or as a result of a full-fledged debate over normalization in the US.

—The strength of public and Congressional views (pro and con) on normalization is untested. The President’s personal involvement and leadership will be necessary to rally public and Congressional support regardless of which alternative is selected. Politically, we do not

now know whether normalization—either quickly or over a longer period of time—will be beneficial to the President.

—Either of these options involve risks with our Asian allies. Coming on the heels of our Asian posture to date they may see rapid normalization as further US retreat. We can take actions to reduce this perception such as delaying the first phase of Korean withdrawal.

Alternative 1: Achieve and Announce Normalization Before the Election

Under this alternative we would try to complete and announce normalization before the 1978 Congressional elections. This could be done secretly and followed by a sudden announcement, or we could delay the announcement and provide some time to better prepare our allies and build a public and Congressional consensus for normalization. In either case the agreement itself would be preceded by minimal consultation.

Advantages

—It could restore the image of the President as a bold and dynamic leader and help reverse his sagging foreign policy prestige. Normalization will be at his initiative—at a time of his choosing—and under conditions that he has established. At the same time, by moving years before the 1980 election we reduce (but do not eliminate) the possibility of normalization becoming an issue at that time.

—Second, quick movement on establishing diplomatic relations is not something the Soviets can complain about—but it should contribute to our effort to moderate Soviet behavior in Africa and elsewhere by demonstrating that we will not be bound by Soviet choices of where they might want to confront our interests. It also serves as a sharp reminder to the Soviets that détente is not an “all or nothing proposition” and that we have other important interests that we intend to pursue.

—Third, the Congressional calendar appears free. It is clear that we cannot obtain ratification of a SALT agreement this year and Congress will have completed action on the Panama Canal Treaties and the Middle East Aircraft Package before any successful normalization becomes public. Therefore, we will not be jeopardizing other high value foreign policy legislation.

—Finally, it enables us to capitalize on a favorable political climate within China, where the always uncertain domestic political scene appears the best it has been in years for progress on normalization.

Disadvantages

—The Chinese could be confused by our coming on strong—especially if we press them for an early agreement. They could see our urgency as weakness and spurn any obeisance to our internal needs.

—Domestically this alternative is inconsistent with the image of an “open administration” and full Congressional consultations. Congressional and public reaction could be sharp. Conceivably the conservatives might make it an election issue to the President’s disfavor. However, we could enhance the political appeal of normalization by ensuring that Hua or Teng would visit Washington soon after the announcement of normalization. (The President, however, may want to keep a high-ranking Chinese visit in reserve until 1980.)

—A sudden normalization would be more likely to scare our Asian allies further about US withdrawal from Asia. In particular, the Japanese—if unwarned in any way—would be totally surprised and would consider it a Carter “shock.”

—Timing will be very tight. We have limited time to deal with the bureaucratic “loose ends” mentioned earlier. Congress would have to consider any implementing legislation by late July to permit action before the election; this would mean agreement would probably have to be wrapped up by late June, not an easy schedule.

Alternative 2: A More Measured Approach

Under this alternative we would gradually build momentum towards normalization through reciprocal steps if our initial explorations in Peking proved promising.

Advantages

—It is consistent with the foreign policy process of an open administration. Congressional and public reaction may not be as sharp if they were consulted, lobbied and allowed to participate in the decision-making process. At the same time, the Chinese would be monitoring the Congressional and public debate and may become more attuned to US domestic political constraints.

—It would provide us more time to get our own house in order—to tie up the loose ends mentioned earlier and space out the arms sales. We would also have more time to consult with our allies and convince them that normalization of US–PRC relations is in their own best interest.

Disadvantages

—It gives opponents ready opportunity to mobilize public opinion against normalization and introduce crippling legislative or public relation efforts to stop or hinder the process. We would certainly have significant lobbying from Taiwan to that end.

—It could become entangled in next year’s SALT ratification effort or become delayed by unfortunate 1978 electoral results.

—To reach early agreement with China and fail to gain public and Congressional support (to include passage of any enabling legislation) would be a grave blow to US–China relations and to our whole foreign policy credibility.

Summary and Conclusions

Assuming we are seriously prepared to meet Chinese terms and the PRC will meet our minimum terms, the China issue becomes again, as it has in the past, a question of US politics and a matter of timing. On the surface it would appear that the text book approach of taking time to build a consensus and then moving makes sense. It seems more logical, more statesman like, and more fitting to the style of this Administration. The timing is not so constricted. On the other hand, it is questionable whether public support and a consensus can be reached without the catalyst of a normalization agreement. Political wisdom indeed may be to have the public discussion follow the President's decision when persuasion may be easier. In any case, the first step would be to conduct secret, exploratory talks with the Chinese. Indeed, no final decision on timing of a normalization announcement has to—or should—be made until we determine Chinese attitudes towards our minimum conditions. Moreover, a Chinese response to our initial exploration could well be equivocal; this would mean that Cy Vance will at some point probably have to go to Peking to conclude the deal.

The question of timing should be one of the important issues on China policy to be discussed at the pending meeting between you, Vance and Brzezinski. State and NSC are likely to argue for the more “measured” approach. I believe it is essential to have a discussion on timing to surface the pitfalls of either alternative. Moreover, we should not condition ourselves to accepting the dangers and the uncertainties of the easier bureaucratic “slow” route or simply defining away the possibility of the sudden and secret move. The President should have that option placed before him.

David E. McGiffert²

² McGiffert initialed “D.E.M.” above this typed signature.

91. Memorandum of Conversation¹

Washington, April 4, 1978, 5:10–5:30 p.m.

SUBJECT

Summary of Mr. Oksenberg's Meeting with Ambassador Han Hsu

PARTICIPANTS

Michel Oksenberg, Staff Member, National Security Council

Michael Armacost, Staff Member, National Security Council

Ambassador Han Hsu, Acting Chief of the People's Republic of China Liaison Office

Tsao Kuei-sheng, Political Counselor, People's Republic of China Liaison Office

Yang Yu-yang, Interpreter, People's Republic of China Liaison Office

(Background: Mr. Oksenberg called the People's Republic of China Liaison Office at 11:00 a.m. to arrange for a meeting, after receiving permission to do so from Dr. Brzezinski and after conversing with Dr. Brzezinski about Mr. Oksenberg's talking points.)

Mr. Oksenberg: Mr. Brzezinski has asked me to convey these three points to you: First, President Carter wishes you to know that Mr. Brzezinski will be speaking for him. The President would expect Mr. Brzezinski to exchange views on an authoritative level. Second, Mr. Brzezinski wonders whether it would be convenient for him to arrive in Peking on the morning of May 20 for discussions on that day. He would hope to have free a portion of the second day—May 21—for sightseeing. He would like to have talks on the third day and leave on the evening of May 22 for Tokyo. We wish to know whether this is convenient, for it entails a visit over a weekend, but he wishes to arrive at the earliest date you mention.

Third, as to Mr. Brzezinski's earlier mention of his desire to know about a portion of his schedule, he wishes to know whether you have a message for him.

Ambassador Han Hsu: I have a message to convey to Mr. Brzezinski: "According to Chinese understanding, Mr. Brzezinski's visit comes under the terms of the Shanghai Communique, which stipulated that the U.S. side would send representatives from time to time for consultations and exchange of views. That is why after the U.S. side indicated to Mr. Brzezinski's interest in a visit, the Chinese side expressed welcome.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1-4/78. Top Secret; Sensitive. The meeting took place at the PRC Liaison Office.

We do attach importance to Mr. Brzezinski's visit. Foreign Minister Huang Hua will hold the discussions."

As another point, if the U.S. side issues an announcement, it should be consistent with previous press announcements.

Mr. Oksenberg: We would make the draft consistent. We will examine previous announcements as a way of shaping our own and inform you beforehand. We would hope to make our announcement fairly soon, once we know the date.

(Mr. Oksenberg and Mr. Armacost then spoke briefly about the return of the Reuss Congressional delegation. They understood that their trip was a good one. They asked the Chinese whether they heard of their conversations with Keng Piao and Hao Te-ching. They had not. They asked whether Oksenberg and Armacost had seen the conversations. Mr. Oksenberg replied that they had only obtained a general sense of the conversations.)²

² Representative Henry Reuss (D-Wisconsin) and Senator Lloyd Bentsen (D-Texas) co-chaired a Congressional delegation that visited China from March 25 until April 5. Highlights of their talks with Vice Premier Keng Paio and CPIFA President Hao Teh-ching are in telegram 845 from Beijing, March 30. (National Archives, RG 59, Central Foreign Policy File, D780138-0023)

92. Memorandum From the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke), the Deputy Assistant Secretary of Defense for East Asian and Pacific Affairs (Abramowitz), and Michael Armacost and Michel Oksenberg of the National Security Council Staff to Secretary of State Vance, Secretary of Defense Brown, and the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, April 4, 1978

SUBJECT

Issues for Decision on Korea and China

We need to make decisions on pressing, interrelated issues in East Asia: (1) the Korean troop reduction/compensatory package; (2) deter-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1-4/78. Secret. Printed from an uninitialed copy.

mining a strategy for seeking to normalize relations with the PRC; (3) deciding whether to seek normalization before or after the fall elections; (4) selecting the weapons to be sold to Taiwan; and (5) deciding whether to continue the case-by-case approach for expediting technology transfers to the PRC.

Context

In making decisions on these issues, a few considerations ought to be kept in mind:

—Our aim is to create the ratcheting effect we were able to obtain in 1971–1973 when our moves toward both Moscow and Peking were carefully staged to be reinforcing. Success depends upon our capacity to weave our China and Soviet policies into a coherent strategy. This means that our strategy for normalization cannot be considered in isolation, but must be jointly designed with our Soviet policy. Neither our Soviet nor our China policy should be derivative of the other; the two must proceed in tandem.

—*It is important that we act boldly.* The public increasingly assesses the Administration as lacking the capacity for dramatic and decisive moves. Our prestige in Asia is low, and we need to act to reverse this before the impression is irretrievable. In response, we believe we should select issues on which we can act boldly and which fall preeminently in the executive domain.

—*Our Korean policy is at a critical juncture.* Congress may not pass the equipment transfer legislation; Jaworski seems to hold the key at this time, and we cannot expect him to be helpful.² If we go through with the first withdrawals without the compensation package, the JCS would withhold their support. As long as the Korea issue remains, it will be hard for us to generate broad support for our Asia policy.

—*Our China policy is stalled;* there *never* seems to be an opportune time to move forward, and this robs our diplomacy of much needed flexibility.

—In the region as a whole—most notably in the eyes of the Japanese—our policies are perceived to lack decisiveness and a sense of priorities. Yet, our policies in Asia are basically sound and opportunities exist for consolidating our favorable position in the region. Proper management of our relations with Seoul, Peking, and Taipei in the months ahead will test our ability to exploit the opportunities that beckon.

² Leon Jaworski was then serving as the Special Counsel for the House Ethics Committee. He had threatened to ask Congress to cut off all aid to Korea unless that government cooperated with his investigation into influence-buying.

I. Korea

The equipment transfer legislation is stalled on the Hill, and our refusal to discuss modifications of the withdrawal plan is becoming a high-risk policy.

—Jaworski still maintains a link between aid to Korea and Congressional access to Kim Dong-jo.

—The pertinent Subcommittee Chairman will not supply a strong lead on the transfer bill. Glenn because he favors postponement; Wolff because he is skittish for personal reasons.

—Most legislators prefer to finesse the Korean issue in this election year.

—Neither the HIRC nor the SFRC has reported our proposals out of committee. Even if the committees act favorably, we must expect floor amendments designed to reduce aid or block passage of the entire package.

In short, we will soon have to expend major political capital to protect the Korean package, and success is far from assured.

A defeat would be devastating for our credibility in Asia. We have consistently told the Koreans and Japanese that our aid would accompany the withdrawals. JCS support for the withdrawal plan is contingent upon honoring that pledge.

We cannot delay action on this matter for long. Support units are rapidly being withdrawn. House markup on the transfer bill is scheduled to begin in mid-April. If we are to introduce or accept modifications, they must be decided upon probably within the next two weeks.

The Options

We have four options. No matter which one is selected, we will have to seek planned levels of FMS credits for Korea in FY 79 (i.e., \$275 million). These credits support the ROK Force Improvement Plan which runs through 1981. The ROK expects them. They serve our own interest in making South Korea more self-reliant. They are virtually “cost-free” to the U.S. taxpayer.

—*Option 1: Proceed to withdraw the first brigade by December 31.* Even if Congress fails to act on the transfer legislation, the equipment of the withdrawing units would be placed in storage pending Congressional action.

This option would put Congress on the spot, and might prompt them to act responsibly on the transfer package this year. Unfortunately, such action would not be assured, and this approach entails very high risks of exacerbating the Administration’s relations with Congress, reinforcing Japanese doubts about our reliability, exposing to both North and South Koreans the hollowness of our pledges and

evoking criticism from conservatives for taking actions which endanger the safety of remaining U.S. forces.

In order to offset these disadvantages, we might either deploy additional air units to Korea (e.g., a squadron of A-10 "tank killers"), [*less than 1 line not declassified*] or declare that there would be no more withdrawals until Congress acts on the package.

Each of these steps raises its own problems. Deployment of A-10s may not be cost-effective and would adversely affect our European plans and promises. [*1 line not declassified*] hence delay in those redeployments would not provide much general reassurance. The attachment of conditions to the withdrawals may have real merit but may not be believed.

—*Option 2: Postpone the December 1978 withdrawal of the combat brigade until 1979—either by six months or a year.* The decisions would be justified on grounds that Congress cannot address Korean policy while the Tongsun Park affair hangs over it.

This option would remove a contentious issue from the Congressional agenda. It would enable us to avoid expending political capital on a possibly losing issue. It would be reassuring to the ROK and other Asian allies. It would not require the President to change the basic contours of the withdrawal decision. Withdrawals would still be completed within four to five years; the basic effect of the delay would be to "backload" the withdrawals further. It would permit us to reintroduce the transfer package next year in an atmosphere hopefully less dominated by the specter of Korean influence-peddling.

Such delays could, of course, be interpreted as giving Congress a veto over any withdrawals, embolden opponents to employ additional delaying tactics next year, and invite charges of another Administration flip-flop.

—*Option 3: Seek Congressional authority to transfer only that equipment associated with the withdrawals in the first phase (the "Stratton Solution").* The value of this equipment is estimated at \$96 million (as opposed to the current request for \$800 million in transfer authority).

This option would increase the possibility of favorable Congressional action prior to the withdrawal of the first increment by allowing Congressmen to "vote against Korea," by slashing the transfer amount. Yet it meets our need to balance withdrawals with improvements in South Korean forces and should reassure the Koreans and our other Asian allies.

It also has several *disadvantages*. We cannot be certain that Congress would approve even a scaled-down request, in which case the effect would be even more devastating internationally than if Congress had simply failed to act on our original proposals.

In addition, Stratton sees it as a means to avoid Congressional endorsement of the overall withdrawal program. It would establish a precedent for incremental Congressional review of the withdrawal program and would open the Administration to an annual legislative authorization of transfer plans. Such an approach would reduce U.S. and Korean capabilities to effectively plan and implement the interrelated elements of the plan (withdrawal, training, equipment transfer, and ROK force improvements) which have varying lead times.

—*Option 4: Delay all further withdrawals until Congress acts.* Postponing the withdrawal of all remaining elements of the first increment for six months or one year would offer essentially the advantages and disadvantages of Option 2. It would be most satisfactory from the perspective of our allies and our military but would give maximum encouragement to Congressional initiative and those who oppose the withdrawal.

II. Strategy for Normalization With PRC

Issue for Decision: Whether to recommend to the President the strategy for trying to normalize relations with Peking outlined below. We propose a four-stage sequence of interrelated moves which we believe would increase significantly the chances that normalization could be completed no later than early 1979 and perhaps considerably earlier than that. After that, domestic political concerns will have taken precedence, and normalization may well slip until 1981 or later. If it unfolds successfully, the key stages of the strategy are: (1) the Brzezinski trip; (2) secret Woodcock talks; (3) a Vance trip; (4) a Presidential announcement and ensuing Congressional action.

In addition, we recommend ancillary measures which would seek to: (1) foster favorable public and Congressional attitudes by demonstrating that improved relations with China has tangible payoffs and need not undercut Taiwan's security; (2) develop precise plans for the Congressional role in the normalization process and for our post-normalization commercial and security relationship with Taiwan; and (3) condition friends and allies to the prospect of decisive moves on our China policy.

The sequence of moves has been designed in such a way that:

—It does not require explicit Congressional approval until the last step.

—It entails reciprocity, permitting us to test Chinese interest in normalization.

—With minor exceptions it neither deeply involves the President nor requires extensive Presidential reflection until the last stage and can be carried out without major burdens on the President's time.

—It need not be made public ahead of time. The first two stages involve quiet diplomacy.

—It can be accelerated or decelerated as it suits our interests.

—The momentum we seek to generate should have salutary effects on relations with Moscow, reminding the Soviets that we have diplomatic options and are capable of initiatives at a time when we seem to be on the defensive elsewhere. Yet, the moves are not provocative; we eschew “gimmicks” in favor of substantive steps which stand on their own merits and are more likely to elicit a Chinese response.

Stage One: Preliminary Notification

A. *Brzezinski Visit to Peking.* The visit will be billed publicly as a discussion of our global foreign policy: SALT, the Middle East, Africa, Europe, and Asia. Underscoring the national security character of the trip, Brzezinski would also visit Korea and Japan. The trip would be announced after we are confident the identity of Brzezinski’s interlocutors will permit authoritative discussions and after the Chinese confirm a date.

However, to set in motion the sequence envisioned in this paper, *Brzezinski would also privately indicate that: (1) the Administration intends to devote major attention to normalization with China; (2) Woodcock is prepared to discuss normalization in detail in talks we wish to keep completely secret; (3) another visit by a high-level official would be possible if the talks with Woodcock gave cause for an expectation of progress; (4) we hope that in the interim the climate for improved Sino-U.S. understanding would be improved through expanded commercial ties; (5) as an indication of the earnestness of our intent, in the months ahead we would seek to advance the relationship significantly.*

B. During this stage, we would: (1) hint to the Japanese that the Carter Administration will accelerate the pace of our efforts to normalize relations with Peking later in the year; (2) give renewed emphasis to China in our public statements, and (3) complete the necessary legal studies on normalization issues.

Stage Two: Secret Talks and Ancillary Public Actions

A. *Leonard Woodcock secretly would begin to discuss the details of normalization in Peking.* Woodcock would tell the Chinese that we are ready to pursue the following course:

—Meet their three conditions;

—Establish a non-governmental office in Taiwan to handle continued economic, cultural, and other appropriate contacts with Taiwan;

—Issue a unilateral statement indicating our continued interest in a peaceful resolution of the Taiwan issue, and expect that their own statements in response will be temperate;

—Continue our efforts to prevent Taiwan from developing nuclear weapons;

—Maintain Taiwan's access to defense equipment, an action we do not expect Peking to endorse;

—Submit necessary legislation to Congress to sustain our post-normalization relationship on Taiwan.

Woodcock would ask whether in the light of our intended actions and statements the Chinese are prepared to accept an American Ambassador by mid-1979, whether they are prepared to set a date for a visit to Washington by a very high Chinese official, and whether they understand our expectations concerning their rhetoric on Taiwan. If their responses were satisfactory, Woodcock would table a draft communique on recognition and would indicate that Secretary Vance would be prepared to travel to Peking to complete arrangements for recognition and an exchange of ambassadors.

B. Ancillary Measures

—The U.S. would further reduce the number of U.S. military personnel on Taiwan to approximately 600 by October 1.

—A government science delegation led by Frank Press would visit China to discuss an expanded S&T exchange program with the PRC.

—To pre-empt the Taiwan issue from arising during the fall campaign and to underscore to all parties concerned the Administration's commitment to the security of Taiwan, we would proceed with major arms sales to the ROC.

—The President and Mrs. Carter would attend one of the performances of the Peking Opera at Wolf Trap Farm.

—We would have one or two Secretarial visits, each of which would be preceded by discussions through our Liaison Offices to ensure the trip would achieve the intended purpose: Bergland, Schlesinger, or Kreps.

Stage Three: Reaching an Agreement and Informing Taipei

Vance in Peking. It would be politically unwise for Vance to visit Peking again without solid expectation that the trip would be productive. Therefore, the decision on his trip must await the results of Woodcock's exchange with Peking and the Chinese response to our ancillary measures. We can expect Peking to be tough and opaque, as they always are, but we will have sensed their likely response to a Vance trip.

The purpose of the Vance trip would be to complete the normalization deal—to bargain on those remaining differences which Woodcock's discussions hopefully would have narrowed to a reconcilable stage. We believe the two critical issues will be Peking's willingness to: (1) accept an American ambassador with the understanding we would

continue arms sales to Taiwan and (2) moderate their rhetoric on their policy toward Taiwan, specifically refraining from using their formulation about “forceful liberation” of Taiwan. Vance would not go to Peking unless we thought reasonable chances existed for reaching an understanding on these two issues.

The leadership on the Hill would have been briefed prior to the trip as to its objectives and discreet soundings would have been undertaken as to the viability of the agreement we intend to reach.

A successful Vance visit would shift the focus from Peking to Washington and Taipei.

Consulting with Congress. Soon after Vance’s return, we would begin quietly to consult with our close allies on the Hill to map the legislative tactics for normalization.

Informing Taiwan. If the Vance visit is successful, we would begin the difficult, delicate task of informing Taiwan of the course ahead. We would impress upon them the irreversibility of our policy, so they would not seek to derail recognition, but we would also stress our desire to work with them to ensure their continued security and prosperity. We would cooperate to induce confidence and minimize such potential problems as capital flight.

Stage Four: The Presidential Announcement and Its Aftermath

A. *Announcement.* The President should announce recognition from Washington. The announcement should state that the U.S. national interest requires us to have full and normal diplomatic relations with the world’s most populous nation, and that the President has therefore decided to extend recognition to the government in Peking as the sole government of China. This will not threaten other nations, but will improve the chances of world peace. (It is important not to explicitly raise the specter of the Soviet angle, even though its appeal will be clear enough to many.)

The President could then proceed to outline the special circumstances that exist with regard to our relations with the people of Taiwan, and state that in order to protect their future well-being he was going to ask the Congress for immediate action on a single important piece of legislation which would permit all existing non-official relationships with the people of Taiwan to continue.

B. *Subsequent Debate.* The President’s announcement will arouse considerable public debate. We will certainly be accused of “abandoning” Taiwan. Senator Goldwater will introduce a resolution claiming that the President cannot terminate a treaty without two-thirds vote of the U.S. Senate. During the debate over the omnibus legislation, we can expect pro-Taiwan elements to try to add on amendments concerning an American security commitment to Taiwan which

would have the practical effect of nullifying the arrangements with Peking. We would expect that these amendments, which might be supported by men like Baker, Brooke, and perhaps Javits and Glenn, would be the moment of maximum danger for the Administration. We would have to make it clear that such amendments would be unacceptable and would open the possibility of vetoing the entire bill, with unacceptable risks for Taiwan.

C. *Hua or Teng Visit to U.S.* The sequence would end with a visit to Washington by Hua or Teng, timed for maximum domestic political benefit.

The Chances of Success

Is this scenario realistic? We do not know. We note these caveats:

—We do not know if the Chinese will agree to normalization on our terms. Our minimum demand on Taiwan—that we continue to sell arms after normalization—may be more than they are willing to accept. The Taiwan issue is an extraordinarily difficult one for them, and a weak or divided leadership may not be able to accept a normalization agreement which did not discernibly increase the chances of an eventual recovery of Taiwan. If the PRC cannot agree to our minimum demands, normalization obviously cannot occur, and we can either seek to sustain the relationship at its present level or seek to advance the normalization process through unilateral means.

—We doubt the Chinese will respond favorably to all our ancillary initiatives. They may wish to defer certain types of exchanges until after normalization.

—Our sequence will be more difficult on the Hill if the Korean troop reduction/compensatory package problem has not been resolved, at least for this year.

—Peking's attitude towards the normalization process will also be affected by our global conduct in the months ahead. For example, Peking would be encouraged by signs of U.S. resolve in Africa and by any efficacy we demonstrate in the Mid East. The point is simple: our capacity to develop a favorable environment for normalization depends in part on our global effectiveness.

III. Timing

The Issue: Whether to pursue the above sequence rapidly, so as to complete normalization before the 1978 elections, or whether to adopt a more measured approach with Stages Three and Four coming after the elections.

Alternative 1: Achieve and announce normalization before the election.

Advantages

—If successfully handled, it would be a plus for the Administration.

—Quick movement should contribute to our ability to moderate Soviet behavior. It also serves as a sharp reminder to the Soviets that détente is not an “all or nothing proposition” and that we have other important interests that we intend to pursue.

—The Congressional calendar appears free. It is clear that we cannot obtain ratification of a SALT agreement this year and Congress will have completed action on the Panama Canal Treaties and the Middle East Aircraft Package before any successful normalization becomes public. Therefore, we will not be jeopardizing other high-value foreign policy legislation.

—Finally, it enables us to capitalize on a favorable political climate within China, where the always uncertain domestic political scene appears the best it has been in years for progress on normalization.

Disadvantages

—It requires maximum political skill.

—The Chinese could be confused by our coming on strong—especially if we press them for an early agreement. They could see our urgency as weakness and spurn any obeisance to our internal needs.

—Domestically this alternative is inconsistent with the image of an “open Administration” and full Congressional consultations. Congressional and public reaction could be sharp. Conceivably the conservatives might make it an election issue to the President’s disfavor. However, we could enhance the political appeal of normalization by ensuring that Hua or Teng would visit Washington soon after the announcement of normalization. (The President, however, may want to keep a high-ranking Chinese visit in reserve until 1980.)

—A sudden normalization would be more likely to scare our Asian allies further about U.S. withdrawal from Asia. In particular, the Japanese—if unwarned in any way—would be totally surprised and would consider it a Carter “shock.”

—We would only have a limited amount of time to deal with the bureaucratic “loose ends” that were mentioned earlier.

Alternative 2: A More Measured Approach

Under this alternative we would gradually build momentum towards normalization through reciprocal steps if our initial explorations in Peking proved promising. Woodcock need not begin discussions sooner than mid-June, and the Vance visit would come in December.

Advantages

—It is consistent with the foreign policy process of an open administration. Congressional and public reaction may not be as sharp if they were consulted, lobbied and allowed to participate in the decision-making process. At the same time, the Chinese would be monitoring the Congressional and public debate and may become more attuned to U.S. domestic political constraints.

—It would provide us more time to get our own house in order—to tie up the loose ends and space out the Taiwan arms sales. We would also have more time to consult with our allies and with Taiwan.

Disadvantages

—It gives opponents ready opportunity to mobilize public opinion against normalization and introduce crippling legislative or public relation efforts to stop or hinder the process. We would certainly have significant lobbying from Taiwan to that end.

—It could become entangled in next year's SALT ratification effort or become delayed by unfortunate 1978 electoral results.

—To reach early agreement with China and fail to gain prior Congressional support (to include passage of any enabling legislation) would be a grave blow to U.S.–China relations and to our whole foreign policy credibility.

IV. Arms Sales to the ROC

Issue for Decision: How to respond to ROC requests for military items which have long been held in abeyance—60 F-4s, the Harpoon, precision-guided munitions (PGMs), and the I-Hawk missile.

Background

Arms sales to Taiwan are an important aspect of our normalization policy. The ROC must continue to feel confident of its own future security, but at the same time our arms sales must take into account PRC sensitivities and legitimate security concerns. We want to avoid the appearance of massive arms flows but this will be difficult given the backlog of requests and the difficulty of approving large sales once normalization is completed. We wish to maintain a military balance in the Taiwan Strait which would continue to deter a Chinese attack on Taiwan, a Chinese blockade of the island, or overly assertive PRC air or naval patrolling of the Taiwan Strait. Our arms sales to Taiwan should:

—Use weapons sales politically to demonstrate our continued interest in Taiwan security.

—Avoid giving the impression we are “packing the island” with arms prior to our military pullout, à la Vietnam.

—Employ as criteria for sales the military balance in the region, the political/psychological situation on Taiwan, and the effect on Peking.

Briefly, air defense poses Taiwan's most immediately pressing problem, for the PRC continues to develop its air force while Taiwan's F-100s and F-104s are approaching the end of their service life. Taiwan's request for the F-4 and the I-Hawk missile are its response to this threat. Naval defense poses a problem for Taiwan because of the PRC's 185 ships which are armed with Styx missiles. The problem we face is deciding upon weapon systems for the ROC that would counter the PRC's modest but growing naval capability. The ROC's requests for the Harpoon and precision-guided munitions are to counter this threat.

Air Defense: We recommend sale of a third I-Hawk anti-aircraft missile battalion (115 million) and believe the letter of offer and acceptance should be signed as soon as possible this fiscal year. The sale would be non-controversial to Peking and helpful in Taiwan.

A decision on *replacement aircraft* cannot be postponed. Taipei wants the F-16 but this is out of the question. The choice comes down to more F-5Es or two to three squadrons of F-4s. Peking would more easily accept an F-5E sale but Taipei would complain the F-5E is not an all-weather fighter and does not carry enough air-to-air ordnance. The F-4 is the plane the ROC wants and U.S. agreement to sell would be popular with its supporters in Congress. F-4 sale would dramatize that the U.S. is not "abandoning" Taiwan. The sale could be made less distasteful to Peking by our insisting the planes not be flown closer than 50 miles from the PRC coast and selling them without ground attack systems.

Naval Defense: The ROC now has the Israeli Gabriel missile but does not consider this effective against the PRC's large Styx missile fleet. The Harpoon is indeed superior to the Styx but the upgrading of ROC capabilities could be very disturbing to Peking but probably less so than the more visible F-4s. Other counters to the Styx would be electronic countermeasures and precision-guided munitions.

Because of their volume and the restricted time, the decisions we make on arms systems should be considered in a coordinated way. Peking will so view them. An F-4 sale would be viewed quite negatively in Peking, but whether it exceeds their tolerable bounds we cannot say. Sale of F-4s plus Harpoons and/or PGMs would be a heavy load in any one year for the PRC, although Peking's tolerance might be increased if Peking believed it was the price of normalization. In terms of reassurance value, both with the Congress and on Taiwan, an F-4 sale is probably the most popular step we can take.

Options

We believe I-Hawk should be sold this year. The principal issue involves the degraded F-4 with restricted use of naval defense weapons. Our options are:

—Option 1: Sell 60 degraded F-4s, the Harpoon, and the precision-guided munitions.

—Option 2: Sell degraded F-4s, but neither the Harpoon nor PGMs.

—Option 3: Sell F-5s, the Harpoon, and PGMs.

V. Technology Transfer

Issue: Whether to expedite the licensing process on technology transfers to the PRC by adopting more flexible bureaucratic guidelines on this issue. PRM 31 and the ensuing PD³ presents an immediate vehicle for enunciating the new guidelines.

Partly because of bureaucratic problems and partly because we are constrained from providing explicit guidelines to the bureaucracy, we have not been successful in expediting decisions on pending license applications for exports to the PRC. In fact, we conclude that our intervention on a case-by-case basis is an unworkable approach.

—Our efforts to expedite a case inevitably turns the case into a political matter. NSC and State, for example, begin to have contacts with the selling company. If the case is turned down on technical grounds, the denial has greater political ramifications than if the process had been strictly bureaucratic.

—By its nature, the evaluative process is bureaucratically cumbersome. A large number of technical people must examine the item. The pressure we exert—and we have intervened incessantly to speed the cases along—may accelerate decisions by a couple months, but at excessive cost of time and effort to us.

—Technical experts continue to demonstrate concern over establishing a precedent for similar sales to the Soviet Union. Yet we cannot tell them a favorable decision in the PRC case does not set a precedent for the Soviets.

Indeed, it is impossible to avoid setting forth an explicit policy at some point. When one of the cases we currently are attempting to expedite goes before COCOM, we would have to state that in our view the case does not set a precedent for sales to the Soviet Union. We would have to justify licensing of PRC sales on the basis of China's level of technology and capability of diverting the item from civilian to military use.

We have two options:

Option 1: Through PRM 31 and the ensuing PD, adopt a policy which states: "We pursue a policy of evenhandedness in the transfer of

³ See footnote 19, Document 59. The ensuing Presidential Directive has not been identified.

technology to communist countries which takes into account their technological level and their capability of diverting the item or technology from civilian to military use with adverse security consequences to the U.S.”

The Draft PRM 31 contains language along these lines, but some would prefer to replace it with a strong affirmation of our current, rather inflexible, policy.

An explicit statement of our new policy would be helpful within the bureaucracy. Commerce and DOD would understand that decisions for one communist country do not set a precedent for another. The consequences of any leaks would be manageable, for the wording carefully avoids creating the impression that we are adopting a “China tilt.”

Option 2: Select the best possible case as a way of establishing a precedent within the bureaucracy and at COCOM that a sale of an item to the PRC does not set a precedent for sale to the USSR.

This option would have us back into our policy change. Its advantage is that the change would attract less attention in the next few months. Its disadvantage is the continuing confusion it would cause.

93. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, April 11, 1978, 0939Z

2209. Subject: Démarche Concerning Nuclear Non-Proliferation Act of 1978. Ref: State 081713.²

1. On 11 April 1978, DCM called on Vice Foreign Minister Chien to convey reftel démarche concerning the U.S. Nuclear Non-Proliferation Act (NNPA) of 1978. The meeting was cordial. Chien was given a copy of the talking points, as well as copies of the complete text of the NNPA

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780155–0511. Secret; Priority; Exdis.

² Telegram 81713 to Taipei, March 30, instructed the Embassy use the occasion of the enactment of the Nuclear Non-Proliferation Act of 1978 (P.L. 95–242) to make a démarche to the ROC Government stressing the President’s and Congress’s continuing interest in nuclear non-proliferation. (National Archives, RG 59, Central Foreign Policy File, D780139–0318) Telegram 60855 to all posts, March 9, contains a layman’s summary of the Nuclear Non-Proliferation Act. (National Archives, RG 59, Central Foreign Policy File, D780106–0873)

and of President Carter's 10 March statement delivered when signing the act into law.³

2. After reading the *démarche* to Chien, DCM said that he had discussed the provisions of the NNPA with U.S. officials in Washington D.C. during his recent visit, all of whom confirmed his impression that the act would require the Executive branch to take action to suspend cooperation in the event of violations. He expressed the hope that Chien would convey the sense of this risk to all appropriate departments and agencies of the ROC Government (GROC). DCM added that it was particularly important that the scientists and other specialists involved be sensitized to the risks involved in any attempt to engage in prohibited activity in the belief that it would escape our notice.

3. Chien responded that the ROC had made clear its position on nuclear proliferation in previous public and private statements. This position was supported at the "highest levels" in the government, and the ROC would continue to abide by it. He assured the DCM that the text of the NNPA would be sent to "all appropriate agencies" with instruction that they "adhere strictly" to its provisions. Chien said categorically that there will be no intentional violations and that the GROC would study the NNPA carefully to ensure there would be no "unintentional" violations. Chien also said that he would study with particular care Section 307 of the act.

4. Comment: Believe *démarche* made the point. DCM intends to use a social occasion on 16 March to confirm with Chien that text of the NNPA and the terms of the *démarche* have been passed on to appropriate levels of the GROC.

Unger

³ The talking points are in telegram 81713 to Taipei, March 30. Carter's March 10 remarks and his statement on signing the act are in *Public Papers: Carter, 1977*, pp. 498–502.

94. Memorandum of Conversation¹

Washington, April 11, 1978, 3:15–4:35 p.m.

SUBJECT

Summary Minutes of the April 11, 1978 Meeting on Korea and China

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Cyrus Vance, Secretary of State
Harold Brown, Secretary of Defense
Richard Holbrooke, Assistant Secretary of State for East Asia and Pacific Affairs
David Aaron, National Security Council
Morton Abramowitz, Deputy Assistant Secretary, East Asian and Pacific Affairs
for ISA
Michael Armacost, Staff Member, National Security Council
Michel Oksenberg, Staff Member, National Security Council

I. Korea

Dr. Brzezinski: Each of the items on the agenda falls under a particular person's jurisdiction, so let's have different people lead the discussion for each topic. Harold, why don't you lead the discussion on Korea?

Secretary Brown: The key situation involves the Hill, where the prospects for obtaining the compensatory package which we initially sought are not good. Lester Wolff is talking of \$400 million, O'Neill wants the whole Korea problem to go away, Zablocki is for the whole package but is dubious of his ability to get it. Meanwhile, the Senate Foreign Relations Committee will begin hearings on Monday, and will act on FMS. The Kim problem remains. Jaworski's attitude is firm, but Duncan is a friend of Jaworski and may try to talk to him.²

Secretary Vance: Don't have him do that. The more pressure on Leon, the more he digs in. We must keep working on him indirectly. If we can get him to answer questions under oath in Korea, then Leon might accept it. That is not impossible. There may be a long-run solution to the Jaworski problem, but we must assume for purposes of today's discussions that the problem will continue during the coming months.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 43, Meetings: 1–3/78. Secret. The meeting took place in the White House Situation Room.

² There were two Congressmen named Duncan at this time: Robert B. Duncan (D–Oregon) and John J. Duncan (R–Tennessee).

Secretary Brown: There are four options.³ The fourth one is out, and Option 1 is what Carter leans to. But it is not clear that that option is viable on the Hill, and even if it were, it would come at considerable cost to our credibility in East Asia.

Dr. Brzezinski: I do not understand why Option 1 would have a negative reaction with the Chinese.

Secretary Vance: The way I see it, this is a no-win proposition. If the President delays, then he intensifies his image as a vacillator at home. If the President persists with the reduction, he loses in his credibility abroad. But if the Congress took the initiative—say the leadership came to the President and requested delay in the reductions—then the Congress would be in front and the President would be seen as concurring with the Congressional initiative.

Mr. Holbrooke: If we followed the Stratton compromise—at least a portion of it, namely a partial transfer—we could go along. But there are two problems:

—There is no guarantee of success. The Stratton compromise may not pass.

—If the President goes Option 1, then he will be hard hit on the Hill. Option 3 will help in Congress. The only support which has been viewed for the President's policy and for withdrawals even without the compensatory package has been voiced by Steve Solarz.

Secretary Brown: Option 2 goes better with normalization. Option 3 is possible, but one cannot do it with normalization.

Dr. Brzezinski: Why not Option 1? Why isn't Option 1 compatible with normalization?

Mr. Oksenberg: For two reasons:

—Our credibility in East Asia will suffer, and we must move forward on normalization against a strong posture in the region.

—Second, any promises we make to Taiwan about post-normalization relations with it will ring hollow.

Mr. Abramowitz: With Option 1, we also will face the resignation of our military commander. Vessey is likely to resign under those circumstances. Second, we will lose the JCS.

Mr. Aaron: Why delay? The watchword of this Administration is becoming "delay." Let's get to the heart of this matter. Congress is playing for a veto over the troop reduction. It is opposed to the President's policy.

Secretary Brown: That is not correct. The Congressional attitude is due to a combination of factors. If it were just the withdrawal, there

³ The options are set out in Document 92.

would be no problem. The withdrawal has become linked with “Koreagate.”⁴ With the passage of time, the mood on the Hill will change.

Mr. Holbrooke: That is correct. I have talked to the Congressional people daily. I have breakfast with Congressmen every morning. The issue is not the withdrawal but the Tongsun Park affair. Because of “Koreagate,” Congressmen fear political retribution at the polls if they vote for any sort of aid to Korea this year.

Secretary Brown: One has to recognize the military consequences of taking out our first combat forces. They guard key mountain passes. When they have been taken out, if adequately armed replacements do not take their place, we will be susceptible to conservative charges in the U.S. that we are threatening the safety of the remaining two brigades. The entire brigade must be removed within a month. We cannot leave a *portion* of the brigade there. If a portion is withdrawn, how secure will the other portion be? If the equipment has not been transferred to the Koreans, then the Koreans will not be able to take the place of the withdrawn American forces.

Mr. Holbrooke: That is the key point. If the U.S. arms remain in our possession and cannot be transferred to the Koreans, once our brigade is withdrawn a gap will exist. There is no easy solution to this problem. Lead time is required in order to transfer the equipment to the Koreans and train them to use it.

Mr. Aaron: Can’t that training of Korean forces go on anyway? If there is an emergency, the President could hand over the equipment immediately. And if there is an emergency, the U.S. troops that have been withdrawn could immediately be returned.

Mr. Abramowitz: But the question of deterrence remains. And combat capability of the Koreans would be reduced until the arms are actually in their hands.

Mr. Aaron: Let’s be clear about one thing. It is not the President but Congress which is not fulfilling our commitment. Congress is not leading. The President remains credible on this issue. We cannot announce a delay of the planned first reduction which would in any manner enhance the President’s credibility. We will never be able to get Congress to vote for the compensatory package, because the fact is that Congress does not want the withdrawal.

Mr. Holbrooke: But that is not the way it would be perceived in East Asia. The question is whether the President is in command of his own house. We can’t tell East Asians that the President is credible and

⁴ “Koreagate” was the name given to the political scandal in which South Korean political figures were accused of bribing members of the U.S. Congress.

the lack of American credibility is with the Congress. That simply underscores the weakness of the President.

Dr. Brzezinski: This may have been the wrong decision, but now it has been made. We cannot afford to go back on it.

Mr. Armacost: Option 2 does not advocate a change in policy. The policy is to reduce all combat forces within five years. We are not recommending a change in that policy. We are recommending additional backloading of the withdrawal.

Mr. Holbrooke: It is wrong to say that Congress does not want to withdraw. Particularly the bulk of the new people in the House are very much for the withdrawal. But at least 100 votes in the House have been lost on the compensatory package simply because of Koreagate. Because of the atmosphere this year. Further, to proceed with withdrawal without the compensatory package would torpedo a normalization effort. Normalization will then be seen as part of a retreat policy from East Asia.

Mr. Armacost: The only reason the Japanese eventually were brought along was because of the compensatory package. To proceed without it will have extraordinarily adverse consequences in Japan.

Secretary Vance: I share all these concerns. We also must recognize we are running out of time with this Congress before it adjourns. The agenda is heavy; the arms sales package in the Middle East, energy, the Greek-Turkey issue, the Canal, and so on. If we could get the leadership to come to us and request us to delay the first withdrawal, if Byrd⁵ Baker, Zablocki, and O'Neill ask us to do this, then I think it will not be perceived as additional Presidential vacillation but as a Presidential response to Congressional pleas.

Dr. Brzezinski: Why couldn't the Presidential response to such a Congressional plea be that while we will withdraw, we will only withdraw a part of a brigade? And we would extract a firm commitment from the leadership on the Hill that the compensatory package issue would be forthrightly addressed as soon as the new Congress convenes. That way the President would be able to indicate his continued resolve to proceed with the withdrawal.

Mr. Holbrooke: But the price of a partial removal without compensatory measures still would be too high. It would still cause great consternation in Japan, for example.

Dr. Brzezinski: Well, perhaps we should send a message to the Japanese on this. Look, I have been a strong advocate of an equal partner-

⁵ There were two Senators named Byrd at this time: Harry Flood Byrd, Jr. (I-Virginia) and Robert C. Byrd (D-West Virginia). Most likely this reference is to the latter.

ship with the Japanese. But I must say that on the Korean matter, the Japanese have been as helpful as the Germans on the neutron bomb. As far as I am concerned, we should begin on schedule. I know I am going against my Asian experts on this, but I think that the President cannot change his decision. He must begin as scheduled, but he could slow down the pace of withdrawing the first brigade. How many battalions are in a brigade?

Secretary Vance: Three, except in a reinforced brigade, which has four.

Dr. Brzezinski: Fine. Then the President could announce, perhaps in response to Congressional urging, that he will withdraw but one battalion in December. He will withdraw a second battalion in, say, March and a third battalion in May. In my opinion, delay—Option 2—is worse than a slowed-down and stretched-out withdrawal.

Mr. Armacost: But this does not remove a contentious issue from a crowded agenda. In fact, this proposal may make the issue even more contentious, for the Chiefs may claim that we are endangering the remaining American forces and demonstrably lowering our preparedness on the Peninsula.

Mr. Holbrooke: The Brzezinski proposal would also initiate withdrawals without any *quid pro quo* to the ROK. We still are going against our commitments to the Koreans.

Mr. Aaron: How about when it comes to Taiwan? If the President demonstrates that lack of Congressional action can deter him from a course of action to which he is committed, then won't Congress believe it can exercise a veto power on normalization as well?

Mr. Abramowitz: Our discussion has proceeded on the assumption that FMS will be voted. What if that promise is also not fulfilled?

Mr. Holbrooke: If we select Option 2, Bennett believes we will be able to get the \$275 million in FMS from Congress. If we pursue another option, FMS may also become vulnerable.

Secretary Brown: We are, in brief, playing "chicken with Congress." I am not opposed to that if one feels confident one has the votes and the capacity to deliver. But I am not sure that situation exists. We seem to be willing to act more firmly with Congress than with the Russians.

Dr. Brzezinski: Precisely what has the President pledged to do?

Secretary Brown: He has stated that we would withdraw 6000 military personnel by the end of 1978, including one combat brigade. In fact, nearly 3000 support troops have already been withdrawn, and all that remains to be withdrawn is the combat brigade. We could use the withdrawals of the support forces as indication of the President's determination to pursue this course.

Dr. Brzezinski: Well, the question is whether the President is willing to defer the withdrawal of the entire brigade and perhaps take out one battalion instead, postponing the withdrawal of the remaining battalions by at least three months. This is the option to which I am inclined.

Secretary Brown: I support Option 2.

Secretary Vance: I support Option 2.

II. China Policy

Secretary Vance: The paper has outlined the strategy for normalization. What is the reaction to it?

Secretary Brown: Are the State lawyers absolutely satisfied that we now understand the problem in all its dimensions?

Mr. Holbrooke: The lawyers are fairly certain that they understand the situation. Barry Goldwater will challenge the validity of terminating a treaty without Senate approval. Ultimately, this will culminate in a debate on the Senate floor. We also will have some sort of a law suit on our hands.

Dr. Brzezinski: In short, we will be confronted by the need to muster a majority.

Mr. Holbrooke: Yes. That is correct.

Secretary Vance: Here is the likely set of events I see. There is a 50 percent chance that by the end of July we will have signed a SALT agreement, and it is not clear we should seek immediate ratification. The issue then arises as to whether we should proceed swiftly with the China issue in 1978. The President and the Vice President lean to an earlier rather than later date. It should be done before the end of 1978, so it can be out of the way before SALT. Those who were opposed to us on Panama can then beat us on China—speak against us, possibly vote against us. Having demonstrated their conservative credentials, they could then turn to SALT in a more open frame of mind.

Mr. Aaron: But can Congress hold normalization up? This has the potential of making Panama look like a tea party.

Mr. Holbrooke: There are two danger points, as I see it: (1) the Goldwater challenge; and (2) whether effort to find a suitable alternative to our present security commitment to Taiwan is acceptable to the Hill. There are three ways that have been recommended for normalization: first, the Woodcock proposal—simply present the Congress with a *fait accompli*. The President would announce that we have established diplomatic relations with the PRC, and he is requesting action from Congress to make sure that our ties with Taiwan remain unimpaired. Second, the President could announce that on a certain date—say in 60 days—we will establish diplomatic relations with the PRC. He would

announce that he is sending legislation that would enable full ties to be retained with Taiwan. Unless this legislation was passed in timely fashion, our relations with Taiwan would become threatened. Third, the President could announce he is prepared to recognize Peking as soon as Congress passes the requisite legislation.

Dr. Brzezinski: What are the Chinese three demands again?

Mr. Oksenberg: That we sever diplomatic relations with Taiwan, withdraw all military forces from Taiwan and the Taiwan Strait, and abrogate the Defense Treaty.

Dr. Brzezinski: What does abrogation mean?

Secretary Vance: Well, we won't use the word abrogation. It will lapse. We cannot have a mutual defense treaty with an entity with which we do not have diplomatic relations.

Secretary Brown: Are we sure about that?

Mr. Holbrooke: Yes.

Mr. Aaron: What is the rush? I have heard the argument that Taiwan is our hostage and that we have something that Peking wants. Once it gets normalization, then we lose some of our attraction to them, and then they may be more inclined to move to the Soviets. Isn't it useful to retain Taiwan as a way of securing leverage over Peking?

Secretary Brown: But our relations with Taiwan will remain. The PRC is not going to get Taiwan back.

Mr. Aaron: I am skeptical that we cannot improve relations with the PRC without normalization. How about other measures, security ties, intelligence sharing, technology transfer?

Mr. Oksenberg: It may be possible to expand our relations with China independent of normalization, but if one is worried about SALT and about playing upon Moscow's deepest fears, then those are the measures that would do the trick.

Mr. Aaron: I still do not see what the rush is. Why not wait until the second term? What are the strategic benefits to be derived from normalization?

Secretary Vance: I have talked with the President and the Vice President recently about this. The answer of both the President and the Vice President is that the conservative element, they believe, increasingly favors moving in this direction. The strength of this opinion is increasing. The President has had recent conversations with Talmadge and Scoop⁶ and concludes that normalization will help him. I previously thought that normalization should occur after the elections. But this is a political judgment to which I defer to the President.

⁶ Senator Henry M. "Scoop" Jackson (D-Washington).

Mr. Oksenberg: I am not sure about Scoop.

Dr. Brzezinski: In my opinion, the President's view is correct, but only if SALT has gone badly. If a SALT agreement has been reached, then normalization will not be seen by the conservatives as anti-Soviet, but as an additional sign of our general weakness.

Mr. Aaron: Certain conservative Democrats may respond favorably, but the Republicans will not be with us on this issue. As the 1980 election approaches, they will be seeking their issues. I am concerned that this thing will get unraveled, that it cannot be easily managed on the Hill. The fact is that we are likely to get a SALT agreement.

Mr. Holbrooke: In talking about the Soviet Union and China, the President has two objectives: to reach a SALT agreement and to normalize relations with the PRC. Our objective should be to recreate the phenomena of 1971–1972, when moves toward both the Soviet Union and China were seen as reinforcing and were politically helpful pursued together.

Dr. Brzezinski: We could do it at that time because Nixon was perceived by the American public as anti-Soviet and the Vietnam War was still going on.

Secretary Brown: The key here is that we must remain less at odds with China and the Soviet Union than they are with each other. If the President does not normalize by early 1979, then we may not be able to normalize until the second term, with all the attendant risks entailed.

Mr. Abramowitz: That is the great problem with normalization and has been for 25 years. Now never seems to be the time. One should seize the opportunity when it arises.

Dr. Brzezinski: But we should explore other ways of enhancing the relationship and expand our consultative dialogue as well.

Mr. Abramowitz: But unless we convey our seriousness about normalization, we cannot get an adequate response.

Secretary Vance: The decision is Presidential, whether to move rapidly or to delay until after the 1978 elections.

Dr. Brzezinski: Tentatively, I am for after the 1978 elections.

Secretary Brown: What if there is a dramatic swing against the Administration during the elections?

Mr. Abramowitz: For 20 years we have been immobilized on this issue.

Secretary Vance: My problem is not with the conservatives but with the two-China types, those who are concerned with the human rights of the Taiwanese—the position of Case and Javits.

Mr. Aaron: Still, the question is what do we gain out of normalization?

Secretary Brown: Put it this way, if we sign SALT and there is not movement on China, then our posture toward the two will be out of kilter.

Mr. Holbrooke: But we cannot defend normalization as anti-Soviet.

Secretary Brown: That would be implicit. We have to discuss where we have parallel interests with the Chinese, and we have to demonstrate that there is substance to these parallel interests.

Secretary Vance: The four of you who put this paper together should prepare a refined analysis on the politics of normalization for the President setting forth three options for normalization: before the elections, after the elections, or postponing until the second term. The international and domestic political dimension of each option should be sketched out.

III. Arms Sales to the ROC

Dr. Brzezinski: I am for Option 3: F-5Es minus the Harpoon.

Secretary Vance: Yes. The F-4 goes too far.

Mr. Abramowitz: I am for the F-4s. First of all, we do not really know what the PRC reaction will be. Second, we must recognize that this is possibly the last sale of new equipment to the ROC before normalization. It will be especially difficult to get new types of arms sales through State after normalization. The F-4s will keep them going ten to fifteen years. It will enable us to finish our old commitments and possibly will be read in Peking as a sign of our seriousness.

Mr. Holbrooke: But will it be seen as a last sale, or as an indication of the type of sales that we will be making post-normalization?

Mr. Abramowitz: The constraints on post-normalization sales will be very great.

Dr. Brzezinski: In fact, I am inclined to agree with that.

Secretary Brown: I will talk to Jones about this issue. We should have a meeting with the Chiefs and with Stan Turner to decide this issue. I am inclined to the F-4s, but the fact that Kissinger had earlier pledged not to sell F-4s is an important consideration. Let us have a meeting swiftly to decide this issue.

IV. Technology Transfer

Secretary Vance: I have come around to recognizing the need for new language. I accept Option 1. However, I do not believe it should be made the subject of a PD. Rather, it should be incorporated in some minutes for Presidential approval.

Dr. Brzezinski: Yes. Let's do it that way.

Secretary Brown: Now that we have worked our way through the agenda, how does the Korean issue appear? How is the reduction related to our normalization effort?

Dr. Brzezinski: On postponement versus stretch-out, you mean?

Secretary Brown: Yes, we should not make uncompensated withdrawals from Taiwan and Korea simultaneously.

95. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, April 18, 1978

SUBJECT

Summary of April 11, 1978 Meeting on Korea and China

I met with Cy and Harold to survey our China and Korea policies.² We are particularly interested in ascertaining your reaction to our discussion on technology transfer summarized below:

On Korea. We face considerable problems on the Hill in securing the arms transfers which we have pledged to the Koreans would accompany the withdrawal. JCS support of the withdrawal is contingent upon Congress approving equipment transfer to the ROK. However, Koreagate has made many Congressmen reluctant to vote for any aid to Seoul this year. Cy, Harold, and I sought to identify the alternatives if we conclude the compensatory package will not be obtained: (1) to persist in withdrawing the entire brigade in December, as now planned; (2) to begin the first withdrawals in December but prolong the process; or (3) to be willing to delay the withdrawals at the behest of Congress if the leadership thinks the climate for the transfer legislation would be greatly improved by early next year. We will hold a meeting with the JCS and Stan Turner before presenting an options paper to you.

On China. We decided to present you with an options paper outlining the advantages and disadvantages of seeking normalization (a) before the November elections; (b) soon after the elections; or (c) not until 1981. Courses (a) and (b) propose that Leonard Woodcock should engage in quiet, serious diplomacy soon after my trip.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1–4/78. Secret. Sent for action. The date is handwritten. At the top of the first page, Carter expressed his approval for the proposed studies (on Korea, China normalization, and arms sales to Taiwan) by writing, "First 3 studies ok—needed. J." In the margin next to the paragraphs summarizing each of these topics, Carter wrote, "OK."

² See Document 94.

On Arms Sales to Taiwan. We face a choice of whether to sell F-4s or F-5Es to replace aging F-100s and F-104s. State and DOD are currently split on this issue. DOD favors the F-4s on grounds of the long-term protection they will offer to ROC security and the domestic political benefit such a sale would have on the Taiwan Lobby when we may be moving on normalization. State favors the F-5E because anything beyond that may provoke Peking. We will have a meeting with JCS and Stan Turner before submitting the issue to you.³

On Technology Transfer to the PRC. We have now reached agreement and recommend to you that in the licensing of sales of dual-purpose items to communist countries we should take into account the capacity of the country involved to divert the item from civilian to military use. In short, we recommend that licensing a sale of items to one communist country should not set a precedent for sale to another, though naturally we would take into account the likelihood of transfer of the item from one communist country to another.

We have already established differentials for Poland and Romania. Our recommendation is that we introduce greater flexibility in our ability to transfer technology to China, particularly for the development of agriculture, energy, medical services, and mining. At present, licenses for exports to China are frequently denied solely because of fear a precedent is being set for sale to the USSR.

Yet, we would not wish to establish a decisive “pro-China tilt” in our export policy. Rather, within an overall policy of evenhandedness, and taking into account our genuine national security concerns vis-a-vis the PRC, we recommend an export policy toward the PRC and USSR which takes into account that our security concerns toward the two are not precisely the same.

If you concur with this recommendation, I will proceed to draft the precise guidelines for the bureaucracy.

Recommendation:

That you approve the results of the meeting, including our recommendation on the policy of transfer of dual-purpose items to the PRC.⁴

³ No record of a meeting has been found.

⁴ Carter neither approved nor disapproved the recommendation. Instead, at the bottom of the page, he wrote, “I’m concerned about transferring advanced electronics & other technology to PRC if it can later be used for military purposes. Also a policy of favoring PRC over S. Union. Give me examples to illustrate. J.”

96. Memorandum of Conversation¹

Washington, April 22, 1978, 9:35–10:15 a.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Ambassador Han Hsu

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

Ambassador Han Hsu, Acting Chief of the People's Republic of China Liaison
Office

Tsao Kuei-sheng, Political Counselor, People's Republic of China Liaison Office
Yang Yu-yang, Interpreter, People's Republic of China Liaison Office

Dr. Brzezinski: I am pleased to see you. I am looking forward to the trip very much. We plan to make our announcement in the middle of next week.²

Ambassador Han: I have no objection to the announcement that you plan to release. It is fine.

Dr. Brzezinski: After our announcement, I will give you more information on the small party I plan to take with me. I have indicated earlier that no journalists will accompany me. I look forward to seeing Peking or the region around it. I talked with your predecessor about parts of the country that I would enjoy visiting, and if you wish to plan for that and recommend it, I would be interested.

Ambassador Han: Fine. We will be in touch.

Dr. Brzezinski: Let me first turn to the Vance mission to Moscow.³ There is not much to report at this time. I would like to give you the general purpose of the visit and then describe a couple particular things about it.

We have no illusions about the Soviet Union, but we do know that we have to live in the same world with it. Secretary Vance's visit has two purposes—to review the wider pattern of our relations and to see whether some progress can be made on SALT.

On the wider pattern of our relations, Secretary Vance is on instructions to make the point to the Soviets that President Carter meant

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 1-4/78. Top Secret; Sensitive. The meeting took place in the White House.

² The White House and the Department of State announced Brzezinski's trip on April 26. See Don Oberdorfer, "Brzezinski Plans to Visit China, Despite Reported Opposition From Vance," *The Washington Post*, April 27, 1978, p. A18.

³ Vance visited Moscow April 19–23.

what he said in his Wake Forest speech, that détente must be genuinely comprehensive and reciprocal if it is to become wider.⁴ These two words—comprehensive and reciprocal—have special meaning. Comprehensive means the relationship can be genuinely cooperative on a broad basis. Or it can be limited. Reciprocal means that their relations with us—their actions toward us—cannot be different from our actions toward them. They cannot expect us to behave differently toward them than they do toward us.

Ambassador Han: Does this include Soviet behavior in Africa?

Dr. Brzezinski: Yes. Vance is under instructions to express our particular concern about Soviet behavior in Africa. We consider this Soviet behavior in Africa an important instance of the nature of détente—whether it in fact will be comprehensive and reciprocal.

As to SALT, we do not anticipate that this mission will resolve the remaining issues. Rather, we hope for some progress on some of the issues. We would anticipate this meeting to be followed by a Gromyko–Vance meeting here later, and then if a SALT signing is possible and if Soviet behavior elsewhere does not raise questions, then a final Vance–Gromyko meeting or else—and on this we are not certain—a possible Brezhnev–Carter meeting could take place.

During this trip, we are seeking to narrow differences on three options:

—The overall numbers. We are close to an agreement on the numerical limits on specific weapons, but there is a disagreement on overall limits.

Ambassador Han: I am not sure what you mean.

Dr. Brzezinski: Well, we are attempting to reach limits on MIRVs, ALCMs, and so on. There are numerical limits on specific systems. But there is disagreement on overall limits, though the difference between us is narrow. We wish a limit of 2160, but are prepared to go to 2200. The Russians are at 2250. This is confidential and for your information.

—The second issue is noncircumvention.

Mr. Yang: I am sorry. I do not understand the point.

Dr. Brzezinski: Non-circumvention means the provisions in the agreement to prevent evasion through transfer of arms to our allies. The Russians wanted a narrow definition, a strict limit as to what could be transferred to allies. We found the Russian definition would have been very harmful in our relations with NATO. We have been very firm.

Ambassador Han: Does this mean limitations in the transfer of technology to NATO?

⁴ See footnote 3, Document 87.

Dr. Brzezinski: It could. But we have insisted on a general statement without restrictive clauses, so we believe the agreement will not impair our relationship with NATO.

—The third point concerns weapons modernization. We wish to be very restrictive here, to attempt to preclude either side from developing new weapons, but the Soviet Union wants to be less restrictive.

There are a number of other issues on which we still have no agreement, but some progress has been made through careful and restrained negotiations.

Now let me change the subject unless you have any other questions.

Ambassador Han: Yes. Did Vance touch on the subject of Africa and what was the Soviet Union's reaction?

Dr. Brzezinski: I was just getting to that. Yes. We said that Soviet behavior in Africa was not compatible with the relationship we sought to develop with the Soviet Union. The Soviets responded with their usual statements about the selfless nature of their involvement in Africa. But I believe the Soviet Union is gradually realizing that we are serious and that their actions in Africa will impinge on the aspects of our relationship.

Can you tell me about Siad's recent trip to China?⁵

Ambassador Han: I have not heard anything official, and only know what I have read from the newspapers and official press releases. Upon his return to Mogadishu, Siad said he was satisfied.

Dr. Brzezinski: If you hear more and can share it, we would be very much obliged to know what happened on his trip. We are negotiating on military aid to Siad. Things are going sufficiently well so that we will take steps to give aid. Our concern is that in the political sense, Siad should not be able to help the Soviets maintain the pretense that they are defending other countries. If Siad lays territorial claims to portions of Kenya, Djibouti, or the Ogaden, the Soviet Union can offer assistance to these localities as a defensive measure. If Siad would drop his territorial claims, then the Soviet Union would appear the aggressor and Somalis could rightfully claim it needs help.

Let me turn to another subject. The President yesterday issued a strong statement on Cambodia.⁶ It was a serious statement of concern about the human condition in Cambodia. The loss of blood, according to our best information, has been tragically high. But we wish you

⁵ Somali President Siad Barre visited Beijing April 14–18 to sign an agreement on economic and technical cooperation with China.

⁶ For the text of the President's April 21 statement on human rights abuses in Cambodia, see *Public Papers: Carter, 1978*, pp. 767–768.

to know that the statement bears no relationship to our views on Vietnamese-Cambodian relations. Our statement is not intended to affect the external relations of Cambodia. This statement expresses concern for the internal loss of life in Cambodia.

Ambassador Han: I would like to make personal remarks on this question. Not long ago TASS made a fierce attack on Cambodia and commented on the Vietnam–Cambodia conflict. Now, it would appear that the President joins in this attack. Isn't this an instance of the President joining our Polar Bear neighbor to the north?

Dr. Brzezinski: Since you are speaking frankly, let me do so also. There is a dilemma here. Where do we draw the line between concerns about international relations and concerns about the internal affairs of another country?

Ambassador Han: We respect Cambodia for its complete independence.

Dr. Brzezinski: But I hope you understand that the President's statement does not suggest that we would support either indirect or direct designs of others on this region. You should know that we are opposed to hegemony and support the inclusion of anti-hegemonism clauses in statements of other countries.

Ambassador Han: Nonetheless, the issuance of this statement on Cambodia has the same objective effect.

Dr. Brzezinski: We do not want to support the Soviets. This presents a difficult issue to us. But the internal programs of Cambodia are very grave. In a nation of seven million, perhaps one to two million may have died. We believe this. We want to register our concern. But we do not wish to connect this concern with matters of the international concern.

Ambassador Han: We do not believe this figure. But in any case, we are used to these kinds of statements. After Chinese liberation, the U.S. made similar statements about us.

Dr. Brzezinski: Well, I hope I am wrong. But this is what we believe. After all, during the Stalin purges, people also said that the extent of bloodshed was not as great as we now know it was. So we will eventually know. Meanwhile, we must act according to our best information.

Ambassador Han: According to our figures, the loss of life was not so much. We believe the internal situation in Cambodia is excellent. The Cambodians are now self-sufficient in grain, and in fact export grain. They are very firm against hegemony, and they rely on their own efforts to resist hegemonial powers. This earns our support.

Dr. Brzezinski: To repeat, we agree on the value of anti-hegemony determination.

Counselor Tsao: Well, I have just served in Cambodia.

Dr. Brzezinski: Oh?

Mr. Oksenberg: Yes. Mr. Tsao was Political Counselor there before coming to Washington.

Dr. Brzezinski: In what years were you in Cambodia?

Counselor Tsao: I was there twice—in the late 1950s to 1963 and then from 1974 to 1977. The situation there is excellent. Compared to Vietnam, it is certainly better. There has been an increase in the production of grain. Industrial production has been increasing. Because of the war, there was bound to be a loss of life, but the Cambodian Government is not responsible for that. The infectious diseases which took a heavy toll were a result of the war, not of the government's deliberate actions.

Dr. Brzezinski: I hope that is true.

Counselor Tsao: It is true. The Cambodian Government has tried to improve the health and housing conditions of its people. It has eliminated malaria and the death rate due to malaria has been reduced. It has concentrated its efforts most recently to improve housing. Since I was there before, I can compare what exists today with the situation before. The urban situation is better. The government has achieved in a short time what had not been accomplished before, and the people support their government.

Ambassador Han: Yes, how could they have such rapid development and repulse such pressure from outside if the government did not enjoy the support of its people? I should point out that the Cambodians have given 300,000 tons of rice to Laos.

Dr. Brzezinski: Why has Vietnam pressed Cambodia?

Counselor Tsao: It is an age-old conflict. Plus the Vietnamese have been pushed by the support of the Polar Bear.

Dr. Brzezinski: I hope your information is right. We have no international interest in this issue but only are concerned about a social and human problem.

I regret that I have to break the meeting now, but I have to be in New York. When we next meet, I will give you more on the Vance trip. Also, I hope you can tell me something about Africa.

Ambassador Han: Are there any new developments in the Mid East?

Dr. Brzezinski: Not really. The next step is to get through Congress the arms package. It is important that we win. Then we can go forward with confidence that the Congress supports our effort. If the Congress does not support us, then we do not have Congressional support for a policy of maintaining peace and keeping the Soviets out. As far as the month of May is concerned, we will therefore be preoccupied with

Congress, after that we would plan to move politically in our discussions with the Israelis, Egyptians, Jordanians, and Palestinians.

Ambassador Han: I will be back in touch with you.

When Dr. Brzezinski walked Ambassador Han, Counselor Tsao, and Mr. Yang to their car, before saying good-bye, Dr. Brzezinski said that Counselor Tsao was unusual in his having been in Cambodia both before and after the new government had been installed. He asked which Americans he knew from his prior service. He asked whether he knew the Ambassador. Tsao said no, [1½ lines not declassified]. Dr. Brzezinski said “Well, you know the right people to meet.”

[1 paragraph (6 lines) not declassified]

Oksenberg gave his name on a piece of paper. Ambassador Han asked when he would be arriving in Peking. Oksenberg said he was not certain but he thought this summer and that in any case the State Department would soon be processing his application. Ambassador Han said “Fine.”

97. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 4, 1978

SUBJECT

Advance Notification to the Soviets of My China Trip

I have learned today that the State Department, without my knowledge, notified the Russians of my China trip one hour in advance of the public announcement. This is the second time that the State Department has taken such initiatives on White House actions (the Wake Forest speech, now the China trip) without coordinating with the White House, and I am concerned that:

(1) The Soviets might in some quiet fashion tell the Chinese that we gave the Russians advance warning, thereby reinforcing Chinese suspicions against us and thus undermining one of the purposes of the trip;

¹Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China, (People’s Republic of), Brzezinski’s Trip: 11/19/77–5/14/78. Secret.

(2) The Soviets will draw the same conclusions that they did from the earlier State “interpretation” of your Wake Forest speech which was volunteered to the Soviet Embassy here;

(3) The Soviets did not give us any advance notification of Brezhnev’s trip to Germany, nor of General Petrov’s arrival in Ethiopia, nor of General Ogarkov’s visit to Turkey, nor of the recent mission to Peking by Deputy Foreign Minister Ilichev.²

² At the bottom of the page, Brzezinski wrote, “I am *more* than perplexed by the whole thing!”

98. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, undated

SUBJECT

Nixon’s Five Points and the Chinese Three Conditions

Below are Nixon’s five points which he, Kissinger, and Ford reiterated to the Chinese on several occasions but which we decided Vance would not repeat last August:

1. We accept the principle of one China and that Taiwan is part of it. There will be no more statements from the U.S. to the effect that the status of Taiwan is undetermined (a position we had taken since the Korean War).

2. The U.S. will not support any Taiwan independence movement.

3. The United States will use its influence to discourage Japan or other Third Countries from moving into Taiwan as the U.S. presence diminished.

4. The United States would support any peaceful resolution of the Taiwan issue that might be worked out directly between the two Chi-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 28, Brzezinski 5/78 Trip to China: 5/10–12/78. Top Secret; Sensitive; Exclusively Eyes Only. Sent for information. A May 9 covering memorandum from Oksenberg to Brzezinski reads, “Rick Inderfurth requested that I summarize in memorandum form from you to the President China’s three conditions and Nixon’s five points.” Brzezinski did not initial the memorandum, and it is not clear that he or Carter saw it.

nese parties; and we would not support any military actions by the government on Taiwan against the PRC. Moreover, the United States would progressively reduce its military presence on the island as progress was made toward a peaceful resolution of the differences between Taiwan and the PRC—and as a negotiated solution of the Indochina conflicts reduced tensions in the Asian area.

5. The Administration would actively work toward the full normalization of U.S.–PRC relations.

The Chinese three conditions are that in order to establish diplomatic relations with Peking, we must: (1) sever our diplomatic relations with the Republic of China on Taiwan; (2) abrogate our Defense Treaty; and (3) remove all U.S. military forces and installations from Taiwan and the Taiwan Strait.

We have indicated that we are prepared to accept these three conditions conditionally upon the PRC's meeting some of our concerns about the nature of our post-normalization relationship with Taiwan.

99. Memorandum From Secretary of State Vance, Secretary of Defense Brown, and the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 10, 1978

SUBJECT

Normalizing U.S.–China Relations

Issue

We need an early decision on the priority to be accorded normalization in our foreign policy. Zbig's May 18 departure for Peking makes this particularly urgent. We can move promptly to try to complete the normalization process either before the 1978 elections or by mid or late summer 1979. Or we can defer normalization until after the presiden-

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 50, Chron: 5/78. Secret; Nodis; Sensitive. Printed from a copy that does not bear Brown's initials. Attached but not printed is an "illustrative and tentative" calendar that lays out various steps that might occur, month by month, as the United States and China normalized relations. The calendar anticipated that during June "COCOM approval obtained to differentiate in technology transfers to USSR–PRC: sale to one does not set precedent of sale to other." In the margin next to this point, Carter wrote, "Doubt advisability of PRC preference over SU [Soviet Union]."

tial elections in 1980, in which case we may need to find other ways of trying to sustain our relations with the PRC. Our assumption is that due to domestic political considerations, the window for completing Congressional action on normalization will be closed from late 1979 through the 1980 elections.

Normalization Terms

To establish diplomatic relations with Peking, we will have to close down our official representation on Taiwan, terminate the U.S.–ROC Mutual Defense Treaty, and withdraw our remaining military personnel and installations (which are the three Chinese “conditions”). At the same time, under the only terms we could consider, we would continue arms sales to Taiwan. In addition to these sales, our concern for the island’s future would be manifested through public reaffirmation of our interest in a peaceful resolution of the Taiwan question by the Chinese themselves, and in other ways (e.g. Eximbank loans). We would, of course, retain extensive economic, cultural, and other unofficial ties with the island (as the Japanese and others do).

Basic Scenario

If you decide to move ahead toward normalization in 1978/79, we believe that Zbig should indicate during his May visit, but without being drawn into substantive exchanges on the issue, that Woodcock would begin talks in June on the subject of normalization. We then envisage a scenario under which Leonard Woodcock would begin secretly this summer to discuss the details of normalization with the Chinese.

Against the background of our 1977 discussions, Woodcock would tell the Chinese that we are prepared to open discussions as to the modalities and the timing of:

- meeting their three key points;
- terminating official relations with Taiwan, including removal of all² U.S. Government representation;
- making a unilateral statement indicating the importance of a peaceful settlement of the Taiwan question by the Chinese themselves;³
- continuing to provide Taiwan with access to military equipment for defensive purposes (this is the most delicate aspect of the negotiation);
- issuing a joint communique establishing diplomatic relations, in which we would recognize the PRC as the sole legal government of China;⁴

² Carter inserted here the word “official.”

³ In the margin, Carter wrote, “firm commitment from PRC not to contradict.”

⁴ In the margin, Carter wrote, “other than US/ROC interrelationship, what is required?”

- submitting necessary legislation to Congress to implement this arrangement;
- inviting a very high Chinese official to visit Washington to mark the formal establishment of diplomatic relations (or shortly thereafter).

Any references by Woodcock to the timeframe within which we would hope to complete this process would need to take into account our calculations at the time about the current status of the SALT negotiations, since our handling of the two issues with Congress would need to be carefully coordinated. We must recognize, however, that once our proposals were presented to the Chinese, we could only reverse course at high cost to our relations with Peking and to our broader foreign policy interests if the Chinese responded positively.

Supplemental Measures

This scenario could usefully be supplemented between now and November by other measures designed to condition Peking, Taipei and the Congress to the direction in which we were moving. These could include:

- further withdrawals of military personnel from Taiwan;⁵
- revelation of aircraft and other arms sales to the ROC;
- a U.S. Government science delegation to the PRC led by Frank Press;
- some symbolic act, such as your attendance at a PRC cultural performance at Wolf Trap this summer; and
- one or two Cabinet-level visits to China—e.g., Bergland, Schlesinger, or Kreps.

Some of these measures would be desirable even if we were not moving on central normalization issues. Therefore, although we would wish to review the agenda if Woodcock's approach did not elicit a sufficiently positive response, we would try to retain enough elements to give a sense of momentum. In that circumstance, we might also want to consider unilateral adjustments in our relations with Taiwan.⁶

Decision Points

You thus have two "go/no go" decision points. First a decision now whether or not Woodcock should begin negotiations this summer, which will affect the signal Zbig would give during his trip. Second, a decision at a later stage in Woodcock's talks as to whether or not the results warranted a higher level meeting to complete arrangements and to issue the normalization communique. You would want to inform key Congressional leaders before a Woodcock approach, and we would

⁵ Carter wrote, "OK" in the margin next to the first, third, and last points.

⁶ In the margin, Carter wrote, "OK."

want to consult a broader Congressional group before a subsequent higher level meeting.⁷

Timing Factors

The negotiating process with Peking may well be time consuming. Even assuming that Woodcock began concrete discussions with the Chinese this summer and that the Chinese adopted a relatively accommodating attitude, there is a strong possibility that we could not iron out the necessary arrangements in the few months prior to the mid-term elections.⁸ By moving early, however, we would provide ourselves with a reasonable amount of time to deal with both the Chinese and Congress on normalization before the onset of the 1980 election season. If we waited until after the mid-term elections to present our proposals to Peking, we would not only significantly shorten the available “normalization window,” but we would also increase the likelihood that the intrusion of other issues would force us to suspend, at high risk, our approach to the Chinese or postpone establishment of diplomatic relations with Peking until 1981 or later. In either event, we would want to structure our negotiating schedule so that we would not have to deal intensively with Congress on both SALT and normalization at the same time (see further discussion of SALT below).

Pros and Cons of Moving in This Term

A. Advantages

The considerations that would favor a prompt effort to move ahead on normalization include the following:

Balancing SALT

Assuming that we continue active SALT negotiations with the Soviets this year, balancing moves in our relations with Peking would be highly desirable. Such moves would both reassure the Chinese of their importance to us and would, if successful, demonstrate domestically and abroad that in seeking a SALT agreement with the USSR, we were also taking steps to enhance our strategic position in other ways.

Obviously, the SALT talks should continue to move forward⁹ at their own pace. At the same time, prolongation of the SALT time schedule should not in itself deter us from moving on China.

Should it appear likely that we could successfully complete our negotiations on both SALT and normalization in approximately the same

⁷ In the margin, Carter wrote, “This is OK.”

⁸ In the margin, Carter wrote, “PRC should understand US political schedule.”

⁹ Carter underlined “should continue to move forward,” and in the margin, wrote, “yes.”

timeframe, we would need to give careful consideration to our handling of these issues with Congress. Both would face tough going on the Hill, though their opponents would not be identical; a major confrontation on one, or an embarrassing setback, might gravely undercut our ability to present Congress with yet another controversial issue. Conversely, a marked success on either could strengthen our hand in dealing with the other. In considering timing, it is our judgment that a success on PRC normalization is more likely to strengthen our hand on SALT approval, than vice versa.

Therefore, if early Senate action on SALT appeared likely, we would need to factor this into Woodcock's presentation to the Chinese and possibly adjust the tempo of our negotiations with Peking to avoid having both come before Congress at the same time. We consider it premature, however, to try to resolve the question of precedence.

Positive Climate with China

In terms of our present relations with the PRC, conditions over the coming months will be optimal, at least during your first term, for bringing normalization to a successful conclusion. With only occasional lapses, Peking has moderated its public rhetoric on Taiwan and is laying greater stress than at any time since 1972/73 on its preference for a peaceful solution. In addition, by expanding both official and unofficial contacts with the United States, resuming grain purchases for the first time since 1974, responding to our overtures on long-standing cases involving American relatives and citizens in China, and adopting a more accommodating attitude toward our mission in Peking, the Chinese have helped create the most positive climate in U.S.–PRC relations since the establishment of Liaison Offices in 1973.

Relevance to our Asian Policy

Successful completion of the normalization process would remove one of the major anomalies in our current posture in Asia and enable us—and our Asian allies—to plan for the future with greater assurance. Unavoidably, of course, normalization would deliver a major shock to Taiwan, and this could temporarily increase uncertainties in Asia about the potential consequences of our actions. Under present conditions, however, we believe Taiwan has the political and economic resiliency to adjust successfully to the changed circumstances that normalization would bring. Accordingly, if we acted in a confident, decisive manner, these Asian concerns should quickly dissipate as it became clear that we had acted responsibly and in ways consistent with our continued interest in the future well-being of Taiwan. Over time, improved relations with China would enhance our ability to insure that the basically stable regional military and political situation in Asia continued.

B. Disadvantages

To complete the normalization process would inevitably entail serious risks, and it would require major personal involvement by you to

insure a successful outcome. A high degree of coordination would be required in dealing with both Congress and the Chinese. Equally relevant is the likelihood that in the aftermath of the 1978 elections there will be heavy pressure for Congressional action on a variety of other domestic and foreign policy issues, including SALT. These risks include the following factors:

Success Not Assured

Our minimum terms for normalization may be unacceptable to Peking.¹⁰ This is particularly so on the matter of arms sales. The Chinese may also quibble over the degree of governmental involvement, however disguised, that would be required to continue our minimally essential ties with Taiwan (discussed below). Accordingly, we cannot count on success, although our chances now are as good as any we are likely to face for the next two years. Moreover, we do not feel that reaching an impasse with the Chinese would compromise our essential relationship with Peking, and by making our approach to the Chinese out of the glare of publicity, the risks of such an impasse would be made more manageable.

Domestic Political Factors

The domestic and foreign policy benefits of normalization would for the most part only come after we have successfully completed the process. Until that time, we would face serious controversy, fueled by exaggerated anxiety over the fate of Taiwan. The prevailing attitude in Congress and the public at large favors the status quo. Behind the scenes, ROC representatives could be expected to play on such sentiments, mobilizing public and Congressional opposition to normalization and portraying this action as “abandonment” of a longstanding friend and ally. The burden, therefore, would be on the Administration to justify our actions.

Publicly, however, ROC leaders might be forced to play down the implications of normalization for Taiwan in order to shore up local morale and protect the island’s investment climate. Once convinced of our determination and ability to complete the process, the ROC would probably become more amenable to working out satisfactory post-normalization arrangements for conducting our unofficial relations.

Nevertheless, die-hard supporters of the Republic of China could be expected to pull out all the stops: constitutional challenges might be mounted against our handling of the U.S.–ROC Defense Treaty (Senator Goldwater, for example, has threatened to initiate impeachment proceedings against any President who by-passes the Senate in termi-

¹⁰ Carter underlined “may be unacceptable to Peking,” and in the margin, wrote, “so be it.”

nating the Defense Treaty); and efforts might be made to block normalization, or to stymie our ability to conduct full-scale relations with Peking, by attaching pernicious riders or amendments to implementing legislation.

Thus, we would need to plan our strategy with Congress carefully. Through advance consultations with Congress, we would need to be assured that we had sufficient votes in both the House and the Senate to fend off obstructionist moves. Our task would be to demonstrate not only that normalization would strengthen our global position, but also that it would lessen prospects for conflict in the area and, in the longer run, promote the continued well-being of the people of Taiwan.

Success in this effort would also depend, in part, on the attitude taken by other Asian countries, especially Japan. Hence, an early consultation process in Asia would have a direct bearing on the domestic debate in this country.

Legal and Constitutional Problems

By withdrawing recognition from the Republic of China as a sovereign government, while continuing to maintain trade and other unofficial relations with the island, we would be creating a situation that has few if any precedents under international law. As a result, the legal consequences of the steps we contemplate taking are in many cases unclear. Actions by both the Executive Branch and Congress would be necessary to construct a new legal framework for dealing with Taiwan that could be reconciled, with minimum awkwardness, with the principles we would have agreed to in normalizing our relations with the PRC. As a minimum, we would probably need:

- legislation creating a non-governmental entity to conduct our “unofficial” relations with Taiwan;
- Congressional action, probably taking the form of an omnibus bill, to protect existing commercial and other arrangements with Taiwan.

As noted earlier, we could face constitutional challenges over various normalization issues, including the manner in which we terminated the U.S.–ROC Mutual Defense Treaty. Although our lawyers are satisfied that termination does not require Congressional action, even supporters of normalization may oppose us on constitutional grounds on this issue. Others, however, have indicated that many in Congress would prefer to have the Executive Branch take the heat off Congress by assuming responsibility for terminating the Treaty.

These issues are under active review by our lawyers. This review will clarify the legal choices available to us, but whatever the choices are, a test of strength with Congress would probably be unavoidable and would shape the final outcome. Our decisions, therefore, would ultimately have to be based on political judgments—and Congressional

backing—and legal considerations would be only one contributing factor.

Alternative: Drop Normalization as a First Term Issue

Given the short term costs involved in completing the normalization process, an alternative would be in effect to defer normalization until 1981 or later. The present Chinese mood of “patience” makes deferral seem attractive. This is especially so since in the present benign climate of U.S.–PRC relations, those opposed to cutting diplomatic relations with Taiwan could attack such a move on the grounds that we were already gaining many of the benefits of full normalization and were taking needless risks vis-a-vis Taiwan.

Any deferral of normalization would quickly become evident to the Chinese, but there are some signs that Peking has already reached a relatively pessimistic assessment of our intentions on normalization and has decided that at least for the moment it can live with the status quo. Moreover, it is doubtful that Peking would suddenly disrupt its relations with us as long as our policy remained firmly based on the Shanghai Communique.

Nevertheless, the risks of delay are significant. Above all, we would leave the normalization process vulnerable to many domestic and foreign developments over which we have little or no control. These factors are briefly reviewed below.

Stability on Taiwan

Today there is substantial political stability in Taiwan, due in large measure to the skillful leadership of President Chiang Ching-kuo. This stability, which is critical to our estimate that Taiwan can cope successfully with the effects of normalization, will be less certain once Chiang is gone. Moreover, there are signs of intensifying support among the native Taiwanese for some form of “Taiwan independence,” which over time could call into question the essential phrasing of the Shanghai Communique that “all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China.” Any explicit move by Taiwan in this direction would pose critical policy dilemmas for the United States *whenever it occurred*. But if it happened before normalization, it might well become an insurmountable obstacle to establishment of diplomatic relations with Peking, with serious consequences for our policy in Asia and elsewhere.

Other Risks

As you know from our earlier studies, there are other uncertainties as well. These include the possibility of changes in Sino-Soviet relations, the intrusion of domestic political factors in China or this

country, and the impact of other steps we will be taking in Asia in the meantime, such as further troop withdrawals from Korea.

Costs Vis-a-Vis Peking

Another potential cost of delay is the probability that at a time when Peking is moving rapidly to develop its relations with the outside world, and especially with developed Western countries, we will find our own ability to move ahead with the Chinese in areas such as science and technology agreements, claims/assets, and civil aviation constrained by the absence of diplomatic relations.

Compensatory Measures

There are two ways in which we could seek to minimize these effects:

- by steps designed to demonstrate that our normalization *policy remained unchanged*;
- and by measures to sustain and if possible *enhance our relations* with Peking.

Policy Measures

The intent of such measures would be to provide concrete evidence, to Taiwan and others, that our commitment to normalization remained unchanged. At one extreme, these could include downgrading our Embassy in Taipei to a Consulate General or trade office, or even withdrawing recognition from the Republic of China while continuing to maintain some official representation on the island. Such steps have the serious disadvantage that they would be certain to generate political controversy in this country, might well be denounced by Peking, and would lack the compensatory improvements in our relations with Peking that normalization would bring. By making concrete changes in the status quo, however, they would dramatically demonstrate that we were irreversibly committed to altering our relations with Taiwan.

The same purpose could be served, though to a reduced extent, by less drastic measures such as:

- lowering our representation in Taiwan to the Charge level; and
- removing our remaining military personnel from Taiwan.

Steps with Peking

We could also seek ways to consolidate our relations with Peking short of full normalization. Of greatest reciprocal value would be an expansion of trade and exchanges.¹¹ But we could also take other steps to

¹¹ Carter underlined “expansion of trade and exchanges,” and in the margin, wrote, “ok.”

enhance our value to Peking in strategically relevant ways. These would have to be looked at closely, however. Ill-considered measures could give an anti-Soviet cast to our policy and could also, unless reciprocated by Peking, undermine the principle of mutual benefit in our relations with the PRC by, in essence, paying a price to China for the delay in normalization. Nevertheless, depending on the specific circumstances, certain steps might be considered. Possibilities include:

—supporting measures in Congress to make credits available for trade with China (e.g., by exempting China from the Jackson–Vanik strictures on Eximbank and CCC credits);¹²

—facilitating the commercial flow of technology to the PRC by giving China the benefit of the doubt on marginal export control cases;¹³

—testing PRC willingness to expand direct contacts between government agencies, e.g., in areas directly relevant to China’s current development plans;

—exploring possibilities for intelligence exchanges with China;¹⁴

—proposing that military attaches be assigned to our respective liaison offices.

Should you decide to defer normalization for your first term, we would study in greater detail the compensatory measures we might wish to adopt in order to make clear that the direction of our policy remained unchanged and to sustain our relations with Peking.

Conclusion

It would be useful to have your guidance prior to Zbig’s trip to Peking so that he could signal the Chinese the direction in which we are likely to move. As you know, Ambassador Woodcock strongly favors a prompt effort to complete normalization. We also favor that course but believe the advantages of moving now must be weighed against the potential short-term consequences for our other domestic and foreign policy priorities.

Options

1. Begin the effort to normalize through a secret approach by Ambassador Woodcock to the Chinese in Peking this summer.¹⁵

¹² Carter drew a question mark in the margin next to this paragraph. The Jackson–Vanik amendment to the 1974 Trade Act denied most-favored-nation trade status and trade credits to countries with non-market economies that restricted emigration.

¹³ In the margin next to this and the following point, Carter wrote, “OK.”

¹⁴ Carter drew a question mark in the margin next to this and the following point.

¹⁵ Carter made a checkmark in the margin next to option 1, indicating his approval.

*Sub-options*¹⁶

- a. Proceed in the expectation that the process will not be completed until after the November 1978 elections.
 - b. Attempt to complete the process before the November elections.
2. Postpone normalization as an issue for your first term.¹⁷

¹⁶ In the margin next to the “sub-options,” Carter wrote, “either ok—depends on PRC.” He drew an arrow to suboption a and wrote, “Prefer.”

¹⁷ In the margin next to option 2, Carter wrote, “no.”

100. Memorandum From Samuel Huntington of the National Security Council Staff to the President’s Assistant for National Security Affairs (Brzezinski)¹

Washington, May 11, 1978

SUBJECT

Your China Trip: Advice from Cambridge Mandarins

I had discussions in Cambridge yesterday with Lucian Pye, Dwight Perkins, and Roy Hofheinz, soliciting their suggestions re your China trip.² Each has been in China at least twice in recent years, Pye and Perkins having gone with Sen. Jackson. The following are, in brief, a random selection of some of the more salient and useful points one or the other of them made.

1. In order both to keep the Chinese in their place and also to assuage the Japanese and Koreans, your trip should be billed as an Asian

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 39, Brzezinski, Asia, 5/18–25/78: Memos. Confidential; Outside the System. Sent for information. A copy was sent to Oksenberg. The initials “RI” at the top of the page indicate that Inderfurth saw the memorandum, but there is no indication that Brzezinski did.

² All three were sinologists. Lucian W. Pye was a political scientist at the Massachusetts Institute of Technology; Dwight H. Perkins was a professor of economics at Harvard University; Roy M. Hofheinz, Jr., was a professor of government (political science) at Harvard University.

trip, not a trip to China with stop-offs in Seoul and Tokyo. (This is, I note, a point which the Japanese have already raised; see Tokyo 7457.)³

2. Very early in the discussions it would be helpful for you “to let yourself go” with an anti-Soviet tirade, taking off from some recent particularly outrageous Soviet action. This would generate a very cordial atmosphere for the remainder of the discussions.

3. The Chinese make a distinction between “long-term principles” and “short-term considerations.” Discussion of the former should be avoided, since it can easily become overly abstract (e.g., on the inevitability of war) and since US–PRC differences are greatest at this level. The emphasis should instead be on the short-term considerations, that is, not ideology, but strategy, about which the Chinese will talk in very realistic terms.

4. Where significant differences exist between US and PRC policy, there is little or nothing to be gained from attempting to explain and justify US policy.

5. “Detente” is, of course, a bad word to the Chinese, and hence US policy vis-a-vis the USSR should not be described this way. [In this connection, it occurs to me that it might be useful to adopt the formulation we used in the PRM–10 Net Assessment,⁴ referring to détente as a phase which we passed through during the Nixon–Kissinger years, and indicating that we are now in a post-détente “Era II” of US–USSR competition.]⁵

6. To arouse their interest and establish their indebtedness to you, it would be useful to:

(a) provide them with some piece of intelligence information we have concerning the Soviets, the accuracy of which they will be able to verify themselves a few days later;

(b) show them some selected satellite photos of Soviet military installations and/or deployments near their border.

It could also be suggested to them that additional information of this sort could be provided from time to time, but that it would have to be furnished to them through Woodcock in Peking, since we would

³ The Japanese Ministry of Foreign Affairs informed the Embassy in Tokyo “that references to ‘stopovers’ in Japan and Korea might give sensitive Japanese press impression that these were after thoughts. MOFA would prefer, if possible, that spokesman refer to them as visits.” (Telegram 7457 from Tokyo, April 26; National Archives, RG 59, Central Foreign Policy File, P840156–2623) When the itinerary of Brzezinski’s trip was announced, the *The Washington Post* reported, “In order to avoid offending Japan and South Korea, Brzezinski will stop there for two days each before returning home.” See footnote 2, Document 96.

⁴ Regarding PRM 10, February 18, 1977, “Comprehensive Net Assessment and Military Force Posture Review,” see footnote 3, Document 50.

⁵ Brackets are in the original.

have to transmit it to Peking through our own channels. This would be a way of gaining greater access for Woodcock to Chinese officialdom.

7. In conversations, Teng Hsiao-p'ing "likes to cut people's heads off without their knowing it." One has to be alert to this and be prepared to catch him in the act and call him when he tries to wing some proposition by you, which if unchallenged, will look rather peculiar in the transcript. Teng and other Chinese officials also apparently have an extraordinary ability to lie blatantly with a totally straight face.

8. Chinese "inscrutability" is often simply a mask for their ignorance [*less than 1 line not declassified*] concerning the outside world. Don't overestimate their understanding of political trends in the US or elsewhere outside their own borders.

9. The Chinese are now swept up in a great enthusiasm for science and technology. They see science as a "miracle drug," which will effect great results if it is imported into the PRC. They do not appreciate the need to have scientific processes take root in their institutions and become self-generating. Hence, the results of the importation of Western science are likely to be disappointing. (The parallels with the Soviet experience here would seem to be striking.)

10. The Chinese are placing great hope on the development of their oil resources, with a view to making oil exports their major hard currency earner. Consequently, they desperately need oil exploration equipment. As with other things, however, they are reluctant to get this directly from the US (even where that is possible), but prefer to import European or Japanese equipment (even if inferior) or to get US equipment indirectly (e.g., through Singapore).

11. The present phase in PRC development has many resemblances to the mid-1950s in the USSR: i.e., the release of new energies following the death of the dominant leader. The reaction against Mao has not yet gone as far as the Khrushchev-led reaction against Stalin, but it could conceivably go that far.

101. Memorandum From Paul B. Henze of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, May 11, 1978

SUBJECT

The Asian "Soft Underbelly" and your Visit to Peking

I would expect the Chinese to be much more upset about the recent turn of events in Afghanistan² than about anything that has happened in the Horn in the past year. The Chinese will be concerned not so much because of Afghanistan itself, though it is important to them, but because of the implications of a pro-Soviet government there for Pakistan, which the Chinese have always (perhaps somewhat unrealistically) seen as a counterweight to India. The problem goes deeper, however, and it will be interesting to see whether our views and the Chinese view are very far apart.

Hugh Seton-Watson in his splendid new book, *Nations and States*, characterizes the area from India/Pakistan through Iraq as one of the most inherently instable parts of today's world. He points out that all the states of this region are potentially brittle and none fully meets his definition of nation. Pakistan's future is problematical, perhaps deeply affected by what happens in India itself. Afghanistan's major peoples all overlap with those of its neighbors. Iran, for all its wealth and ambition, is loosely consolidated as a nation-state with large minorities who must still be expected to have centrifugal tendencies if central control weakens. Iraq has never solved its Kurdish problem. The Russians have been keenly interested in this area since the 19th century and now, with its oil wealth and the absence of a major outside counterforce, it offers them almost irresistible temptations, possibly as a diversion from the growing nationalism of their mushrooming Central Asian Muslim populations. The more successfully Iran modernizes, the more vulnerable it becomes to Soviet subversion. No one who is not deliberately

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China, (People's Republic of), Brzezinski's Trip, 11/19/77–5/14/78. Confidential. Sent for information. Copies were sent to Samuel Huntington, William Quandt/Gary Sick, and Thomas Thornton of the NSC Staff. Henze sent this memorandum and papers on the Horn of Africa and Soviet Minorities (attached but not printed) to Oksenberg under a May 11 covering memorandum, which stated that they were "for Zbig's use in planning his discussions in Peking." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 28, Brzezinski 5/78 Trip to China: 5/10–12/78)

² On April 27, the People's Democratic Party of Afghanistan (PDPA) overthrew the Government of the Republic of Afghanistan. On May 1, the Democratic Republic of Afghanistan was declared, and Nur Mohammad Taraki became Prime Minister.

myopic could see expansion of Soviet influence in Afghanistan, whether it has resulted from design or accident, as anything other than a large potential gain for the Soviets.

There is a real case in this part of the world—especially as between Iran, Afghanistan and Pakistan—for some political restructuring. But to expect this to occur peacefully and without external major power involvement may be as unrealistic as in the Horn of Africa. Short of this, there is a natural case for Iran and Pakistan to draw closer together in face of a Soviet-supported leftist government in Kabul and to look to us for help. The Chinese will be very interested in knowing how we view all this and what we plan to do to bolster Iranian and Pakistani confidence. We have an instrument at hand: CENTO. It doesn't amount to much. It has not been popular or fashionable recently; we have come close to letting it go the way of SEATO. It may be handier than we think as a device for putting some tone into the soft underbelly of Asia. But in the end it will depend upon unilateral and consistent U.S. initiative to get anything meaningful started. The Chinese would be impressed by evidence of resolution on our part in this area.

102. Telegram From the Liaison Office in China to the Department of State¹

Beijing, May 12, 1978, 0831Z

1352. CINCPAC for POLAD. Subj: Chinese Deliver "Strong Protest" on Soviet Border Incursion.

1. Summary. PRC Vice Foreign Minister Yu Chan, concurrently senior Chinese negotiator in Sino-Soviet border negotiations in progress in Peking, handed strong protest to Soviet Ambassador Tolstikov on May 11 concerning border incident on May 9. According to Chinese note, the Soviets dispatched a helicopter, military boats and troops some 4 kilometers into China territory in an area some 40 miles south of the major border clash at Damansky (Chen Pao) Island in March 1969. In Peking both sides seem intent on playing down the incident. Chinese spokesmen have declined comment. Soviet Embassy officers have informally indicated that the Chinese protest was accepted and "regrets" expressed, and a 2nd plenary session on the border talks was appar-

¹Source: National Archives, RG 59, Central Foreign Policy File, D780201-1102. Confidential; Priority. Repeated to Hong Kong, Moscow, Seoul, Taipei, and Tokyo.

ently held as scheduled in Peking on May 12. Although the timing of the incident was provocative—following resumption of the border talks during Chairman Hua Kuo-feng's state visit to North Korea—we are inclined to believe pending additional information that the Soviet action was unpremeditated. End summary.

2. New China News Agency (NCNA) reported on May 11 that PRC Vice Foreign Minister Yu Chan had "lodged a strong protest with the Soviet Union against its recent organized military provocation against China with aircraft and military boats." Yu Chan, who is concurrently the senior Chinese border negotiator in the recently resumed talks with the Soviet negotiator Ilichev, delivered the protest at a May 11 meeting with Soviet Ambassador Tolstikov.

3. According to the NCNA account of the incident, the Soviets on the morning of May 9 had dispatched a helicopter, 18 military boats and some 30 troops about 4 kilometers into Chinese territory at Yuen-yapao District, Huling County, Heilungkiang. (The location is along the Ussuri River, approximately 40 miles south of Damansky (Chen Pao) Island where major Sino-Soviet clashes had occurred in March 1969.) After landing on the Chinese bank of the river, they allegedly chased, tried to round up, shot at, and wounded a number of Chinese inhabitants. Some 14 Chinese were dragged to riverside but ultimately released by the Soviet troops "under the repeated protests of the Chinese inhabitants."

4. The protest note termed the incident "an organized military provocation against China occurring at a time when the Sino-Soviet boundary negotiations had just resumed . . . a grave, calculated step to create tension on the border." The Chinese Government therefore demanded an apology, punishment of the culprits, and guarantees against similar incidents occurring in the future. The note concluded with a standard—but stiff—admonition that the Soviet side "must bear full responsibility for the consequences" if the demands were not met.

5. The *People's Daily* played the story on page one of its May 12 issue and Peking Radio has broadcast the text of the note on its regular news programs since the evening of May 11.

6. In Peking both sides seem intent on playing down the incident for the time being. Chinese MFA Information Department spokesmen have declined comment on the incident and offered no details on precise location of the incursion or nature of injuries suffered by the Chinese inhabitants. By late evening of May 11 the TASS Bureau in Peking seemed genuinely to have no knowledge of the incident or protest. Throughout May 12 Soviet Embassy officers have been passing the word in low-key fashion that Ambassador Tolstikov had accepted the Chinese protest and expressed "regrets" over the incident. (One Soviet account has it, however, that Ambassador Tolstikov also expressed "re-

gret that the Chinese side had chosen to blow up this incident out of proportion." This rings true to us.)

7. We understand that a second plenary session of the border talks was held as scheduled in Peking on May 12. Yu Chan and Ilichev presumably discussed the incident at that session.

8. Comment: Although timing of the incident was provocative—following resumption of the border talks and during Chairman Hua Kuo-feng's highly publicized visit to North Korea—we are inclined to believe pending additional information that the Soviet action was unpremeditated on the political level. Even assuming that the Chinese version of the events is essentially accurate, it seems clear that a rather minor incident occurred. The note makes plain that an armed clash did not occur (although it attributes this to the "restraint" of the Chinese side). We therefore join with FBIS [*less than 1 line not declassified*] in concluding that Chinese reporting of the formal protest—the first since 1974—is related to recent upsurge in polemics over the border issue.

Woodcock

103. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of Defense Brown¹

Washington, May 12, 1978

SUBJECT

Resumption of DOD Personnel Drawdowns on Taiwan

The President has instructed that the ceiling for DOD military and civilian personnel on Taiwan [*1½ lines not declassified*] be lowered to 660 by October 1, 1978.

The Department of Defense should keep the American Ambassador in Taipei informed of plans for the implementation of these reductions and should provide the NSC on July 1, 1978 and October 1, 1978 reports on the number of DOD personnel, by unit, on Taiwan, including those exempted from the ceiling.

Zbigniew Brzezinski

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Nats) 320.2. Secret. Brown initialed the memorandum on May 15.

104. Memorandum From the Vice President's Chief of Staff (Moe) to Vice President Mondale, the President's Assistant (Jordan), the President's Assistant for National Security Affairs (Brzezinski), and the President's Deputy Assistant for National Security Affairs (Aaron)¹

Washington, May 15, 1978

SUBJECT

The Timing of Normalization of Relations With the PRC From a Domestic Perspective

Given the desirability of normalizing relations with the People's Republic of China and the Administration's commitment to doing so, the chief question is one of timing. This memo attempts to deal with that question solely from a domestic political perspective.

The memo rests on several assumptions:

1) SALT is the single most important foreign policy initiative, both substantively and politically, of the Carter Administration, and nothing should be permitted to jeopardize its approval by Congress, which will be difficult under the best of conditions.

2) The PRC has been very patient with us to date on the question of normalization, and while that could conceivably change, it is unlikely to do so.

3) The act of normalization will elicit intense political opposition in this country, particularly from the right-wing. It will be more intense than anything we experienced in the Panama debate, which the right regarded largely as a warm-up exercise for bigger issues to follow, and probably more intense than that which we will encounter in SALT.

4) Because the act of normalization is essentially an executive action as opposed to a legislative one, opponents can have considerably less impact on its implementation than would otherwise be the case. The follow-up legislation that would be required to define our legal relationship with Taiwan should present no insuperable problems if it is sent up after the fact.

5) Once we send a clear signal to the PRC that we are prepared to go down the road of normalization, there is no turning back.

6) There are essentially three options as to timing:

a) Normalization would roughly coincide with the debate over SALT, i.e., late 1978 and early 1979.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 6–8/78. Secret.

b) Normalization would be deferred until SALT was approved but before the end of the first term, i.e., late 1979 or early 1980.

c) Normalization would be deferred until the beginning of the second term.

There is a respected school of thought which holds that normalization of relations with the PRC, if skillfully timed, can be used to our advantage in securing Congressional approval of SALT. The argument, as I understand it, is that normalization enhances our strategic position vis-a-vis the Soviets at a time when our critics will be charging that SALT II has weakened us strategically.

There may be something to this argument, but unless I'm missing something I'm afraid I'm unpersuaded by it. First, it is too subtle a point to have much real public impact on the SALT debate. Second, it is a point that is difficult if not impossible to articulate publicly in support of SALT, because to do so almost implies that we are indeed strategically disadvantaged by the agreement. Third, it is unlikely to be a persuasive point with either the Hill or the public because few will be willing to acknowledge that any part of our strategic posture should depend on the PRC. Fourth, even acknowledging the validity of the point at the time of normalization, no one will want to rely on its validity very far into the future because of the unpredictability of PRC policy.

I am told that several potential SALT opponents on the Hill favor this approach, and that's not surprising given their intense distrust of the Soviets. I am not very sanguine, however, about the prospect of picking up any of their votes for SALT on this ground. If it could be shown that normalization actually helps us on the Hill with SALT, that would give this point quite another color but of course we won't know that for some time.

Nor am I persuaded that the fact of normalization will help us in our SALT negotiations with the Soviets. It's unrealistic to believe they will sign an agreement which they do not see as being in their interests, and they have undoubtedly already decided—as presumably we have—what their bottom line will be. Moreover, they must have long since discounted our normalization of relations with the PRC in their strategic thinking.

Instead of helping us on SALT, I fear normalization could actually hurt our efforts to gain approval. There is no issue the right-wing feels as deeply about; it is bound to blow every fuse they have. And they have some points to make that will have a great deal of public appeal: We have discarded one of our best friends and allies; for the first time in history we have unilaterally abrogated a mutual defense treaty; our word abroad is no longer any good; our human rights policy is a sham if we establish relations with the PRC, which is totally unsympathetic

with our values, at the expense of Taiwan, which at least has the appearance and rudiments of democracy.

Even though a majority of the American people favor normalization (by a 62 to 17 margin, according to an October, 1977 Harris Poll), we will be dealing with a situation where the “intensity factor” will be considerable and entirely on the other side. (The same poll shows that, 62 to 11, the American people feel the U.S. should continue to acknowledge the Nationalist Chinese government in Taiwan.) In short, there is no domestic constituency actively pushing for or even interested in normalization, but there is such a constituency vigorously opposing it. Thus, there is no political plus in normalization; there is only minus. This being the case, and without an opportunity for the opponents to focus their efforts on the Hill on the normalization issue itself, I worry about their trying to make their views felt through some other vehicle, namely SALT. I can see where the two issues would become inextricably entangled, where the opponents of each (even though the two groups largely overlap) would reinforce the other, and where our SALT prospects would suffer as a result.

Although I can't predict exactly how this alliance might take shape, it would be a mistake to underestimate both the determination and ability of the right-wing to make itself felt on the normalization issue. Whatever the situation, they will find a way; we simply shouldn't allow them an opportunity in the process to damage SALT, which will be difficult enough and which is ten times more important to the success of the Carter Presidency.

For many of the same reasons normalization should not be allowed to damage the President's prospects of re-election, which I fear it might do even if it occurred after SALT but before November, 1980. In addition to the reasons cited above, I see this happening in two ways. First, if the normalization process begins in 1979 and continues into 1980, it will ensure the domination of foreign policy issues over their domestic counterparts during the entire first term. This would be at a time, as now, when the American people are much more concerned with solving domestic problems than foreign ones, which, with the possible exception of SALT, they do not see as particularly compelling. They certainly do not see them as vital to their own concerns, coming as they do at a time when there is relative peace and stability throughout the world. If Panama, the Middle East and SALT were to be followed by normalization, people would wonder with some justification why the Administration is so preoccupied with foreign affairs when so many domestic problems, which are inherently less dramatic and therefore receive less public attention, are crying out for solution. Ideally, from a purely domestic political perspective, once SALT is behind us the President should be unencumbered by highly visible and contro-

versial foreign policy issues and free to emphasize purely domestic concerns which will help him gain re-election.

Second, normalization will play politically into the Republicans' hands in terms of the theme they are already using against us, namely, that the Administration's foreign policy is confused, bumbling, weak on defense and particularly soft where the Communists are concerned. Instead of enhancing our strategic position against the Soviets, the Republicans will doubtless try to portray normalization as another sign of weakness on our part toward our potential adversaries, part of a piece with our efforts to normalize relations with Cuba and Vietnam, the B-1 decision, Panama, troop withdrawals from Korea, Naval cutbacks, the neutron bomb decision, timidity in Africa, etc.

While none of these alone makes us vulnerable to a charge of weakness, *the Republicans unquestionably sense they can make a lot of political hay out of what they see to be a pattern, and normalization will only increase their confidence and ability to do so.*

In short, the Administration has already suffered serious political damage because of its foreign policy initiatives. In some cases—such as the Middle East, attempting to lift the Turkish arms embargo, returning the Crown of St. Stephen—we have been damaged with specific and important domestic constituencies which supported us in 1976. In other cases—most notably Panama—we have used up a lot of political capital with the public and a lot of political chits on the Hill to see through important but unpopular foreign policy initiatives. And SALT—the most important of them all—is yet to come.

Most of this political damage has been incurred knowingly because the objectives involved were important. The question arises, however, as to whether normalization is vital enough to our national interest in the short term to warrant burdening the President with even greater political handicaps as he enters the 1980 campaign.

Given what I know of the subject, I do not believe it does warrant it, particularly if PRC patience with us continues. That is why I conclude that, if at all possible, normalization should be deferred until the beginning of the second term. If the PRC is willing to wait that long, I don't see any compelling reason why we can't. If in the unlikely event we see signs that their patience is running thin, there are intermediate steps that we can take to reaffirm our intentions and to try to buy more time, e.g., significantly withdrawing our military presence on Taiwan, reducing the level of our representation in Taipei to that of charge, etc. If it develops that this strategy does not work and if it is decided that our vital interests require normalization during the first term, so be it. But all present signs indicate that is a remote possibility; if the Chinese have demonstrated one characteristic above all others, it is patience.

In the absence of any compelling reasons to move during the first term—reasons which are now neither apparent nor foreseeable—it should be our goal to defer normalization until a time when it can do the least damage to the President's programs and political standing.

105. Memorandum of Conversation¹

Washington, May 15, 1978, 10–10:20 a.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Ambassador Han Hsu

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Dr. Frank Press, Science and Technology Adviser to the President and Director
of the Office of Science and Technology Policy

Michel Oksenberg, Staff Member, NSC

Benjamin Huberman, Staff Member, NSC, and Assistant Director for National
Security, International and Space Affairs

Ambassador Han Hsu, Acting Chief of the People's Republic of China Liaison
Office

Tsao Kuei-shang, Political Counselor, People's Republic of China Liaison Office

Yang Yu-yang, Interpreter, People's Republic of China Liaison Office

Dr. Brzezinski: (To Ambassador Han Hsu.) It is always good to see you. Welcome. I look forward to this evening.

I have asked you to come by today to talk about one aspect of my trip, namely the importance we attach to expanding our scientific and technological relations. I would hope that my trip could lay preliminary groundwork for a mutually beneficial expanded relationship in the area.

The President, as we have already indicated to you, has authorized his Science Adviser, Frank Press, to explore this matter fully with you. We believe that it might be mutually beneficial for Dr. Press to visit China, and I will be prepared on my trip to talk about what we have in mind.

Dr. Press: As you know, I have been interested since 1949 in the development of science and technology in China. Before coming into the

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 50, Chron: 5/78. Secret. The meeting took place in the White House.

government, I chaired the Committee on Scholarly Communications with the People's Republic of China.

We have been interested in the recent developments in your country, with your new emphasis on science and technology, and we have followed your recent conference on science and technology.²

Your nation is the nation with the greatest potential for growth in the realm of science and technology, while the U.S. is the most advanced nation in the world in technology. That situation suggests that we should talk more about the possibility of cooperation.

Recent delegations that the two sides have exchanged in the science and technology area provided excellent examples of the potential in this area.

We would like to explore with you the possibility of a very high-level delegation of scientists and engineers—all high-level governmental and policy administrators—to visit China. We believe it is important simply for our scientific leaders in the government to meet their counterparts whom we do not know and in many cases have never met. If our visit would simply be for the purpose of getting to know each other better, that in itself would be important and cause for a visit.

Our relations in the science and technology field ought to develop further. Our relations in science and technology should improve. I could lead such a delegation this summer. If you wish, I can describe our thoughts on this matter at greater length to you. We have been talking to U.S. scientists and technicians in government and in the universities to develop projects and proposals for ways of expanding our S&T relationship.

Dr. Brzezinski: Yes. You may wish to discuss with Frank Press in greater detail what he has in mind, possible members of his delegation, so that when I arrive in Peking we will be able to discuss the matter with greater specificity.

Ambassador Han Hsu: I will convey your desire to Peking and report to you. As was stated in the Shanghai Communiqué, the Chinese side has always adopted a positive attitude toward science and technology exchanges. The crux of the matter is that the U.S. side must also act according to the Shanghai Communiqué.

Dr. Press: If you have any further questions, we can pursue them.

Ambassador Han Hsu: Yes. And Dr. Brzezinski has mentioned earlier to me that Mr. Huberman is included in the delegation in order to discuss the Press visit in Peking.

² A National Science Conference, held in Beijing in March, was attended by China's leaders and top scientists. Both Deng and Fang Yi addressed the conference.

Mr. Oksenberg: Let me summarize the main purpose of this meeting. We wanted to encourage you to report to Peking and to make sure that the appropriate counterpart will be available to Mr. Huberman so that planning for the Frank Press visit can begin actively during Dr. Brzezinski's visit. If a visit is to transpire in June, for example, it will be important to make progress in both the schedule and the agenda of the visit rather rapidly.

Dr. Brzezinski: Thank you for coming.

Ambassador Han Hsu: Thank you.

106. Paper Prepared by the National Security Council Staff¹

Washington, undated

SCOPE PAPER FOR MAY, 1978 BRZEZINSKI CHINA TRIP

I. The Setting

The tone and substance of high-level discussions with the Chinese since 1971 have been greatly affected by events immediately preceding the meetings. To cite a few instances, the U.S. response to the Indo-Pak War of 1971 helped create a favorable climate for Nixon's 1972 trip. Conclusion of the Paris Peace Accords on the eve of Kissinger's spring 1973 trip helped make that visit one of the most successful in the series. The Yom Kippur War which occurred prior to the fall 1973 trip reminded the Chinese of the West's strategic dependency on oil, but the American alert during those hostilities symbolized continued U.S. resolve and made credible the value of the U.S. counterweight to the Soviets.

Since 1973, developments before a trip have tended to highlight U.S. weakness and our search for accords with the Soviet Union. Kissinger's 1974 trip came on the heels of Vladivostok and a SALT I agreement. The fall and winter 1975 dialogues came against the background of Angola, while the Vance mission occurred as the situation in the

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 38, Brzezinski, Asia, 5/18–25/78, China, Volume I [III]. Secret. Oksenberg sent an earlier version of this paper to Brzezinski under a May 16 covering memorandum that noted, "I am circulating it to members of the delegation for their comments before casting it in final draft for your book. You may wish to show it to Secretary Vance and Secretary Brown for their comments." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 29, Brzezinski 5/78 Trip to China: 5/13–19/78)

Horn was beginning to heat up, the prospects for peace in the Mid East were uncertain, and our policies toward the Soviet Union had not yet been made clear.

In addition to global affairs, domestic conditions in both countries and the climate of the bilateral relationship—the rhetoric each had been using about the other, the state of the trade relationship, the tone of cultural and scientific exchanges—shaped the atmosphere and substance of the visit.

The pertinent factors which impinge on your trip include:

—*The Horn*: Developments have not yet borne out our earlier prediction to the Chinese that by trying to ride two horses at once, the Soviets would be thrown off of both.

—*SALT*: We seem to be moving toward an accord with Moscow which the Chinese believe only will advance Soviet political interests while reducing U.S. vigilance.

—*Afghanistan*: A potentially Soviet-leaning leadership has come to power in a strategic locale without evoking any U.S. reaction.

—*Zaire*: A second Soviet-supplied incursion has begun on the eve of your trip.

—*Mid East*: While approval of the arms sales package is a plus,² the optimism we expressed to the Chinese about the progress we would achieve through the convening of a Geneva conference has proven unfounded.

—*Turkey*: Congress has not approved arms sales to Ankara, thereby weakening NATO's eastern flank.

These developments will encourage the Chinese to scorn U.S. weakness. However, for the first time in several years, several developments have underscored Chinese vulnerabilities, their desire for expanded contacts with the West, and our own strength.

—*The Vietnamese-Cambodian Border War* has continued in spite of Chinese efforts to mediate the conflict. China has been unable to restrain the Cambodian regime, which it backs, and its relations with Vietnam have become quite tense and public.

—*Sino-Soviet* relations have deteriorated. Though border talks have been renewed, Brezhnev's Siberian trip was provocative and the Chinese openly charged the Soviets with an armed border incursion.³ Not since the late 1960s and early 1970s has the Sino-Soviet border and

² On May 15, the Senate approved Carter's decision to sell \$4.8 billion worth of military airplanes to Saudi Arabia, Israel, and Egypt. The arms sales to Egypt and Saudi Arabia aroused controversy among some political figures in Washington. See *Congress and the Nation*, vol. V, 1977–1980, pp. 63–64.

³ See Document 102.

military confrontation been as great, though to be sure other aspects of the Sino-Soviet relationship (such as trade) have improved somewhat.

—*Negotiations for the Sino-Japanese Peace and Friendship Treaty* are stalled, concrete negotiations to fulfill the terms of the long-term trade agreement are proving arduous, and the recent Senkaku incident⁴ has marred the atmosphere of Sino-Japanese relations.

—While tensions continue to exist in the Chinese leadership, the intense, debilitating struggles that existed through 1976 appear to have ended. At least for the time being, Teng Hsiao-p'ing appears to have the strength to chart a course for the nation's economic development which acknowledges China's need for expanded contact with the West.

—China's own economic development drive has made Peking eager to explore major commercial ventures and to expand its S&T contacts with the outside world.

—China has been increasingly open about its desire to purchase military equipment from European countries.

—*Giscard's* victory in France and Britain's improved economic situation, coupled with the strength of the Deutschmark are welcome signs of improved Western European health.

—We are taking measures to improve our defense posture.

—*Asia*: The Chinese will have observed a stiffening of our Asian policy in the showdown of Korean withdrawals, your Asia Society speech, and Mondale's trip.⁵

The bilateral relationship features low expectations and contains few immediately contentious issues:

—Carter's standing in the polls, the continuing problems the Administration has with the energy bill, the likely placing of SALT on the Congressional agenda, and the looming Congressional elections have led some Chinese leaders—Huang Chen, for example—to conclude we will not attach much importance to our relations with China in the months ahead.

—Not since 1973 has the bilateral relationship been as satisfactory. Official statements on both sides have sought to accommodate the needs of the other. Trade has gone up. Tourism has increased. The

⁴ In April, numerous Chinese fishing vessels appeared in the vicinity of the disputed Senkaku Islands. (Telegram 6687 from Tokyo, April 17; National Archives, RG 59, Central Foreign Policy File, D780164-0316)

⁵ Brzezinski addressed the Japan Society, rather than the Asia Society, on April 27 in New York. He denied that the United States was withdrawing from Asia and noted the importance of making progress in normalizing relations with China. For the text of his address, see the Department of State *Bulletin*, June 1978, pp. 1–4. Mondale visited the Philippines, Thailand, Indonesia, Australia, and New Zealand April 29–May 10.

Daedalus issue stands out as the exception to an otherwise relaxed relationship.⁶

Summary: Possibilities exist for a productive trip. Though there are elements of strength in our position, we have not made progress in establishing our credibility since the Vance visit. Their own policies, though featuring increased contacts with Western Europe and the ASEAN states in particular, have also manifested vulnerabilities. The basis exists for enhancing the quality of our discussions about world affairs. On bilateral issues, our respective domestic political and economic conditions generate realistic expectations concerning the chances for progress on normalization, while offering opportunities to explore an enhanced cultural and economic relationship should we desire to do so.

II. Chinese Expectations and Objectives

Chinese domestic as well as foreign policy concerns shape their objectives:

—*Normalization:* The Taiwan problem and the Sino-American relationship remain potentially contentious domestic issues. At a minimum, the Chinese will expect you to reaffirm our commitment to normalization in a convincing fashion. They will seek indications that the U.S. continues to acknowledge the existence of but one China of which Taiwan is a part. This minimum expectation arises from Chinese nationalistic sentiment and internal political concerns. Chinese leaders must be able to demonstrate to their potential critics that the Sino-American relationship has not reduced the chances for Taiwan's reunification with the Mainland. For the time being the U.S. and China have tacitly agreed to set the Taiwan issue aside. But the Chinese would react negatively to any indication during your trip that we are using this interim period to strengthen our position on Taiwan or to lay the groundwork for an independent Taiwan. Because of this, any sign that we are backing off our previous position or our conditional acceptance of their three "conditions" would produce a negative reaction.

While their minimum expectations about our normalization statement are clear, their maximum objective is unclear. Given our press briefings for your trip, they probably do not expect you to advance major proposals on normalization. We do not know if they are pre-

⁶ The Daedalus Company requested U.S. Government approval to sell to the People's Republic of China an infrared scanning system used in resource exploration. (Memorandum from Oksenberg and Huberman to Brzezinski, May 8; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Daedalus: 1-9/78) The Department of Commerce had refused to grant an export license. (Telegram 102441, April 21, and telegram 108312, April 27, to Beijing; National Archives, RG 59, Central Foreign Policy File, D780172-0071 and D780181-0641)

pared for a substantive, meaningful discussion of normalization. Signals to date have been mixed. The normalization issue is treated in depth in a State paper.⁷

—*The Symbol of the Visit*: The Chinese have considerable interest in your trip and in projecting to the outside world an image of cordiality and seriousness to the visit. It serves their interests vis-a-vis Moscow. It enhances their legitimacy and authority: the world's leading power again sends an emissary to Peking. We can expect Peking's managing of the visit to project an official image of Peking's graciousness and magnanimity and of foreigners fitting into the Chinese world view, while the presence of a UPI delegation in China will enable Peking rapidly to disseminate its "candid" assessment of the visit.

—*Lecture the U.S.* The Chinese will seek to educate you about the dangers of the Soviet Union. Recognizing their military and economic weakness, the Chinese seek to influence world affairs through words—as moral and strategic exemplar—an effort which is frequently counter-productive. Often, the listener becomes annoyed with the simplicity of the lesson and the arrogance with which it is presented. This facet of trips to Peking is not unique to Sino-American relations but has been part of Chinese conduct since antiquity; the ruler in Peking graciously exposing the barbarian to enlightenment. In his memoirs, Khrushchev revealed that this aspect of the Chinese particularly infuriated him; by indulging his frustrations, he ended up harming himself as much as the Chinese.

—*Judgment of You and the Administration*. Chinese diplomacy draws heavily upon personal judgments they make about the individuals with whom they deal. To them, politics involve the management of interpersonal relations. Form and substance, ritual and reality are totally intertwined. They assiduously cultivate a friendly personal relationship with people they like, and they treat derisively those for whom they lack respect. Your anti-Soviet reputation means you begin with a favorable image. But your visit will give them an opportunity to draw firmer conclusions about an individual whose policy preferences they realize have considerable consequence for them. They will also seek to learn about President Carter's temperament from you. The qualities that earn their respect are patience, integrity, dignity, toughness, vision, discipline, and constancy.

—*Information*. The Chinese will seek information both about the U.S. assessment of Soviet intentions, capabilities, and strategies in

⁷ Not further identified. This may be a reference to a May 11 Department of State paper by Harvey J. Feldman (EA/ROC) on "Taiwan and US Normalization Policy." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 28, Brzezinski 5/78 Trip to China: 5/10–12/78)

world affairs, and about American intentions, capabilities, and strategies. Though it is hard to discern the cumulative impact of our high-level visits to Peking, these frank exchanges have played a part in China's gradual adoption of a more realistic foreign policy over the past five years, particularly in Asia but perhaps also toward such international problems as the world economic system and nuclear proliferation. China's leaders remain somewhat isolated from world affairs and within their own system are not subject to tough challenges on basic assumptions of their policy. Their discussions with foreign visitors are an important source of information for them. They hope to gain both knowledge and (while never admitting it) some insight into global trends through these candid exchanges.

—*Affect U.S. Behavior.* The Chinese have low expectations that the discussions will alter U.S. behavior in the short run. The two exceptions could be in the areas of (1) relaxing our controls on technology transfer to the PRC and (2) securing our acquiescence to their purchase of military equipment from Third Countries. To be sure, the Chinese will also seek to affect our behavior in the Horn, southern Africa, and Afghanistan, but they probably do not harbor high hopes on these subjects.

III. U.S. Expectations and Objectives

Given Chinese expectations and objectives, we should seek these objectives:

—*Consult on issues of common concern,* seek to influence Chinese perceptions and conduct, and elicit reinforcing actions in areas where we share interests by:

- Increasing Chinese confidence that we intend to provide military assistance to Somalia if Siad abandons his territorial claims, and encourage the Chinese to increase their economic assistance to Somalia;
- Encouraging the Chinese to exert their influence for a peaceful solution of the Zimbabwe and Namibia problems out of recognition that violence in this region will open up opportunities for Soviet-Cuban penetration;
- Reinforcing Chinese inclinations to play a stabilizing role in Korea;
- Encouraging China to initiate contacts with the people—if not the government—of Israel;
- Encouraging China to challenge Cuba's participation in the non-aligned movement.

—*Persuade the Chinese that we know what we are doing in our approach to the Soviet Union,* particularly SALT. We wish the Chinese to be confident that our relationship with the Soviet Union is not aimed against them—that they do not face “super power collusion”. We wish to give them our assessment of the global military balance, including the balance in East Asia. At the same time, we should seek information from the Chinese concerning their relations with the Soviet Union, including

progress in border negotiations. We should also be prepared to convey the U.S. Government attitude toward Chinese desires to purchase arms from third countries.

—*Utilize the atmosphere surrounding the visit to convey an impression of continued progress toward normalization and of a deepening U.S. consultative relationship with the PRC.* Your visit symbolizes our commitment to improve our relations with both Peking and Moscow, so that we can continue to enjoy the advantage of having better relations with either than they do with each other.

—*Assess the intellectual and emotional quality of the Chinese leaders.* Since the President has had no personal contact with the Chinese leadership, an important part of your report to him will be your assessment of the Chinese leadership and its implications for our China policy. Given their military capabilities and political setting, do the ends and means of their foreign policy make sense, i.e. are they rational? How stable do they appear to be about world events? How well do they understand the U.S.? Are their statements of indignation about the Soviet Union genuine or theatrical? Do you detect nuanced differences among the leaders on foreign policy matters—such as on the importance of normalization, the inevitability of war, or the focal point on Soviet ambitions?

—*Advance the normalization process and seek ways of widening our relations with China in the commercial, cultural, and strategic realms.* Your precise objectives in this realm will reflect Presidential instruction.

Observation

A comparison of U.S. and Chinese objectives leads to the conclusion that both sides are approaching the meetings with roughly the same objectives in mind. Both sides wish the external symbols to suggest a successful trip, and both sides will seek to obtain information and make judgments about the other. This suggests the trip should meet our minimum expectations.

IV. Our Presentation: An Aim For Balance

Your aim should be to achieve balance.

—Between confidence in our ability to achieve our global objectives and an awareness of the problems we currently face.

—Between a stated recognition of the role that China's anti-Soviet posture plays in maintaining the global equilibrium and our unstated awareness that they need us as much as we need them.

—Between taking into account China's distinctive approach to foreign affairs and not pandering to the Chinese world views.

—Between asserting confidence in American strength and appearing to "protest too much".

The balance you seek in your presentation can be attained by emphasizing:

—The U.S. is militarily strong and making efforts to maintain and improve its position.

—The Soviet military buildup is a major challenge, but the U.S. and the West have not stood still. An essential equivalence does exist.

—On the basis of this fundamental strength, we can resist pressures and assert our interests. We will do this in conjunction with others in the affected areas, but we will not run wildly around intervening in hopeless, bad, or regionally unpopular causes.

—Where our interests require it, however, we will defend them. (How you make this assertion credible is the major challenge to your presentation.)

—We believe we share many common points with China, particularly in preventing third countries from establishing positions of dominance in places where we both have legitimate concerns. We think it in our mutual interests to speak frankly about concrete actions, though growing out of separate and distinct world views and social systems, which could be mutually supportive.

While our own presentation is easy to sketch, it is more difficult to identify an appropriate *strategy of response* to the inevitable Chinese charges of U.S. weakness and tendencies of appeasement. When listening to the Chinese charges, it bears keeping these points in mind:

—Much Chinese rhetoric should be seen as theatre, with a good deal of posturing. To a certain extent, Chinese see life as a morality play, with the objective of making adversaries appear somehow inadequate. If one seeks to respond in the same spirit, the exchange will not end, for the Chinese will be determined to get in the last word. It is far better firmly but swiftly to indicate disagreement with the Chinese assessment and then move the discussion onto other grounds.

—To the extent the Chinese mean what they say, their objective is to encourage the U.S. to shoulder more of the burden and thereby hopefully reduce the Chinese burden against the Soviets—“sitting on the mountainside and watching the tigers fight.” The Soviets devote roughly 25 percent of their military effort against their Eastern front, and 75 percent against the West. The Chinese fear that any reduction in Western vigilance will enable the Soviets to divert a greater percentage of their effort to the East. The Chinese express concern that some Western strategists would like to increase the sense of Soviet security in the West so they will channel a greater effort to their East. If the Chinese conclude that we will be lowering our level of resistance, they may decide that their safest course is to reduce their own level of resistance to Moscow. In the light of the Chinese calculus, our rebuttal to Chinese

charges of weakness tacitly must indicate that while we are not going to pull their chestnuts out of the fire for them, they can remain confident we will continue to tie down the bulk of Soviet military concerns.

You have four alternative approaches to counter Chinese criticisms:

—*Scape Goat*. You could claim that current signs of U.S. weakness are but a tactical device made necessary by the American domestic political scene. Liberal Democrats will not support a determined posture toward the Soviet Union. It is necessary to yield to the Soviets in order to expose Moscow's true ambitions and thereby educate the American people about the Soviet's true nature. Kissinger used this line of argument to defend détente in 1972–1973; its inadequacy soon became evident.

—*Rational Response*. You could respond on rational grounds, pointing out some of the benefits the Chinese derive from our Soviet policy as well. You could meet Chinese charges of our weakness by providing additional evidence of our own strength. However, the Chinese will not recognize the adequacy of your response.

—*Tough and Barbed Response*. You could retort angrily, reminding the Chinese of the 30 year history of U.S.-Soviet relations and recalling China's inadequacies in their own dealing with the Soviet Union. This line of attack—which Kissinger also used—results in a slugging contest and makes it difficult to maintain the outward symbolic signs of a successful visit which both sides seek to attain.

—*Measured Response*. A fourth approach—which I believe Vance began to employ successfully—is simply to listen to the charges of U.S. weakness, to indicate that your initial presentation outlining U.S. strength and thirty years of U.S.-Soviet relations speak for themselves, to point out that charges of American inadequacy assists the Soviet Union more than it arouses vigilance in the U.S. because it arouses unnecessary doubt about American credibility, and to conclude that our differing assessments are unlikely to be reconciled in one meeting. You could then stress that in spite of our differing assessments, we share common points; from your perspective, the discussions will be more productive if we explore in frank fashion how we might act upon these common points in a practical way.

107. **Memorandum From Jessica Tuchman Mathews of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, May 17, 1978

SUBJECT

Human Rights Initiatives on Your China Trip

Les and I met with Oksenberg the other day to discuss follow-up to the Cambodian human rights statement,² including the Indochinese refugee problem. In the course of our discussions we identified two human rights initiatives you might want to raise with the Chinese. Both of them appear to be in our *mutual* interest. I thought Mike supported both ideas, but find that they have not been included in your briefing book. There are two vague allusions to the issues (see the highlighted sections at Tab A) but neither is explained or presented as an initiative. I am therefore taking the liberty of suggesting to you directly that you consider raising the following two points in your discussions in the PRC.

I have discussed both of these ideas with John Richardson who thinks they are excellent. He felt strongly enough about them that he told me that he was going to violate his personal rule of not taking your time to call you and urge that you do so.

I. Human Rights in Cambodia

It is clearly in the Chinese interest to avoid a Vietnamese takeover in Cambodia. It is also clear that the more the Cambodian government alienates its own people by its continued atrocities, the easier it will be for the Vietnamese to move in. Already many thousands of Cambodians have fled to Vietnam (a traditional enemy) where they will be armed and trained to fight in Cambodia. Thus it can be argued that by its own policies, the Cambodian government is handing a takeover to Vietnam on a silver platter. The PRC is the only foreign government which could influence Phnom Penh. *Our proposal* is therefore that you suggest to the Chinese that they urge the Cambodian government to moderate its policies in the interest of self-preservation. It could be put to the Chinese that they should do this not in the interest of human rights, but in their own self-interest.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 39, Brzezinski, Asia: 5/18–25/78: Memos. Secret. According to the attached correspondence profile, this memorandum accompanied Brzezinski on his trip.

² See footnote 6, Document 96. "Les" is Les Denend.

II. Refugees

The flow of refugees from Vietnam is increasing at a staggering rate. The April figures are triple our most recent predictions. We are clearly not going to be able to take them all in, and the problem could swiftly grow to major proportions and become quite embarrassing. A large fraction of these refugees are ethnic Chinese. The PRC has already taken in a large number of them. *Our proposal is* that you encourage the PRC to continue its program of accepting the ethnic Chinese refugees, and urge them to expand it if necessary to meet the changing dimensions of the problem. You might suggest that the PRC could improve its own image and standing in the international community by showing a humanitarian, generous attitude toward these refugees. If the Chinese were to do so our own problem would be significantly eased.

108. Memorandum of Conversation¹

Beijing, May 20, 1978, 3:30–6:40 p.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Foreign Minister Huang Hua

PARTICIPANTS

Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Leonard Woodcock, United States Ambassador to the People's Republic of China
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
Michel Oksenberg, Staff Member, NSC
William Gleysteen, Deputy Assistant Secretary of State for East Asian and Pacific Affairs
Morton Abramowitz, Deputy Assistant Secretary for East Asian and Pacific Affairs, Office of the Secretary of Defense
Samuel Huntington, Staff Member, NSC
Michael Armacost, Staff Member, NSC

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 5/25/78–6/78. Top Secret; Sensitive. The meeting took place in the Shanghai Room of the Great Hall of the People. Brzezinski and his party, including his wife, arrived in Beijing on May 20. He recalled that he was "given a formal but very cordial greeting at the airport by Foreign Minister Huang Hua, his wife, and a host of Chinese officials. While on board the plane we had speculated about what kind of greeting I would receive from the very protocol-conscious Chinese, and this greeting by the Foreign Minister himself was a signal that the Chinese had decided to treat the visit on the same level as one by the Secretary of State." (*Power and Principle*, p. 209)

Benjamin Huberman, Staff Member, NSC
Gertrude Werner, Secretary, NSC (Notetaker)
Francine Obermiller, Secretary, NSC (Notetaker)

Huang Hua, Foreign Minister, People's Republic of China
Chai Tse-min, People's Republic of China Ambassador to the United States
Lin Ping, Director of the Department of American and Oceanian Affairs
Ting Yuan-hung, Division Chief of the Department of American and Oceanian Affairs
Chao Chi-hua, Deputy Division Chief, Protocol Department
Ni Yao-li, Staff Member, Department of American and Oceanian Affairs
Wang Hai-jung, Vice Foreign Minister in Charge of American and Oceanian Affairs
Kao Chien-chung, Deputy Director of the Protocol Department
Lien Hung-pao (Notetaker)

Minister Huang: Welcome to Peking. Are you all rested?

Dr. Brzezinski: We had an excellent rest and a wonderful meal.

Minister Huang: It takes some time for one to adjust to the jet lag, but you are young.

Dr. Brzezinski: I am not that young, and the stay overnight in Japan certainly did help.

Minister Huang: First of all, I would like to say welcome again to you, Dr. Brzezinski, and to your colleagues. In August last year Cyrus Vance visited China. In September we met again in New York. It is not a long time since then, but the international situation has developed rapidly so we welcome this opportunity of your visit to exchange views on the international situation and the situation in certain important regions. I have learned that before your excellency came to China the White House spokesman stated that you were going to exchange views with the Chinese side on the strategic situation of the world. You said we were going to have a comprehensive exchange of views. So we will give the whole afternoon today to listen to what you have to say. I remember when I met Cyrus Vance in New York last September I brought him a message from Premier Hua to the President. On that occasion Cyrus Vance said that the U.S. side was still studying this message and it would give us a reply as soon as it completed this study.² Mr. Woodcock also said that the United States continues to study this message. Perhaps you have brought us some news in this respect. Do you think it necessary for us to introduce the members of the delegations on each side?

Lin Ping, Director of the Department of American and Oceanian Affairs.

² Huang may be referring to Vance's statement during their September 28, 1977, meeting that the United States had "not yet completed our reflections" on the question of normalization of relations. See Document 62.

Mr. Ting Yuan-hung, Division Chief of that Department.

Mr. Ni Yao-li, Staff Member of the Department of American and Oceanian Affairs.

Miss Wang Huai-jung, Vice Foreign Minister in Charge of American and Oceanian Affairs.

Dr. Brzezinski: You call it American and Oceanian Affairs. Why?

Minister Huang: It includes New Zealand and Australia, as well as the U.S.

Dr. Brzezinski: The same kind of confusion exists in our Department of State, where they include Canada with Western Europe.

Minister Huang (continuing introductions): Kao Chien-chung, Deputy Director of the Protocol Department. And Chao Chi-hua, Deputy Division Chief of the Department of American and Oceanian Affairs.

Dr. Brzezinski: Perhaps I could respond by saying that I am profoundly pleased to be here in Peking and to have this opportunity of exchanging views with you and other Chinese leaders. Still speaking on a personal plane, I want to emphasize that as a student of politics and history, I have the greatest admiration and respect for the cultural and historical achievements of the people of China. Speaking very personally, my first recollections of China come from the days when I was a small boy and used to play toy soldiers, Chinese and Japanese soldiers . . . and I was always on the Chinese side! I am deeply conscious of how much your people have suffered, how much they have toiled, and how much they have accomplished, and how ambitious your aspirations for the future are. I wish you well in these aspirations.

Dr. Brzezinski: I will now introduce my colleagues. I am afraid I am introducing some whom you know well. Let me introduce those who came with me from Washington. To my immediate left, Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs and prior to that editor of a very provocative magazine on international affairs. To his immediate left William Gleysteen, a person on whom I call for his living memory of American-Chinese relations and whose advice is very much valued. To his further left is Mr. Samuel Huntington, who is a distinguished professor of government at Harvard University and one of America's leading specialists in international relations; he is a member of the staff of the National Security Council and author of Presidential Review Memorandum No. 10;³ well-known throughout the world and thoroughly misunderstood in China. To his left Ben Huberman of the National Security Council Staff, an expert in science and technology, involved in some of the more crit-

³ See footnote 18, Document 59.

ical aspects of national security which pertain to science and technology. To the right of Ambassador Woodcock is Mike Oksenberg of the staff of the National Security Council, responsible for China and one of America's leading experts in Chinese affairs and very much my teacher in that area.

Minister Huang (to Oksenberg): Is this your fifth trip to China?

Mr. Oksenberg: Yes.

Dr. Brzezinski: Mort Abramowitz, Deputy Assistant Secretary of Defense with a special interest in the Far East. I consider his presence in this delegation to be symbolic of America's past friendship with you which involved comradeship in arms. Finally to his right, Mr. Michael Armacost, also of the National Security Council Staff, responsible primarily for relations with Japan and Korea, countries in which the U.S. has vital interest and countries which provide the basis for peace and stability in the Far East.

If you would permit me, I would like to make my presentation. As I told you, it will be comprehensive, and I hope that the stress on your patience will be compensated by the knowledge that we attach high importance to the consultative relations between our countries, which we want to maintain and enhance.

I have come to the People's Republic of China because President Carter and I believe that the U.S. and China share certain common, fundamental interests and have similar long-term strategic concerns. The most important of these is our position on global and regional hegemony. Thus our interest in relations with the PRC is not tactical in nature but is based on certain long-term and strategic objectives. It is in that context that I believe I will provide at least some of the answers to questions that were raised by you in regard to Secretary Vance's visit.

President Carter asked me first of all to reaffirm his commitment to the full normalization of relations between our two countries. Secondly, to seek ways to broaden our relations as part of the normalization process. Thirdly, to consult on matters of parallel strategic interest and to brief you on certain matters in the strategic and conventional balance. Fourthly, to discuss ways in which our separate actions might be mutually reinforcing in places where we have points of common interest. At the outset I would like to express to you our determination to move forward with the process of normalization. I can say on behalf of President Carter that the U.S. has made up its mind on this issue. Our policy toward China is based on self-interest rather than sentiment, which dictates that the U.S. should seek good relations with China. The Shanghai Communique is the starting point for our relationship. The President reconfirms the five basic principles enunciated by two previous U.S. Administrations. In our view, there is only one China. The President believes that China plays a central role in the maintenance of

the global equilibrium. The President believes a strong and independent China is a force for peace in our pluralistic world. The President recognizes that your plans to develop and modernize your country will rely largely on your own efforts, but he hopes that your quest meets with success for he believes that a modernized, secure, strong China living at peace with its neighbors and fully utilizing the creative talents of its populace can make a contribution to solving the problems of the remainder of this century and of the next. In short, in the foreseeable future we believe that your interests and ours largely coincide. To be sure, we have different ideologies and different social systems, but that which brings us together during this historic time outweighs by far that which divides us.

After the global and strategic review we might return to this issue in our formal session and in the private sessions that have yet to take place. Later on, because we enjoy a relationship which permits frankness and candor, I will touch on issues which currently separate us. Through constructive dialogue these differences can be put aside. For the moment, let me focus on that on which we agree: our opposition to global hegemony. The U.S. joined you in the Shanghai Communiqué in stating that neither of us seeks hegemony in the Asian and Pacific regions and both are opposed to efforts by any other countries or group of countries to establish such hegemony. President Carter knows that you believe the U.S. to be a hegemonic power. You are wrong in that belief. The American people seek a pluralistic world of genuinely independent nations. We reluctantly assume the role of a world power not out of desire but in order to prevent third powers from establishing dominance over countries where we have legitimate concerns. It was that concern which led us to fight fascism in the second world war in a conflict which incidentally saw the U.S. and Chinese Communist forces join an alliance in the years 1944–1945. Since World War II the U.S. has borne the major burden of countering, offsetting, and repelling the hegemonic aspirations of the Soviet Union. Thus we have been allies before. We should cooperate again in the face of the common threat for one of the central features of our era is the emergence of the Soviet Union as a global power.

Let me now comment more specifically on four topics: One, President Carter's assessment of the Soviet challenge; two, basic policy goals and strategy of the Carter Administration which flow from this perception of the U.S.-Soviet relationship; three, a regional survey of our policies; and four, in greater detail the military aspects of the U.S.-Soviet relationship. I do so in my capacity as Assistant to the President for National Security Affairs responsible for the total coordination of our foreign, defense, and intelligence policies.

The President has asked me to inform you and the other Chinese leaders of his concern that the combination of increasing Soviet military

power and Soviet political shortsightedness fed by Soviet big-power ambitions might tempt the Soviet Union to both increasingly exploit local turbulence in what we call the third world and to seek to intimidate our friends in order to seek political advantage and even eventually political preponderance short of an all-out war.

The President sees the Soviet Union as essentially in a competitive relationship with the U.S. though there are also some cooperative aspects. That competitive relationship is enduring, deep seated, rooted in different traditions, interests, outlooks, histories, and geopolitical priorities. Thus the competition will not be terminated quickly and the U.S. is prepared to compete for as long as necessary for as much as necessary.

As we see it, Soviet strategy today involves the following: it is designed to reach a strategic balance through SALT while maintaining the momentum of other Soviet military programs; to gain political preponderance in Western Europe; to radicalize the Middle East; to destabilize southern Africa; to surround those countries in the Middle East friendly to the West; to reach and penetrate the Indian Ocean; to encircle China; and to become eventually the No. 1 global power. It is thus a policy of transcontinental pressure quite different from Khrushchev's premature globalism of the early 1950s, which was successfully rebuffed by the U.S. and quite different from Stalin's policy of a more limited, territorily contiguous military and political pressure.

That is why the President takes so seriously Soviet actions in Africa and that is why he is concerned about the Soviet military buildup in central Europe. He also sees Soviet designs pointing to the Indian Ocean through South Asia and into the Pacific. I will return to these concerns in my regional review.

At the same time the reality of nuclear weapons dictates not only need for restraint by both sides but also for greater cooperation especially in arms control. Thus, SALT is not a product of weakness but the consequence of prudence.

All of this is taking place in the context of an unprecedented global political awakening. We confront today no less than 160 nation states in a world which is becoming truly politically awakened, a world which is undergoing a demographic explosion without precedent in mankind's history, a world in which demands for social and political justice are becoming increasingly assertive.

International ideological, power, racial conflicts cumulatively pose great danger to world peace. The U.S. is determined to respond to these challenges that confront us. The President's overall foreign policy can perhaps be reduced to six basic objectives:

1. We seek wider cooperation with our key allies, such as West Europe and Japan, but we are also now seeking to broaden this coopera-

tion to include countries we call the new regional influentials, thereby responding to changes of the last 15–20 years in the global distribution of power. The President's two major trips abroad were designed to establish relations with such new regional influentials.

2. We intend to maintain sufficient military capabilities to support our global security and political interests. We will do so through our strategic deterrent; and by strengthening and enhancing the conventional balance in Europe; and by development of a quick reaction global force available for rapid deployment in areas important to us. This was specifically ordered by Presidential Directive No. 18, which I will speak more specifically later.⁴

3. Politically, we shall remain engaged in all regions. This is why we insisted on signing the Panama Canal Treaties in order to create a political basis for a positive relationship with the countries of Latin America. This is why we are engaged in the Middle East and Africa. This is why we are activating our policy in the Far East.

4. We will increase our efforts to develop constructive responses to such global issues as nuclear proliferation and the spiraling arms race, issues in which the President has a very personal interest.

5. We shall seek to promote a healthy international monetary system by efforts to promote free trade through multi-lateral trade negotiations.

6. Finally, we shall seek to sustain and obtain domestic support for our policies by rooting them clearly in our moral values. Insistence on human rights not only reflects our deep beliefs but is also a source of domestic support for a policy which has been lacking it and thereby weakening America's international position.

Taken together, these goals are designed to shape an international system not subject to hegemony by a single country. President Carter understands, however, that the goals cannot be attained by words alone. Power and strategy are necessary in order to achieve these objectives.

Early in President Carter's Administration, the President asked me to undertake a comprehensive assessment of the global balance of power in order to provide the basis for his Administration's strategy. Let me share with you the results of that assessment, especially since it was misunderstood—PRM 10. The key conclusions of that global assessment, conducted under the direction of Mr. Samuel Huntington, were as follows.

As a result of intense efforts beginning in the mid-1960s, the Soviet Union by the early 1970s had achieved essential equivalence with the

⁴ See footnote 18, Document 59.

U.S. in strategic forces. The Soviets had a lead in ICBM and SLBM launchers, throw weight, mega tonnage, air defense and civil defense, while the U.S. was ahead in warheads, MIRV launchers, bomber accuracy, hard target kill capability, and ASW. The Soviets were deploying their fourth generation of long-range missiles and were developing the fifth. The U.S. had plans for the B-1 bomber, Trident and M-X missiles and cruise missiles. If implemented on both sides, these plans would have meant essential equivalence through the 1980s.

Another conclusion was that the overall trend in the military balance in Europe during the preceding decade had favored the Warsaw Pact.

This trend was in part the result of U.S. involvement in Southeast Asia and anti-military sentiments in Western societies. It was also the product of Soviet increases in manpower in central Europe, modernization of Soviet ground forces, including introducing of T-72 tank, infantry vehicles, anti- and self-propelled artillery including increased forward deployment of aircraft and strengthening of already impressive air defense systems, increased offensive and defensive chemical warfare and theatre nuclear capabilities including both deployment of battlefield capabilities comparable to NATO and introduction of the SS-20.

As a result of these developments it was our judgment that neither the Warsaw Pact nor NATO could be confident that it could achieve its objectives in a conventional conflict. Another conclusion was that during the same decade the Soviets massively increased their deployments on the Sino-Soviet frontier.

Soviet regional deployment quadrupled during 1968–1972. Soviet bases and other facilities were developed in Cuba and Somalia. Transport and logistical support provided for Cuban intervention in Angola.

As a result of these developments in our view in 1977 a rough asymmetrical equivalence had been reached by the U.S. and Soviet Union. In contrast, the U.S. retains substantial advantages in most of the non-military elements of national power, such as economic resources and productivity, technology, diplomatic access and support, political ideological action and appeal and stability; in intelligence capabilities U.S. and Soviet Union were roughly equivalent.

Our judgment that relations between U.S. and Soviet Union in this current period thus involve elements of both competition and cooperation. This thus differs from the more purely competitive relationship of the early phases of the cold war and emphasis on cooperation which briefly prevailed in the détente period of 1969–1973. In overall capacity and national power the U.S. remains the strongest nation in the world. The Soviet Union is a clear second. Of the next five most important countries in the world, four were allies of the U.S. and the fifth the PRC

is an antagonist of the Soviet Union. In addition, the global balance is being significantly affected by the emergence of the regionally important powers in the world—India, Iran, Saudi Arabia, Brazil, Venezuela, Nigeria, Indonesia—with all of whom the U.S. enjoys a better relationship in contrast with the Soviet Union. In brief, when we assumed responsibilities of power in Washington we confronted a situation of (1) adverse military threats; (2) a roughly asymmetrical military balance; (3) substantial U.S. non-military advantages; (4) a mixed cooperative-competitive relationship with the Soviet Union. The strategy for dealing with this situation was embodied in a document—PD 18—signed by the President of the United States at the end of August 1977. It laid down the basic ideas for the Administration to follow in its competition with the Soviet Union and provided guidance for decisions for the defense budget and military services.

The basic themes were articulated by the Secretary of Defense on September 15, 1977, and by the President in his Wake Forest address of March 17, 1978.⁵ As set forth in PD 18, the overall goals of U.S. strategy are (1) to maintain overall military balance at least as favorable as that existing in 1977. Achievement of this goal requires, in the light of U.S. military needs, about a three percent annual increase in real U.S. defense spending; (2) to capitalize on U.S. non-military advantages to induce Soviets to cooperate in reducing tensions and to the extent possible to involve the Soviets in positive global economic and social cooperation; (3) to utilize U.S. non-military advantages and military forces as necessary to counter Soviet force in key areas, such as Europe, the Middle East, and East Asia, and compete politically with the Soviet Union by promoting human rights and national independence.

More specifically, in the military field the goals of the U.S. strategy are: (1) maintain essential equivalence with strategic forces with the Soviet Union so as to preclude Soviets using force and so that the U.S. will not be deterred from using its conventional forces when it is in the American interest to use them; (2) reverse the trend in the military balance in Europe, particularly by developing NATO conventional strength, necessary forward defense and flexible response, initial combat capabilities; (3) maintain existing relatively stable balance of power in East Asia, including U.S. combat levels in the Pacific and East

⁵ The reference to the statement by the Secretary of Defense is presumably to a speech Brown delivered to the National Security Industrial Association in Washington on September 15, 1977. He spoke about the threat posed by the Soviet development of heavy missiles and vowed to maintain the U.S.-Soviet military balance. ("Brown Sees Buildup by Soviet in Heavy Missiles," *The New York Times*, September 16, 1977, p. 9) Regarding Carter's speech at Wake Forest, see footnote 3, Document 87.

Asia excluding Taiwan and eliminating second division in Korea with quick rapid deployment in Korea if necessary.

In effect this strategy is designed on the one hand to develop three strategic centers—West Europe, East Asia, and Middle East Persian Gulf—and on the other hand to provide the U.S. with rapid global deployment force capable of deterring Soviet expansionism and maintaining the strategic balance.

In one of his conversations, Vice Premier Teng said the Chinese are a patient people. I want to warn you that this concludes one third of my presentation. I would like now to turn to regional survey of our policies and our concerns.

Western Europe is of the greatest concern to us. It has been so traditionally and remains so now, but we are concerned about some indications of political weakness in Europe, of isolationism. We welcome indications of increased Chinese-West European ties and it is not our intention either to obstruct these ties or put impediments in the way of these ties in any respect or in any area. At the forthcoming summit meeting of the NATO countries we will put much more emphasis on the further modernization of NATO forces and the need to increase the political cohesion of European countries.

We also want to put aside any past ambivalence about European unity. We welcome European unity and will use our influence to promote that unity.

We will use the economic summit in Bonn in July to try to develop a coordinated approach to European economic difficulties. These, combined with cultural/political crisis, manifest themselves in some Western European countries, and lend not only instability but major opportunity for adversaries to promote what is sometimes called the “Finlandization” of Europe.

Symptomatic of our concern for closer relations with Europe is the fact that President Carter is in weekly telephone conversations with most of the top European leaders to establish through such consultations a continuing relationship. I should note that we have achieved one goal of the last year—closer, better relationship with France than for many decades since World War II. This is particularly important because France and the U.S. share common concern to halt the forces of subversion and foreign intrusion in Africa. French-American cooperation in this respect has been important and productive.

With regard to East Europe, we are quietly intensifying our interest and involvement. We no longer support only those East European countries which are independent of the Soviet Union in external policy. We also support those East European countries which are independent internally. We no longer view our road to East Europe as necessarily going through Moscow.

In the Middle East our central objective is the creation eventually of a strong bloc of anti-Soviet states including Saudi Arabia, Egypt, Jordan, and Israel. Our peace efforts in that region have that strategic objective in mind.

The recent decision by the U.S. Senate to approve arms sales to Israel, Egypt, and Saudi Arabia is a major indication of President Carter's intention and capacity to pursue policy designed to establish lasting links with a more moderate Middle East.⁶ Peace efforts in the region have still a long way to go. Sadat seems not opposed to Israeli security concerns, but is concerned also by the absence of Arab solidarity. Begin is adamant regarding the West Bank and Gaza. There is hope following the successful vote in the Senate that we can initiate diplomacy designed to bring about direct negotiations about the future of the Sinai and the future of the West Bank. I can state categorically that our Middle East policy is not only politically but personally important to President Carter, and he has and will persist in it because there are fundamental strategic long-term interests involved. These interests are to some extent yours as well. A Middle East safe from Soviet influence is a Middle East that benefits us all. Whatever you can do to moderate attitudes of South Yemen or Iraq would be a major contribution to stability and diminution of Soviet influence. Anything you can do to establish relations with Saudi Arabia will help. You should recognize that in Prime Minister Begin we have the most anti-Soviet Israeli prime minister since the creation of the State of Israel and your relations in some fashion with the State of Israel would be a contribution to the strategic objective which is in our mutual interest. In any case, whatever moderating influence can be exercised by anyone on these countries or on Algeria, Libya, and the PLO would be a contribution to creating greater impediments to Soviet influence in the Middle East. We would particularly welcome your judgments regarding the situation in South Yemen, the role of the Cubans in South Yemen, and the prospects for evicting the Cuban-Soviet presence in South Yemen.

When the Soviet Union had a naval base in Berbera, we initiated naval restraint talks with the Soviet Union regarding the Indian Ocean. In the light of the situation that developed in the African Horn, these talks are now in abeyance. We would welcome your advice and judgment concerning developments in the African Horn. Our view is that the Soviets are responsible. They armed the Somalis and created the preconditions for us. They then armed Ethiopia and infused their military presence. We have encouraged African countries to show concern for this and involve themselves in the search for a solution. We have encouraged our friends to provide military assistance to the Eritreans and

⁶ See footnote 2, Document 106.

Somalia. We are now exploring the possibility of providing military and economic assistance to Somalia. We indicated in the course of the conflict to Somalia that in the event of Soviet interferences of provision of assistance by our friends to Saudi Arabia and Iran we would offset such Soviet intervention.

However, the problem remains and the need for effective responses remains. We are encouraging non-aligned nations to show greater concern over the use of Cubans as a Soviet proxy. Cuba has claimed credentials as a nonaligned country. You have influence with a number of non-aligned countries. I hope you will use it to discredit Cubans and expose their role as Soviet proxy in Africa. We are also providing support to Kenya.

We will be interested and grateful if you would share with us your judgments regarding the outlook and prospects for Mengistu. Is he merely a Soviet tool or potentially independent force? Your assessment of Siad in Somalia as well as information regarding your future intentions towards Eritrea and Sudan, and the economic and military situation in Sudan is of interest.

Further, in southern Africa we see Rhodesia as most dangerous, and we are concerned it will begin to involve Soviets and Cubans. That is why we support action to implement rapidly the Anglo-American plan. We would be grateful for your serious consideration of this plan. Implementation of this plan would bring into power genuine black majority rule and create genuine self-determination. It would be useful to have the support of such black leadership on whom you may have some influence. For example, Mugabe could be central. Our regional objective is to bring about black majority rule, and we anticipate active U.S. involvement to help bring this about.

Insofar as Angola is concerned, we moved rapidly in the last two days to facilitate a forceful and effective response to situation of aggression in Zaire perhaps with support of others. American military aircraft has been ordered to provide support to Belgian and French forces. Literally within hours prior to my departure, I personally instructed the Secretary of Defense to provide airlift and munitions. These efforts will defeat and provide an object lesson to those who have conducted it. However, beyond that there is a question of continued conflict in Angola. We are following closely the continued efforts of UNITA to resist the new government of Angola. I would be interested in your assessment of UNITA and its prospects. UNITA increases costs of Soviet-Cuban involvement and as such may be deserving of help.

Turning eastward, it is our view that our interests and policies are broadly parallel in South Asia. We want to avoid any situation in which

any one power becomes dominant. We welcome the attitude of the new Indian government, though we do not expect it to be anti-Soviet. We also hope that India will remain united. We welcome any improvement in relations between India and China. We, of course, realize that India has to go half way to meet you. We also are concerned about Pakistan and feel improvement in India-Pakistan relations would be a desirable development especially in view of the recent events in Afghanistan. We are concerned that they are the prelude for Soviet domination of Afghanistan and use of Afghanistan as a base for destabilization. We are in close touch with India and Pakistan on this matter. We would be grateful if in the course of your conversations with us you would share with us your assessment of the situation in Afghanistan.

We are generally encouraged by progress made in Southeast Asia, particularly in countries united in ASEAN. Their progress has been impressive. American and Japanese involvement have contributed to greater sense of security and greater invulnerability to imperialist designs. American presence in the Philippines will continue in light of agreements recently reached. Our military presence in Southwest Pacific will also continue—American-Australian-New Zealand naval exercises are one recent example.

We are concerned about potentially hegemonic designs in that area and would be interested in any information and judgments you can share with us regarding origins of political tensions between Cambodia and Vietnam.

Vice President Mondale's trip to that part of the world was particularly useful to reinforce American ties to that region and create objectively further impediments to imperialist designs.⁷

Relations with Japan are among the most important relationships we have. On the political level they are excellent. There are continuing economic difficulties but we are convinced that both the Japanese and Americans are making sincere, earnest efforts to control these difficulties and keep them from affecting the relationship. I might add that in recent conversations with Prime Minister Fukuda the President expressed a positive attitude toward the possibility of peace and friendship treaty between Japan and China. We have no reservations about any clauses in that treaty.

We and the Japanese share an expressed interest in maintenance of peace on the Korean Peninsula—an interest also implicitly shared with you. We intend to remain in South Korea in spite of the gradual reduc-

⁷ See footnote 5, Document 106.

tions in ground forces. There will still be a physical military presence as well as naval presence in the area.

We believe it is important that the two Koreas talk to each other at some point on the basis of equality. Many countries recognize both Koreas and deal with them. We would be prepared, if it was useful, to participate in a dialogue involving both Koreas. No one should have any misunderstanding regarding the depth, durability and firmness of the American commitment to the security and well being of the Republic of Korea. Anything less than that would be highly destabilizing to the peace and security of the Far East and would certainly be exploited by the Soviet Union in a manner detrimental to American interests and threatening to Japan and to the countries in that region of the world.

No political review would be complete without a few words about the internal situation in the Soviet Union and the U.S. I think it is important to note that any balanced judgment of the Soviet role in the world has to take into account significant internal difficulties. The Soviet condition in Eastern Europe is fundamentally unstable. In the Soviet Union economic growth is slow, stemming from bureaucratic rigidity. Intellectual innovation is limited. There is a marked and growing technological gap between the Soviet Union and the U.S. Their nationality problem is becoming more acute. More than 50 percent of the Soviet people who are non-Russian are acquiring growing political awareness. No revolutionary in the world today thinks of the Soviet Union as a revolutionary model. They have no genuine friends abroad, even among countries formally allied to it. Its top leadership is about to change. Internally, they are confronting serious problems. This does not detract from their military power but must be taken into objective account when assessing Soviet power.

We see the U.S. gradually coming out of the crisis which was created by the Vietnamese War and the so-called Watergate Affair. There is a growing sense of confidence. There is increasing trust in the government. There is growing willingness to cooperate. The two recent victories by the President on issues that were initially unpopular, the Panama Canal and the sale of arms to the Middle East, indicate the ability of the Executive Branch to execute foreign policy. All public opinion policy indicates that more spending on defense and a tougher line in foreign policy would be supported by the American public. I believe that these internal things have to be taken into account in any global political assessment.

I would like to turn to the specific military parts. I will review the strategic balance. I will brief you on the state of the strategic arms military talks and review the balance in the West and in the East.

I will discuss first the strategic balance. This chart,⁸ which Mr. Abramowitz has, indicates the overall number of strategic nuclear vehicles including the different types, Soviet and the U.S. It indicates the number of warheads, U.S. and Soviet, and equivalent throw weight. There is a rough equivalence in the strategic force level of the two sides. We have a significant lead in MIRVed missiles. They have the lead in throw weight. We have more than compensated with the total number of our weapons. Most of these weapons are capable of liquidating a city.

We continue to enjoy significant technological advantages in the strategic area. The Soviet's ICBM are large, but the accuracy is not as good as ours. Our bombers are equipped with electronics which would enable them to strike their targets. Our missile-carrying submarines are extremely quiet and invulnerable to Soviet submarines. Soviet submarines are less sophisticated and more vulnerable to our anti-submarine war capabilities.

We see some problems in the future which require improvements in our posture. The most important is the survivability of our ICBM force which is being threatened by the improvements in the Soviet's force.

We are examining the possibility of a mobile ICBM and of placing more emphasis on nuclear submarines and bombers.

Another potential problem is the Soviet improvement of air defenses which could threaten the viability of our bomber forces. Our best response to that was to discontinue the B-1 bomber and to proceed with the cruise missile. Some of the money saved from the B-1 can be used and is being used to strengthen the conventional forces in Europe.

Whatever the situation, we will not accept a situation of either real or perceived imbalance, and if necessary we will expand our strategic forces from the standpoint of resources and technology.

In particular, we can expand our strategic forces by adding to them the ICBM, the Trident, the cruise missile.

We are reviewing the possibility of a force of 100 very large transport aircraft, each with 60 cruise missiles. We are improving the accuracy of ICBMs, our anti-submarine capability, and our air defenses.

We are pushing ahead with new technology in the area of weaponry. I would like to give you five examples of new weapons systems we are developing and deploying.

The first is the cruise missile. [7 lines not declassified]

⁸ Not found.

Another weapon involves a penetrating high explosive 155 millimeter shell which can be fired 20 kilometers with an accuracy of one meter. It is tracked in flight by laser and permits standard Howitzers to be used as a precision-guided anti-tank weapon.

Another is a missile to be fired from aircraft which can hit a target with an accuracy of two meters from a range of ten kilometers. It has an infrared image guidance, and it is effective during the night and day under any weather conditions.

Another system is the process for locating radios, jammers, under all conditions, and to guide weapons up to a range of 250 nautical miles and up to 3000 targets per minute. Such a system can blind the enemy in an extremely rapid period of time.

Another system involves a missile for air combat which can be fired at any angle at a mobile air target as much as 20 miles away under any weather conditions day or night and can be used to destroy mobile targets.

I cite these examples not to boast but merely to indicate that some analyses saying that the Soviet Union will gain military superiority are not founded. American technology is going to insure a strategic relationship which we find satisfactory.

What I have said so far is designed to indicate to you in all seriousness and sincerity that we are prepared to compete with the Soviet Union politically and militarily. But at the same time we are prepared to limit that competition. If there is an equal and safe basis, that is the purpose of SALT of which I would now like to speak.

SALT is an effort to regulate a competitive relationship. We are prepared to compete and we will not be outbid. But we are also prepared to cooperate. As to SALT, we are close to an agreement. It will consist of three parts: a basic agreement lasting to 1985, protocol for some temporary limits which will last two and half years, and a statement of principles outlining our objectives for SALT III, which we hope to begin negotiating after the conclusion of SALT II.

We believe that the agreement will be an improvement on previous agreements and on previous proposals.

The first SALT agreement signed in 1972 gave a considerable advantage to the Soviet Union in weapons systems and numbers.

In Vladivostok in November 1974 the primary agreement was reached providing for equality both in the total number and MIRVs. It was the Ford–Brezhnev meeting.

In March 1977 Secretary Vance went to Moscow to propose what we called the comprehensive new agreement for both sides imposing reductions from Vladivostok. The Soviet side rejected that.

We believe that SALT II will stabilize a strategic relationship in a manner which protects our interest and that can best be seen by comparing that agreement to a situation without an agreement by 1985.

This chart reveals many military secrets of the U.S. and the Soviet Union. I hope the Soviets will forgive me for this.

If SALT II is complete, Soviet forces would be like this (ZB shows a chart).

If there is no SALT II by 1985, Soviet strategic forces will have this configuration and our present program would result in this (ZB showing chart).⁹

The U.S. will have an advantage in the number of warheads and a disadvantage in throw weight.

Our expectation of 12,000 warheads under SALT II is based on the assumption that we will be placing cruise missiles and bombers at the rate of 20 to a bomber if we don't decide to use an air transport.

I cite this because there are some ignorant people in the world. The SALT agreement has slowed down the overall strategic buildup but it will permit us to use our technology to develop and deploy such weapons as the cruise missile or the MX, or the Trident. We feel that SALT will be stabilizing if on the other hand it will preserve our ability to insure our security by adequate strategic programs, one which is capable of protecting our interest and the interest of all our allies.

Vance and Gromyko will meet in Washington May 26 to continue the next round of negotiations. There are still four major issues to be resolved before a SALT agreement is complete.

The first issue is whether each side is to be permitted until 1985 to develop one more new ICBM. Agreement will be reached provided the Soviet Union accepts our proposal.

The three other issues involve definition of modernization of ballistic missiles and therefore what kind of modernization should be limited.

Secondly, the definition of the cruise missile and of its range and finally the restrictions to be placed on a bomber which the Soviets define as a medium-range bomber.

If the Soviet side accepts our generous and balanced proposals, then we can move more rapidly toward the conclusion of SALT. If they do not, we will continue to negotiate.

If they accept, then we would hope to be able to sign SALT sometime this summer or early fall. But in either case, we expect that the dif-

⁹ It is unclear if Brzezinski is showing one or two charts; none was found.

ficult dispute in the Senate about ratification will not begin until early 1979.

A strong NATO military position is fundamental to our political stability worldwide. NATO countries have many advantages. The GNP of the NATO countries is \$3400 billion, the Warsaw Pact is only \$1240 billion. The population of the NATO is 555 million. The Warsaw Pact 365 million. It is also a fact that the Warsaw Pact countries spend a larger amount of the resources on military forces. They have more tanks, artillery, aircraft. The NATO forces are almost as large numerically, but we put more emphasis on the quality of training and the higher standard of living for our military. The NATO allies have considerably larger navies than the Warsaw Pact. NATO and Warsaw Pact are roughly equal in military strength.

There are serious deficiencies on the NATO side. In the event of war, the chart suggests that out of the 225 divisions of the Warsaw Pact about 90 are to be deployed against the NATO center, about 60 against NATO flanks; 45 would be kept opposite China, and about 30 would be kept in general reserve.

The Soviets have an advantage of 1.7 to 1. But our overall military assessment is that it is unlikely that the Soviets could have confidence that the conventional attack would succeed, and they would have no security that the conventional attack would not result in a nuclear counter-attack.

Our major concern is that the Soviet Union can mobilize their forces and gain an advantage of two to one in about 15 days.

We have an advantage of approximately two to one in nuclear weaponry committed to NATO versus Warsaw Pact.

We are inclined to feel that there is a sense of military balance in Europe though a great deal of improvement on our side is necessary. We are in the process of seeking these improvements. Almost all of the NATO countries have agreed to increases of military budgets of three percent per annum. We are presently prepositioning equipment for five American divisions in Europe so that five American divisions can be pressed to combat within ten days. We are increasing the number of aircraft deployed in Europe. We are mechanizing our infantry and exploring the possibility of deploying a medium-large ballistic missile or a ground launch cruise missile for the nuclear defense of Europe.

We are now engaged in the completion of a long-term defense program for all of NATO and its completion over the next 25 years. It will cost the U.S. \$30 billion and our allies about \$50 billion. This is the most comprehensive improvement in the history of NATO. It will be discussed in forthcoming meetings in Washington among the heads of government.

In addition to considering the Soviet forces deployed in Europe in our global planning, we have to take into account the Soviet forces deployed in the Far East. (ZB showing map)¹⁰ We estimate that approximately 25 percent of Soviet ground and tactical air forces and about 30 to 35 percent of Soviet naval forces are deployed in the Far East.

Soviet ground forces in Asia total about 445,000 personnel and are organized in 39 divisions and six tank divisions. Over the last two years there has been considerable improvement in the quality of equipment and the quantity available.

These ground forces are supported by 433 air defense fighters, 568 ground attack aircraft, and 212 reconnaissance aircraft. The latest Soviet ground attack aircraft, MIG-27, is now being deployed in the Far East.

The Soviets are replacing their older missiles, SSR and SS5, with SS20. Six bases are being built in Eastern Soviet Union.

The Soviet fleet in the Far East consists of 32 ballistic missile submarines, 80 attack submarines, and 75 major principal surface combatants. The Soviet Pacific Fleet also includes a naval aviation element which consists of 96 bombers and 47 reconnaissance aircraft.

We feel that the American forces in the Far East are sufficient to protect American interests. American military personnel number 140,000. There are Strategic Air Command bombers, ballistic missile submarines, and two aircraft carriers with a total of 184 aircraft on the carriers.

We feel that our forces are sufficient to protect our interests in Japan and Korea and to provide assistance to any of our friends who may be in need.

At the President's direction, we are currently reviewing the size and the quality of these forces and at the same time engaged in the process of modernizing the U.S. Navy.

We are now in the process of development of a significant force stationed in the U.S. for rapid global deployment in the event our interests were threatened anywhere in the world.

I have engaged in this rapid, detailed review because I thought it would be important for you to have a sense of how we look at the global political and military balance and it is important for you to understand some of our concerns and anxiety, to give you a sense of some of our weaknesses and our strength and the ability to compete wherever necessary.

¹⁰ Not found.

I have begun by saying that I believe we have complementary interests in insuring the world is free of hegemony. Or as we call it, a world of diversity.

In our discussion tomorrow or perhaps more informally at dinner we might, if you find it agreeable, talk a little bit about ways in which our relationship can be enhanced and the process of normalization can continue to move forward.

As I said when I began, the U.S. has made up its mind on this issue. I certainly am anxious to do anything I can to enhance and accelerate this process. I will be grateful to you for comments and reactions to what I have said. I will respond to any questions you may raise. We have come here to have a very frank dialogue. We want to learn from you and we approach this dialogue with the strongest conviction that serious discussions between our two countries are mutually beneficial, are conducted on the basis of equality.

Let me conclude by saying that we take our relationship very seriously, and it was necessary that I made my presentation to you.

Minister Huang: Thank you Dr. Brzezinski for your detailed presentation, but I think it is very late. We can continue our talk at the banquet.¹¹

Of course, I think it is impossible for me to make any comments or raise any questions this evening so we will raise our views tomorrow morning. We will adjourn this afternoon's session.

¹¹ No record of the discussion at the banquet has been found. A brief report of Brzezinski's and Huang's remarks at the banquet on May 20 was published in Fox Butterfield, "Brzezinski, in China, Calls Goal Full Ties: He Says that U.S. has 'Made up its Mind' on Seeking Normal Relations with Peking," *The New York Times*, May 21, 1978, p. 8.

109. Memorandum of Conversation¹

Beijing, May 21, 1978, 9:52 a.m.–1:20 p.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Foreign Minister Huang Hua

PARTICIPANTS

Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Leonard Woodcock, United States Ambassador to the People's Republic of China
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
Michel Oksenberg, Staff Member, NSC
William Gleysteen, Deputy Assistant Secretary of State for East Asian and Pacific Affairs
Morton Abramowitz, Deputy Assistant Secretary for East Asian and Pacific Affairs, Office of the Secretary of Defense
Samuel Huntington, Staff Member, NSC
Michael Armacost, Staff Member, NSC
Benjamin Huberman, Staff Member, NSC
David Dean, Deputy Chief of Mission, United States Liaison Office in Peking
Patricia Battenfield, Secretary, NSC (Notetaker)
Francine Obermiller, Secretary, NSC (Notetaker)
Huang Hua, Foreign Minister, People's Republic of China
Chai Tse-min, People's Republic of China Ambassador to the United States
Lin Ping, Director of the Department of American and Oceanian Affairs
Ting Yuan-hung, Division Chief of the Department of American and Oceanian Affairs
Chao Chi-hua, Deputy Division Chief, Protocol Department
Ni Yao-li, Staff Member, Department of American and Oceanian Affairs
Wang Hai-jung, Vice Foreign Minister in Charge of American and Oceanian Affairs
Kao Chien-chung, Deputy Director of the Protocol Department
Lien Hung-pao (Notetaker)

Minister Huang: Having listened to Dr. Brzezinski's presentation,² the Chinese side is ready to present their views today on international situations and regional issues.

Dr. Brzezinski: I would like the Minister to know that my remarks yesterday were only a brief introduction.

Minister Huang: I have already read several volumes of your works. It is true that our exchange of views can only succeed. We can

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 5/16–31/78. Top Secret; Sensitive. The meeting took place in the Great Hall of the People. On May 21, Brzezinski cabled accounts of his initial two meetings with Huang to Carter. (Backchannel message 8 from Beijing to the White House Situation Room, May 21; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 5/16–31/78.)

² See Document 108.

touch on major issues. As long as we have explained clearly our principal views on major issues, it is alright and other problems will be very easy.

I believe that Dr. Brzezinski and other American friends know well that the Chinese style is to be frank and straightforward without recourse to rhetoric.

I will begin with the international situation and strategy. In the present day world, the basic contradictions of all kinds are becoming more acute and the world is undergoing great turbulence and chance.

Many factors have a bearing on the developments of the world. One is the revolutionary factor. Countries want independence and the people want liberation. This historic trend is growing vigorously and is irresistible.

On the other hand, the rivalry between the two super powers, the U.S. and the Soviet Union, is becoming more intense.

In line with Chairman Mao's theory of the division of three worlds, there are only two super powers, the Soviet Union and the United States, which are the global hegemonic powers.

The rivalry between the two super powers is the main cause of in-tranquility in the world. The U.S. has to protect its interests everywhere in the world and the Soviet Union wants to expand. At the same time, due to changes in the balance of forces in the world and to the specific historic conditions, the general strategic stance of the super powers is that the Soviet Union is on the offensive and the U.S. on the defensive. This state of affairs will continue in the future.

Your Excellency has said that if the interests of the U.S. in various parts of the world is in danger then the U.S. will make responses. In our view, the rivalry between the Soviet Union and the U.S. is bound to lead to war some day. This is the objective law of development independent of man's will. War is inevitable.

In fact, such things as détente, durable peace, or a generation of peace do not exist. But we do not put the U.S. and the Soviet Union on a par. We make a distinction between the two. Soviet imperialism is a latecomer; therefore, it is more aggressive and adventurous. As the Soviet Union does not have sufficient economic strength it relies on its military strength and the threat of war for its expansion. The Soviet Union has a highly concentrated economy of monopolistic capitalism and the regime is a fascist dictatorship. It is, therefore, easier for the Soviet Union to push its national economy and for the military to militarize the state apparatus. In addition, the Soviet Union is flaunting the signboards of socialism, support of national liberation movement, struggle against imperialism, and support of détente, colonialism, and peace. The Soviet Union is deceptive to a certain extent. It takes ener-

getic efforts to expose the true features of the Soviet Union, so as to help the world's people to see through the Soviet Union.

Owing to the above-mentioned characteristics of the Soviet Union, the Soviet Union is the most dangerous source of war. Your Excellency has mentioned that the Soviet Union is confronted with many difficulties. That is true. To strive for world hegemony is the fixed strategic goal of Soviet socialist imperialism. Although it may suffer a lot of setbacks, it will never give up its ambition.

The U.S. is the main adversary of the Soviet Union, and the Soviet Union is seeking strategic superiority over the U.S. Although Mr. Brezhnev has declared time and again that the Soviet Union has no intention to overwhelm the U.S., the Soviet Union is still not satisfied with its present status. The Soviet Union will never be satisfied with this position. In our view, a military equilibrium is only transitory, but changes and imbalances are permanent and a common occurrence. This is the law of development.

The Soviet Union is advertising so-called *détente*, its intention for economic cooperation, arms control, and its position on disarmament. Actually, it is using all of these and it is taking advantage of the fear in the U.S. and in the West of war with the Soviet Union. It is trying to use these abstract things, these slogans to cover up its defective programs and government, and to plan for its expansion. Its purpose is to create a more favorable condition for itself in contention for world hegemony and, while the Soviet Union assumes an offensive posture, it is infringing upon the sovereignty of many countries of the world and at the same time weakening and excluding the influence of the U.S. from various parts of the world. All this serves [omission is in the original.] interest in its contention for world hegemony.

Your Excellency has informed us about SALT talks between the U.S. and the Soviet Union as well as the considerations of the American side. To be candid with you, we think any agreement that is reached in the negotiations between the U.S. and the Soviet Union cannot deter the speed of the arms race. The U.S. intends to continue to develop and commission new types of weapons systems, while the Soviet Union will never tie its own hands and feet. The experience in the past years has shown that the the Soviet Union will not come to agreement unless it has something to gain. Even if there are agreements, when it is necessary, the Soviet Union will tear them up. As for the argument that the Soviet Union would not dare to use conventional arms for fear of nuclear attack by the West, this is only wishful thinking. To base a strategic stance on this thinking is not only dangerous but also unreliable.

It is even more unrealistic to try to use economic interests and technological expertise as the bait to contain the Soviet Union.

As for the future world war, there may be a nuclear world war, there may also be a conventional one. But it is more likely that a conventional world war may break out. At a time when there is parity between the strategic forces of the U.S. and Soviet Union, it is difficult for the U.S. to make up its mind to fight a nuclear war against the Soviet Union at crucial moments.

Recently, the Soviet Union is making a hue and cry about the so-called danger of limited nuclear warfare. Actually, it is capitalizing on the West's fear for war, particularly for nuclear war, in an attempt to try to influence the military relations of the West and weaken the strategic steps of the West. For instance, the recent proposal for the non-nuclear zone in Northern Europe proposed by President Kekkonen of Finland had the influence of the Soviet Union, because the Soviet Union was the first to make such a proposal.

Between the Soviet Union and the U.S., who is more afraid of whom?

The U.S. is more afraid of the Soviet Union. In Africa the Soviet Union is making infiltration and expansion and making an open challenge to the U.S. This, I think, has something to do with the weak response on the part of the U.S. And I think the policy of appeasement can only inflate the ambitions of the Soviet Union for hegemony. To use an old Chinese saying, it is really like a tiger, like giving wings to a tiger to strengthen it. The allies of the U.S. and some of the regional countries—in your terms, regional influentials—such as Iran, Brazil, and Egypt are unhappy with the appeasement policy of the U.S. They have the fear that at the crucial moment the U.S. may even retreat.

We have a long experience in dealing with the Soviet Union. They are only outwardly strong but inwardly weak. It bullies the weak and fears the strong.

The countries that are subjected to the Soviet threat must make serious efforts to resist the expansion of the Soviet Union and make effective preparations against war. They must work hard for the unity among themselves and wage a struggle with the Soviet Union. They must work constantly to upset the strategic deployment of the Soviet Union. They also must oppose appeasement. They should tell the truth to the people so as to arouse the ability of the world's people. If we can accomplish all this, it is not unlikely that we will be able to postpone the outbreak of the war. I think that there are favorable conditions at the present time to postpone the outbreak of the war. In that case, even if the war really breaks out, people will not be caught unprepared and thrown into panic. The crucial thing for the postponement of the outbreak of the war is whether we have a correct strategic policy.

Your Excellency has mentioned that one of the strategic goals of the Soviet Union is to encircle China. As a matter of fact, China has

never feared encirclement. The Communist Party of China developed and grew strong while encircled. It is impossible to encircle such a big country as China. We also have long and rich experience in this field. Both in the ten years of revolutionary civil war between 1927 and 1937, and in the eight years of war of resistance against Japanese aggression, we were encircled by the enemies. The revolutionary base areas were encircled in the first case by the Chiang Kai-shek forces, in the second case by Japanese and Chiang Kai-shek troops. What were the results of the enemy encirclement? Our revolutionary base areas expanded and reached out. The population in our revolutionary base areas grew from several million to more than 100 million in 1946. After three years of revolutionary war, we overthrew the Chiang Kai-shek revolutionary regime and liberated the whole of China.

What I have mentioned is our experience at home. We also have had experience of encirclement from countries abroad. Following nation-wide liberation in 1949, ports like Shanghai and Tientsin were blockaded. When Khrushchev came to power in the Soviet Union, he undermined Soviet relations, tore up all the contracts and agreements with China and stopped the supply of machines, equipment, and oil that it had promised to China. This was another form of encirclement and blockade.

There is an advantage in having been encircled. That is, it has compelled us to rely on our own efforts to develop our economy.

China and the U.S. have different social systems and ideologies. It is only natural that we have fundamental differences. But in the present day world we also share much common ground. The principal one is to work together to cope with the Polar Bear. This conforms with the strategic interests of both sides. There are differences between our countries in social systems and foreign policies, points of departure and objectives. Each acts in its own way. We have different ways in our actions and each communicates in its own way. But what you have said makes a difference in coping with the Polar Bear. Chairman Mao said to Dr. Kissinger "As long as we have the same objective, as long as we do not try to harm you, nor you try to harm us, we therefore can work together to cope with the SOB." As long as we abide by the principles of the Shanghai Communique, relations between our two countries can develop, and we can deal with the Polar Bear in a more effective way.

On the contrary, if you carry out appeasement of the Soviet Union and make China a pawn in your dealings with the Soviet Union, to divert the peril of the Soviet Union eastward, this is only a one-sided wish. And things will develop contrary to one's wish. That will make one more isolated in the world and leave oneself in an irretrievably passive position, with the possibility of being defeated by the Soviet

Union. In this case it will also harm the foundations of the Sino-U.S. relations.

I have given my views on the international situation. Now I would like to discuss regional issues. First about Europe, Europe is the focal point of Soviet strategy in its contention for world hegemony. It will not be successful in contending for world hegemony if it is not able to control Europe. The Soviet Union is constantly building up its military strength in Europe. It is relying on its military strength and using détente as the camouflage in making use of the contradictions between the U.S. and Western Europe and the weakness and division among Western European countries. The Soviet Union is trying to disintegrate the alliance between the U.S. and Western Europe. Its key purpose is to undermine the unity of Western Europe so as to defeat the Western European countries one by one. The U.S. is asking Western Europe to strengthen its defense and increase its military spending. But at the same time it is taking the lead to appease the Soviet Union. This will only destroy European unity, lull the fighting will of the people of Western Europe, and increase the misgivings of Western Europe. This will also make it difficult for certain East European countries to try to shake themselves off from the control of the Soviet Union. All this will play into the hands of the Soviet Union. You say there is wide misunderstanding of PRM 10 in China. There is no such question of misunderstanding. We respect the facts. Look at the strong response and reaction of Western European countries toward this government. One can see that China's argument is well founded.

Take the introduction of the neutron bomb, for instance. The U.S. side has declared postponement of the production of the neutron bomb.³ It fails to get a corresponding concession from the Soviet side. On the other hand, it has given rise to an open debate between the U.S. and its allies. We hope that the U.S. side will give serious consideration to the views of the Chinese side in this regard. I believe that our American friends know well China's policy toward Europe. We support the integration of Europe. We support the unity of Western Europe to deal with the Soviet threat. We are of the view that there may be small progress and great unity in the relations between the U.S. and Western Europe. We have also taken note of the statement of Your Excellency yesterday that the U.S. will not place any obstacles in any way or any sphere to the relations between China and Western Europe. We welcome Your Excellency's statement.

Now on the question of the Middle East. It is the flank of Europe. It has a bearing on the source of energy in a future war. In order to get Eu-

³ The President announced his decision to defer production of the neutron bomb on April 7.

rope, the Soviet Union must first try to get control of the Middle East. It is now trying in every way to infiltrate and expand in the Middle East. There have been drastic changes in the situation in the Middle East and in the Horn of Africa. The developments are becoming of more and more concern to the U.S. and Western Europe. You have said that the central objective of the U.S. in the Middle East and the Horn is to form a strong anti-Soviet group composed mainly by Egypt, Saudi Arabia, Iran, and Israel. The U.S. is working hard to achieve this objective. What we have seen is that last October the U.S. and the Soviet Union issued a joint statement on the Middle East issue, thus opening the door wide for the Soviet Union to further infiltrate into the Middle East.⁴ President Sadat took a bold action to have direct talks with the Israelis. This for a time created a situation unfavorable to the Soviet Union. But after the U.S. did not respond and did not take effective measures to restrain and even force the Israelis to give up their unreasonable demands, the Soviet Union seized the chance to raise serious division among the Arab countries. As a result, Egypt and other Arab countries opposed to Arab infiltration found themselves in great difficulties.

I remember last year Vice Premier Teng Hsiao-p'ing told Secretary Vance that if the U.S. does not do anything to restrain Israel, there will be changes in the situation in the Middle East.⁵ Now facts have borne out the prediction of Vice Premier Teng. If anything happens in Egypt to Sadat, there will be a drastic change in the Middle East situation. We think that the U.S. must make an assessment of such a possibility strategically and the U.S. should waste no time to extricate itself from a passive position and force Israel to meet the just demands of the Arab countries. Only in this way can the U.S. reverse the present unfavorable situation.

We have always firmly supported the just cause of the Arab countries and the Palestinian people, to recover the territories that had been occupied, and to re-establish the homeland of the Palestinians and regain the national rights of the Palestinians. We have never had any contacts with Israeli Zionists nor do we intend to do so in the future. We are firmly opposed to the acts of aggression and expansionism on the part of the Israelis.

Your Excellency has suggested that China may have relations with Saudi Arabia. As far as the Chinese side is concerned, we have openly stated our desire but this does not depend on us alone. If the U.S. side can exert some favorable influence on Saudi Arabia, I believe this will

⁴ The joint U.S.–USSR statement on the Middle East issued on October 1, 1977, is printed in the Department of State *Bulletin*, November 7, 1977, pp. 639–640.

⁵ See Document 50.

be in our common interest of resisting the aggression and expansion of Soviet hegemony in the Middle East.

On Africa problems. The Soviet Union is stepping up its efforts for expansion in Africa. This is an important part of the Soviet world war strategy. Its purpose is to gain the route between the Atlantic to the Indian Ocean and to obtain a strategic encirclement of Europe. The Soviet Union first exercised military control of Angola and then masterminded the invasion of Zaire. Afterwards, it added a massive involvement in the Horn of Africa, making use of problems between Ethiopia and Somalia to incite conflict between the two and force them to fight each other so as to pull the chestnuts of the Soviet Union from the fire. Recently there was the second invasion into Shaba of Zaire. We now believe that this is the continuation of the invasion of the Soviet-Cuban forces into Zaire.

In southern Africa the Soviet Union is energetically pushing forward its policy of expansion and infiltration. In the face of the expansion of the Soviet-Cuban forces in Africa, the U.S. response is too weak. At one time or another we have heard the statements of the U.S. side to justify the invasion of the Soviet-Cuban forces in Africa. Some African friends have expressed their dissatisfaction of this to us. This can only inflate the Soviet ambitions in Africa, and cause dissatisfaction in other African countries. The Soviet Union is making use of Cuban mercenaries to infiltrate into Africa. Cuba is right under the nose of the U.S., but the U.S. has done nothing. This is difficult to understand.

Now that Somalia has withdrawn from the Ogaden region, it has gained a certain political initiative. Cuba is acting as a proxy and a shock force of the Soviet Union, and it is most unpopular. It is essential to give all our support to Africa and Arab in opposition to Soviet and Cuban forces so as to force them to withdraw from Africa. Cuba is not a non-aligned country. Cuba is only flaunting non-alignment but actually undermining the non-aligned movement. Therefore, it is important to expose the true features, strongly condemning the Cuban forces in Africa.

The Soviet Union, Cuba, Vietnam, and a few other countries are working hard to divert the non-aligned movement into the orbit of the Soviet Union. But their attempt is of no avail as shown in the session of the recent coordinating body of the non-aligned movement. This shows that there is a possibility to further expose the Soviet Union and Cuba, especially the true features of Cuba as a proxy and a shock force of the Soviet Union, so as to isolate Cuba.

It is possible for us to launch a strong campaign in support of the African countries to drive away Soviet-Cuban forces from Africa.

China has good relations with the African states. We support the African countries in their struggle to safeguard their national inde-

pendence and sovereignty and oppose outside interference. China is doing whatever is in its capability to assist the African countries. As for the differences among African countries, we stand for settlement of such differences through peaceful negotiations among the countries concerned.

Now the situation in South Asia. The maintenance of stability in South Asia is in the interests of deterring Soviet infiltration and expansion in the region. The recent coup in Afghanistan has indicated the Soviet Union does not want to see a stable South Asia. It inevitably wants to create trouble. New turbulence and conflicts are now in the making, which one should not neglect.

As a result of the pro-Soviet coup in Afghanistan, the Soviet influence in the region has pushed forward several hundred kilometers farther, and the countries concerned in the region, particularly Pakistan, are faced with great threat. Pakistan is anxious about the present situation in the region. Pakistan is particularly concerned about Soviet influence in the region.

If the Soviet Union succeeds in Afghanistan, it will push farther forward so as to realize its ambition to break through into the Indian Ocean in the South and it is also likely the Soviet Union will take advantage of the contradictions among nationalities within Pakistan, i.e., the national problems—such as Baluchistan—so as to further dismember Pakistan.

Pakistan plays an important role in deterring the further expansion of the Soviet Union in the region and Pakistan is also an old ally of the U.S. We think that the U.S. should pay sufficient attention to Pakistan and give more support and assistance to Pakistan.

We are under the impression that traditionally the U.S. has paid greater attention to India than to Pakistan. We do not think that an appropriate policy formed in the light of comprehensive assessments of the situation in South Asia. We agree with Your Excellency's view of Indian political attitudes and relations today. India in many ways is still quite dependent on the Soviet Union. It is a relationship of dependency on the Soviet Union both militarily and economically. So far we have not seen any sign that India may quickly change this situation.

In these circumstances, Pakistan finds itself in the position of having to face enemies from both sides. We think the U.S. should adopt an appropriate policy that will enable Pakistan to withstand pressure both from inside and from outside.

We support the improvement of relations among South Asian countries so as to bring about stability in the region. We have made our efforts toward this end.

As for the Sino-Indian relations, we have always stood for the improvement of relations between China and India on the basis of the five

principles of peaceful coexistence. Since Prime Minister Desai took power, there has been a turn for the better in relations between the two countries. As for the outstanding border dispute between China and India, we have always stood for a reasonable settlement of this question through peaceful negotiations between the two sides. We would think this should not be an obstacle to the improvement of relations between the two countries. But in this regard we can also see the hands of the Soviet Union.

In short, China takes a positive attitude for the improvement of relations between China and India. Actually, we are making efforts to gradually develop and increase the contacts between the two sides. We sent a friendship delegation. We sent a special invitation to India. We have invited certain public figures to visit China. As an indication of the desire, not long ago we issued an invitation to the Indian Foreign Minister to visit China. He accepted. But a specific time is not yet set. As for what direction the Sino-Indian relationship will develop in the future, one still has to observe.

Now on the history of Indochina and Southeast Asia. In this region there is the problem of regional hegemony. The root of the conflict between Cambodia and Vietnam is the ambition of Vietnam to establish an Indochina federation as well as ambition to seek hegemony in the region. And behind that there lies the Soviet Union.

Vietnam has actually already controlled Laos. It has enemy troops in Laos and advisors in every department and in every level in Laos. Vietnam tries to force Cambodia to submit to its policy of establishment of Indochina federation. Cambodia firmly opposes this policy. Hence, the military conflict between the two sides.

The conflict between Vietnam and Cambodia is not merely some sporadic skirmishes along the borders. Actually, the Vietnamese have mobilized several divisions and at one time about five to six divisions launched an attack from various directions. The Vietnamese attack has led to the firm resistance of Cambodia. The Vietnamese have failed to achieve their objective. It is clear to all the people in the world who is the aggressor, who is the victim of aggression in the conflict between Vietnam and Cambodia.

We are of the opinion that both sides should stop the conflict and withdraw their troops to their own countries and seek to solve the problems through peaceful negotiation in strict conformity to the five principles of the peaceful coexistence, and on the basis of equality of all countries big and small.

So long as Vietnam does not give up its desire for the establishment of a greater Indochina federation, it is difficult to solve this problem.

The present state of affairs may last for a long time. And the problem will not be solved in a short period.

At the time of the conflict between Vietnam and Cambodia in which the Soviets supported the Vietnamese in its invasion against Cambodia, we were surprised to see that the U.S. was creating out of thin air and making a big issue of human rights in Cambodia. Vice President Mondale made a statement concerning the human rights issue in Cambodia during his visit to Southeast Asia.⁶ We would like to tell the U.S. side frankly that the U.S. invaded Cambodia in the past and infringed on the human rights of the Cambodian people to a great extent so the U.S. is not qualified to talk about the human rights issues in Cambodia. The U.S. side should understand the importance of the existence of an independent Cambodia in the region. When the Vietnamese sent several divisions with the support of the Soviets to invade Cambodia, the U.S. side kept silent and on the other hand the U.S. side has time and again attacked Cambodia on this issue.

This in fact constitutes the U.S. coordination of actions with the Soviet Union.

The U.S. side should understand that if the Soviet Union and Vietnam should achieve their goals in the region it will pose a great threat to ASEAN countries as well as other Southeast Asian countries. There is great anxiety among the ASEAN countries about the situation in Indochina. Those countries see more clearly the threat posed by the present situation than the U.S.

Now a few words on Japan. We have stated on many occasions that in its foreign relations Japan should place first priority to the Japanese-American relations and then second to the Sino-Japanese relations.

The threat to Japan comes from the Soviet Union. The Soviets have adopted a policy of pressure toward the Japanese by relying on its military threats and economic cajolery toward the Japanese. The Soviet Union is trying hard to sow dissension between the relations of the U.S. and Japan so as to serve its interests of expansion in the Pacific. The Soviet Union is likewise working hard to undermine Sino-Japanese relations. Within Japan, there is the pro-Soviet faction and the Fukuda Government is fearful of the Soviet Union. It has made concessions and retreats in the face of the Soviet threat. Regarding the negotiations for conclusion of the Treaty of Peace and Friendship, there is no progress so far because of the anti-hegemonic clause. The root cause is that the Japanese authorities fear the Soviets.

⁶ Reference is probably to Mondale's remarks after a visit to a shelter for Indochinese refugees in Thailand. (David Lawton, "Mondale Pledges More Aid for Indochinese Refugees," *The Washington Post*, May 6, 1978, p. A14)

We think it is in the interest of the Japanese to conclude the Treaty of Peace and Friendship with China, to incorporate the anti-hegemony clause in toto into the operative phrases of the Treaty. Because first it will be a restraint on China. Under the Treaty, China will be committed never to seek hegemony and actually it is our consistent policy not to seek hegemony. Through the conclusion of the Treaty, China will undertake the legal commitment. Secondly, it is also beneficial to the improvement of the image of Japan because during the Second World War Japan invaded many Asian countries which still have vivid memories of the Japanese atrocities during that time. The conclusion of the Treaty will change their views of Japan and improve the image of Japan among those countries. Thirdly, it is also beneficial to Japanese resistance against Soviet pressure. So we think the conclusion of the Treaty is in the interest of the Japanese side.

Your Excellency has stated that the U.S. side endorses the conclusion of the Treaty of Friendship between China and Japan as well as the inclusion of the anti-hegemony clause. We appreciate your attitude. Prime Minister Fukuda does not seem to have made up his mind on this issue. So it depends on the Japanese side as to whether and when we can conclude this Treaty.

Recently, some Japanese are making use of the incident in which Chinese fishing boats went fishing off the coast of the Tiao-yu-tai, the Senkaku Islands.⁷ They are making a big cry to the effect that the Chinese have infringed on the territorial sovereignty of Japan and raised the issue that the two sides should first settle the territorial disputes. Their purpose is to obstruct the conclusion of the Treaty of Friendship and Peace between the two countries. Behind them we can also see the maneuvers of the Soviet Union.

I would like to brief you on the background of the issue of the Tiao-yu-tai. In 1972 Prime Minister Tanaka and Foreign Minister Ohira visited China and normalized relations between the two sides and issued a joint statement. During the negotiations Prime Minister Tanaka raised the issue of the Islands. Chou En-lai told them that the two sides had a dispute and on this issue we may as well refrain from discussion and leave it for settlement in the future. This does not mean that the issue is not important. It means that discussion of this issue would not be of any good to the negotiations on the establishment of diplomatic relations between the two countries. At that time the two sides agreed to put this issue aside. They also agreed that they would try to seek a settlement of this through negotiations in the future.

⁷ See footnote 4, Document 106.

As for Chinese fishing boats in the neighborhood of the Senkaku Islands, they have been doing so for many years. It is not just this year that they have begun to do so.

It appears that certain people within Japan harbor hegemonistic desires, but the Chinese side sets store by the friendship between the Chinese and Japanese peoples while upholding its principles at the same time. So the Chinese side took appropriate measures to handle this problem.

The friendship between China and Japan is strong and conforms to the trend of the time, and the troublemaking of a few pro-Soviet people and militarists in Japan would be of no avail.

Now I would like to discuss the Korean question. We think in order to stabilize the situation in Korea and not allow the Soviet Union a chance to meddle, the U.S. should immediately withdraw all its forces from the Korean Peninsula and stop its support to the Park clique.

The reunification of Korea is the common aspiration of the entire Korean people. Any attempt at perpetuating the division of Korea is bound to be defeated and any pretext to stall the withdrawal of forces from Korea will be frustrated. The intensified efforts of the U.S. to strengthen the Park clique will only increase the tensions in the Peninsula.

We are opposed to the admission of two Koreas into the United Nations. We are also opposed to the so-called cross recognition of North and South Korea because that would constitute a continuation of perpetuation of the division of Korea which is detrimental to the reunification and stability of Korea.

Chairman Hua Kuo-feng recently visited Korea. During the visit the Korean side stated explicitly that it had no intention to move southward. It is not the DPRK but the Park clique that is endangering the situation in Korea. In South Korea the Park clique is most unpopular. It is deliberately creating tension so as to win the support of the U.S. by deceptive means in its efforts to oppress the Korean people. All of this has met with strong resistance of the Korean people. If things come to such a point that the South Korean people rise to oppose the ruthless ruler Park, it is likely that he may try to provoke conflicts with the North so as to divert people's attention.

We firmly support the just proposal made by the DPRK for independent and peaceful reunification of Korea. China recognizes only the DPRK as the sole legal representative of the Korean people. Let no one have any doubt about China's position of opposing perpetuation of the division of Korea. The DPRK is the principal immediate party concerned on the issue of Korea. The U.S. side is obliged to have direct negotiations with the Korean side for the settlement of the Korean issue.

Now I would like to spend the next few minutes on the question of normalization of relations between our two countries. We have consistently felt that with respect to the relations between China and the U.S. the major aspect is the international issues and the minor one is the Taiwan issue, but they are inter-connected. If the question of normalization is not solved, it is bound to affect the coordination of actions between our two countries in the international area to deal with the Polar Bear.

On the Chinese side, we have raised three conditions on normalization of relations between our two countries: namely the severance of diplomatic relations between the U.S. and Taiwan, the withdrawal of all the U.S. forces and military installations from Taiwan and the Taiwan Strait; and the abrogation of the so-called Mutual Defense Treaty between the U.S. and Taiwan. We have also proposed that you can follow the Japanese formula in this regard. This has shown that China has done its utmost to accommodate the views of the U.S. on this question. So the Chinese position cannot be changed. Taiwan is part of Chinese territory. The liberation of Taiwan is an internal affair with China. As to when and how we should liberate Taiwan, it is not a matter to be discussed between China and any other country. This is a matter of principle and on matters of principle there is no relaxation of China's position or flexibility in China's position. Let no one harbor any hope that the Chinese side will make any concessions in this respect. If the U.S. side gives consideration to this point from a strategic point of view and really makes up its mind, it is not difficult to solve this issue and no trouble will be caused whatsoever. The case of relations between Japan and China is a case in point.

If the U.S. side should vacillate and have a lot of apprehensions on this issue and make a lot of hollow statements without taking real actions, it will only find itself in the continued passive position and it will lose credibility among the world's people. The U.S. side has indicated its readiness to study this problem, and the Chinese side has always awaited a reply from the U.S. side. Of course, our two sides can continue to develop our contacts and exchanges between us, but in the absence of normalization, relations between our two countries will remain limited.

Thank you for your patience. Though I know I spent a shorter time than you did yesterday. I have already spent two and half hours. I do not intend to compete with you in this respect. You are a professor.

Dr. Brzezinski: Is there time for us to continue discussion? What is your pleasure as far as the rest of this session is concerned?

Minister Huang: Now I would like to listen to your views.

Dr. Brzezinski: I want to thank the Minister not only for the comprehensive character of his remarks but for the frankness with which

they were stated. It seems to me that the essence of a genuinely consultative relationship such as that put forth in the Shanghai Communique is that we speak to each other fully and frankly. On some issues we have disagreed, but I was particularly struck in listening to the Minister's exposition that on what I would consider to be the fundamentals of our relationship and the fundamentals of our world view that we were, in large measure, of agreement.

At the present state in our historic relationship, I see essentially three aspects. The first involves a consultative aspect, the second involves the expansion of contacts where these are mutually beneficial and desirable and third is the normalization of our relations.

This sequence does not convey relative importance. Indeed, there is an inter-relationship between all three, though it is possible that at one or another stage one of these three aspects may move forward somewhat more rapidly than the others.

Let me comment on these three in reverse sequence and thus say a few words about the normalization process, then comment on the expansion of contacts and then respond to the very important points that you made in your global analysis of China's policy, and of your assessment of power and Soviet positions.

With respect to normalization, you and I have already had some opportunity to discuss it last night at dinner,⁸ and I intend to discuss it further with Vice Premier Teng when I have the opportunity of seeing him this afternoon.

In your comments this morning you said that if the U.S. makes up its mind, there should be no trouble in solving the problem. I can assure you that the U.S. has made up its mind, that we are prepared to search for practical solutions to the remaining obstacles on the basis of the three Chinese key points.

We recognize that there is only one China. We recognize that this is a matter of principle for you. We recognize that you feel you can make no concessions. But within that framework there remain a number of practical concrete issues which are complex, which are the product of historical conditions, which are intertwined with political complexities, and I am confident that with good will and mutual understanding these complexities can be overcome.

We recognize the resolution of the Taiwan issue is your domestic affair and we hope that it will take place in the spirit of the Shanghai Communique, and it is a fact that the American people and gov-

⁸ See footnote 11, Document 108.

ernment entertain and have expressed strong hopes relating to the future resolution of the problem. I think it is important in this connection to bear in mind that it is important both to the U.S. and to China to recognize that the peace of the Far East, indeed of the world, depends on the continued U.S. credibility. It is important for both the U.S. and China that the U.S. not be perceived as fickle and untrustworthy.

We are continuing and will continue our military withdrawal from Taiwan. I think all of this has to be borne in mind when resolving, within the framework of the principles that you have enunciated, the issues of normalization and when defining our future historically transitional relationship to the people of Taiwan. We will talk later today, and we can perhaps talk a little more fully about timing and also in a spirit of friendship and candor we can ask ourselves how well the Japanese formula fits the historical needs and the complexities of a country which is not Japan.

We must, therefore, discuss in the spirit of friendship and accommodation how the Japanese formula can fit into specific circumstances that we confront and which we have inherited. I am confident that within the framework of the basic principles that you have defined, solutions can be found which will accelerate the process of normalization, and which will bring to fruition that which we and you desire and that which I have repeatedly stated the U.S. had made up its mind to do.

We certainly do not wish to create any ambiguity regarding the status of Taiwan, particularly through any pattern of relationship that would continue between our society and the peoples of Taiwan.

This is why the Shanghai Communique and the three Chinese key points are a point of departure for you and for us.

As we move forward, we would hope to the extent that it was mutually advantageous to expand contacts between us in areas that would be mutually beneficial.

Most immediately several of my colleagues are prepared to engage in such discussions today and tomorrow.

Mr. Huberman has specific, concrete and I believe mutually advantageous proposals to discuss in the areas of science and technology.

Mr. Huntington is prepared to review our global strategy and to engage in discussion of our strategic assessment.

Mr. Abramowitz is prepared to engage in an exchange of views and information in depth in matters of critical concern to our security.

Mr. Holbrooke, given his responsibility in the State Department, is ready to discuss any bilateral issue of interest pending between our two governments.

Before leaving, I took some personal initiative to reduce some impediments to cooperation between the U.S. and China in some very sensitive areas of science and technology.⁹

If it is agreeable to you, several members of President Carter's Administration on the Cabinet level would be prepared to engage in serious discussions of matters of mutual concern, notably Secretary Schlesinger would be prepared to lead an energy team on a visit to the PRC engaged in consultations pertaining to cooperation in various areas of energy; Secretary Kreps is prepared to come and discuss expansion of commercial relations; Secretary Califano would be prepared to come here and discuss areas of health, education, and welfare.

Mr. Huberman is paving the way, we hope, for a top-level visit here by our most important leaders of science and technology under the personal direction of the President's key science advisor, Frank Press.

In addition to that, I am authorized to state on behalf of Secretary Brown that we would welcome to the U.S. a visit by a Chinese military delegation.

All of that, we hope, can enhance the establishment of normalization of which we spoke.

Finally, we would be prepared to consider favorably, if your side wishes it, holding consultations of the kind you and I have had yesterday and today on a more regular, scheduled basis.

Let me turn to our consultations of yesterday and today. I would like again to register certain points of agreements and then in a spirit of frankness to indicate to you where we disagree with your analysis.

I agree with you that the pursuit of a correct strategic policy is crucial to what you call the postponement of war and to what we would say would be the avoidance of war. We agree that we share much common ground and that we should work together to contain the Polar Bear.

We agree with you that each of us can act in his own way while pursuing parallel actions. We agree with you that one must not use China as a pawn to divert the Soviet Union against China. That is not our intention. Our relationship is a central part of our global policy. It reflects our basic interests and it also corresponds to the deeply felt sentiments of the American people who traditionally and genuinely have deep affection for China which continues even in those times when we were in disagreement and briefly in conflict. We also agree with you about the importance of good relations between China and Japan, and

⁹ See Document 99.

we are using our influence with the Japanese to further such a relationship in all its aspects, including the Treaty.

We agree with you Cuba is not a genuinely non-aligned country, and we are in complete accord with your view that there must be a plan to expose Cuba as an agent of Soviet hegemony. Again, here is an area where your efforts and ours can parallel one another and where your influence can be particularly important insofar as the attitudes of the non-aligned countries are concerned.

We welcome your comments about Saudi Arabia. And we shall use our good offices to see whether some relations between Saudi Arabia and your own country may not prove to be in theirs and your interest. In this case your own influence with South Yemen could be constructive because we are concerned about the growing Soviet-Cuban presence there which could prove dangerous to the stability of Saudi Arabia.

Let me get to the more interesting part of my comments, namely, where we disagree. We do not agree that the main characteristic of the present era is a rivalry for world hegemony. We do not agree because while we are contesting the Soviet Union we are not contesting it to establish hegemony. We believe in a world of diversity composed of different systems and of different ideologies. Our own relationship with you is proof of this. We are opposing an effort to establish world hegemony. We are a world power. But the essence of our effort is not the promotion of hegemony but the opposition of hegemony.

You also stated that the rivalry between the two super powers is the main cause of lack of tranquility in the world today. I can only ask that if the U.S. ceases to oppose Soviet hegemony, would the world be more tranquil? The reasons for the lack of tranquility is not our opposition to Soviet hegemony, but the hegemonic aspirations of the Soviet Union.

We also do not agree with the view that war is inevitable. We believe war is avoidable provided we are strong, determined, and build up sufficient forces on the strategic and conventional level to make certain that anyone who starts a war will perish in such a war. We have the means to accomplish this objective, and I believe that this Administration has the will.

You stated that the U.S. is afraid of the Soviet Union and that it is pursuing a policy of appeasement. I respect the subjective sincerity and motives of such a statement. But I submit to you that its objective consequences are helpful to the Soviet Union. It is in their interests to portray the U.S. as weak and unreliable. The fact of the matter is that for the last 30 years we have opposed the Soviets and will continue to oppose it.

You have stated that the U.S. is appeasing the Soviet Union, and this makes Eastern Europe less likely to achieve independence and that

PRM 10 proves the Chinese views are well founded. I disagree with both propositions. It is the U.S. that has helped the independence of Romania and Yugoslavia and it is the U.S. that has actively encouraged the internal independence of Hungary and Poland. PRM 10 is a comprehensive document which cannot be understood on the basis of a short newspaper article; it provides the basis for sustained world-wide competition between the U.S. and Soviet Union.

You stated that our recent decision on the neutron bomb was a concession to the Soviet side, that you hoped we would give serious consideration to Chinese views. I can assure you the Chinese views are given the most serious consideration on any subject because of the importance we attach to our relationship. I also must tell you that the production of the Lance missile and eight inch shell is proceeding. Incidentally, there is no such thing as a neutron bomb. It is a newspaper invention. There is a Lance missile, which is of intermediate range, and an eight inch Howitzer shell. Production is proceeding for all the necessary components for the production of a separate, enhanced radiation unit and it is proceeding separately. The linkage of the two is a matter of a very short period of time once the decision has been made to combine both elements.

In the Middle East the American-Soviet statement was not the opening of doors but was a necessary precautionary step in the event a Geneva Conference would actually be held. That declaration involved a significant change in the Soviet position on most of the important issues in the Middle East and it was a way of making the Soviets pay a price for participation in the Geneva Conference. For the time being, that conference is not likely. We are strongly supporting Sadat. We welcome your support for Sadat. We feel you would also be in a useful position, given your high prestige and importance, in influencing Israeli attitudes if you have some way of communicating your views to the Israelis.

I completely agree with your assessment on the African situation and on the Soviet designs regarding that continent. This is why we have responded so energetically in the last few days to the new invasion of Shaba. On the eve of my departure for China, upon consulting the President, I personally ordered the use of American military aircraft in support of the French-Belgian military activity. We are in the process of doing so.

Insofar as other acts of aggression are concerned, we agree that there has to be more African opposition, particularly to the OAU. We have influence in some African countries and so do you. Together we could generate much stronger political confrontation of the Soviet-Cuban hegemonic intrusion. Yesterday I posed some questions to you

regarding Somalia and Ethiopia. I hope in the future we can consult more fully so that our actions are parallel and mutually reinforcing.

I agree with your general analysis of the South Asian situation. But I would like to emphasize that it is important for India to become less dependent on ties to the Soviet Union and improvements in Indian-American relations and Indian-Chinese relations serve that objective.

Regarding Vietnam, we are opposed to the creation of an Indochinese federation dominated by Vietnam. We realize what is behind it. At the same time, we feel that we cannot entirely ignore the internal circumstances in Cambodia. These circumstances offend our moral concerns, and they also make us feel that internally and externally the political case of Cambodia as it struggles to protect its political independence is in fact weakened. The statement by Vice President Mondale was addressed purely to the internal aspects. It had no implications whatsoever for our desire to see effective resistance by Cambodia against foreign dominance, a domination which we suspect is inspired not only in the area immediately contiguous to Cambodia but from farther north.

Finally, regarding Korea. I must state frankly that the U.S. has no intention of withdrawing militarily or politically from its association with the ROK. That Republic is recognized by very many countries in the world. It has made remarkable economic, social, and political progress. American withdrawal would be destabilizing and would create openings for the expansion of influence of a country whose influence neither you nor we wish to expand. It would prove frightening to the Japanese and would alter the military and political balance in the Far East. We are prepared to participate in tri-partite talks between two existing Korean governments if both of them desire such talks. We will not engage in separate talks with the North Korean government, and we will not participate in any efforts direct or indirect to weaken the political stability and the security of the ROK.

Let me conclude with a frank, summary assessment of our talks thus far. First, our discussions show that there is not an identity of views between us on all issues.

Secondly, our discussions show that there is a fundamental congruity in our perspective on basic trends.

Thirdly, our discussions show mutual or shared understanding of the central issues of this historical time, that the challenge confronting mankind is either that of hegemony or diversity.

Fourth, and last, I believe our discussions show that there is a mutual and an equal interest in parallel actions and closer relations between the PRC and the U.S.

I intend to report to President Carter that our talks were useful and important.

Minister Huang: I have listened to Your Excellency's review of our discussions. As we have made comprehensive presentations of our views on many issues, there is no need for me to add anything.

As I said at the banquet with respect to the normalization, the real steps taken by the U.S. side to promote the process of normalization will help to improve the image of the U.S.

Here I am referring to the position of the U.S. and the Chinese experience in the relations between our two countries in the past.

Any attempt to continue the division of China or to create two Chinas will be discredited in the world, and it will certainly not succeed. China has many friends in the world, among the governments as well as among the peoples. Therefore, normalization between our two countries will help to improve the image of the U.S. among all the Chinese friends.

It is truly the best proof to the world's people that the U.S. is not weak.

On the question of appeasement, the question as to who is more afraid between the U.S. and the Soviet Union, I based my argument on objective facts.

On the question of the Middle East, it is impossible for China to have any claims to influence on Israel, and China has no such intention.

China supports the legitimate rights of all Arab peoples, to recover their occupied territories and regain their national rights. China is opposed to Israel's expansion and aggression and its persistence in its intransigence and reactionary position. We have always felt that it is not the Israeli military strength but the unity and struggle of over 100 million Arab people that will determine the future of the Middle East. The Arab countries and people have become increasingly awakened in their struggle to safeguard independence and to oppose hegemony, especially Soviet expansion and aggression. We think that the U.S. has not paid serious attention and support for the just demands of the Arab countries and people.

You have paid too much attention to the military strength of Israel and thus have alienated yourself from the Arab world. This plays into the hands of the Soviet Union.

After Sadat's visit to Israel, the situation has failed to develop in the direction more favorable to the Arab people and Sadat has suffered certain setbacks. This has further widened the division among the Arab countries. I think this state of affairs has something to do with U.S. policy toward Israel.

On the question of human rights. I think the greatest issue involved in this respect is the unity of a country and the independence of a nation. We support your efforts in making use of the human rights issue to make trouble for the Soviet Union. For those people who are engaged in a struggle to win national independence and unity for their nation, the principal issue is not the kind of human rights that you are talking about. The major issue involved here is the struggle against imperialism, colonialism, and hegemonism, to win independence and unity. At a time when there was no industry, no agriculture, no food production in Phnom Penh, if the Cambodian government did not take measures to move the two million population out of Phnom Penh and engage them in production, then Cambodia would not be able to resist the outside aggression. There would not have been unity, stability, and confidence in Cambodia.

Finally, I agree with your assessment of our discussion. You have said that our discussions have been useful. I think that these discussions will help each side to understand the views of the other. We will welcome opportunities to continue our exchange of views. Thank you.

Shall we call it a morning?

Dr. Brzezinski: Yes.

Minister Huang: At 4:00 this afternoon Vice Premier Teng Hsiao-p'ing is waiting to see you in this same building.

Dr. Brzezinski: My schedule indicates I might be touring the Palace Museum. I do not know if I have time for it.

110. Memorandum of Conversation¹

Beijing, May 21, 1978, 4:05–6:30 p.m.

SUBJECT

Meeting with Vice Premier Teng Hsiao P'ing

Teng: You must be tired.

Brzezinski: I am exhilarated.

Teng: I think your stay in Japan overnight helped a great deal. Otherwise it is difficult to get over jet lag and a time difference of about 12 hours.

Brzezinski: That is right. I travel a lot. Jet lag only affects me when I am in one place for a long time. When I am moving, it does not affect me at all.

Teng: While you Americans travel a lot, we have done very little traveling.

Brzezinski: American history is a history of mobility. In fact I have seen a statistic indicating that one-fourth to one-fifth of all Americans, between 40 and 50 million Americans, change their addresses every year. We are a very nomadic society.

Teng: Were you ever in China before?

Brzezinski: I have never been in China itself, and I would not tell you this if you had not asked. I have encircled China before. I have been to Korea, Hong Kong, Vietnam, Laos, south of Alma Ata on the Soviet side, and in Khabarovsk (gesturing with hands to make a circle). I have been in orbit around China (jabbing his finger in the middle of the imaginary circle). Finally I am inside China. I feel a little bit like the American astronauts before landing on the moon. They went around it many times and in the end they landed.

Teng: I welcome your visit to China. Mr. Woodcock stays in Peking for a long time and also Mr. Oksenberg has been to China many

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 5/28/78–6/78. Top Secret; Sensitive; Eyes Only. Prepared on May 25. The meeting took place in the Great Hall of the People. At the top of the page, Carter wrote, "Good. J." Brzezinski cabled an account of this meeting to Carter and Vance, which reads, "I discussed with Teng our need to make a unilateral statement expressing our hopes for a peaceful resolution of the Taiwan issue that will not be contradicted by the Chinese side." He also recounted, "We did not talk about arms sales directly. However, indirectly the subject came up. I had earlier raised the danger that an insecure Taiwan, after normalization, might turn to the Soviet Union. Teng said the Chinese had thought about this, but since the United States would maintain economic relations, this would be less of a problem." (Backchannel message 7 from Beijing to the White House Situation Room, May 21; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 5/16–31/78)

times, and we met on several occasions before and he speaks very good Chinese.

Brzezinski: He is my teacher. But before coming to China I also prepared myself by reading transcripts of your conversations with leading Americans, statesmen and leading American Senators.

Teng: I have met quite a large number of American friends. It is not difficult to understand China. As you can see from the transcript of my conversations, the Chinese side speaks straightforwardly about their views and ideas. Chairman Mao Tse-tung was a soldier. Chou En Lai was also a soldier, and I too.

Brzezinski: Soldiers speak very directly, but Americans have a reputation for speaking directly too. I hope you do not find Americans difficult to understand or America difficult to understand.

Teng: It is good to be straightforward in our discussions. We can have a free exchange of views in our conversation.

Brzezinski: When President Carter asked me to come to speak to you about the international situation, he asked me to stress to you that we see our relationship as of central importance to our global policy, as being based on a long term common strategic interest, as not reflecting any tactical expedient, and as a relationship which we hope will expand and grow to a fully normal condition. I notice that in some of the transcripts of your conversations with leading Americans, Senators, Mr. Kissinger, you several times said that it was important for the U.S. to make up its mind. President Carter asked me to tell you that the U.S. has made up its mind and that therefore we are prepared to talk seriously not only about the international situation, not only about ways in which parallel actions by us might help to promote the same objectives or to repel the same danger, but also to begin talking more actively about our more immediate relationship.

Teng: I am happy to hear the message from President Carter because on this issue the views of the two sides are stated in explicit terms. The question remains now to make up one's mind. If President Carter has made up his mind on this issue I think it will be easier to solve this problem. We have always stated that there are three conditions to solve this problem. All the three conditions have to do with the question of Taiwan; namely, the severance of diplomatic relations, withdrawal of American forces, and abrogation of the treaty. And China cannot possibly give other concessions because this is a matter of sovereignty. If the U.S. government thinks that it is time and has made up its mind then our two sides can sign the document on normalization at any time.

We also stated in the past that if the U.S. was still in need of Taiwan, China could wait. Does that mean that we are not impatient? How can we not be concerned with such a question that concerns the reunifi-

cation of our country, and how can it be possibly a case that we will not be impatient on such a matter? What do you think should be done in order to realize the normalization?

Brzezinski: Let me say that I was sent here for two purposes. The first is to pursue the consultative relationship as provided under the Shanghai Communique. That is to say to engage in as comprehensive an exchange of views between our two governments as is possible within a limited period of time. Yesterday I took several hours to share with your Foreign Minister a frank analysis of our foreign policy, a frank expression of our concerns, and an honest appraisal of the existing military situation between the U.S. and the Soviet Union. In so doing, I tried to provide a perspective on our relationship as seen by us, stressing the long term strategic commonality of that relationship. I hope you received a full report on that very fruitful and useful exchange to us, and I hope that you will share with me some of your thoughts on the issues that were discussed. I know that President Carter would like to have the Chinese assessment at the highest level of the issues that concern us and that affect us both. I realize that is not a direct response to your question, and I would like to turn more directly to the issue that you asked.

Teng: Fine.

Brzezinski: The second purpose of my visit was not to engage in negotiations about normalization but to reaffirm our commitment to normalization and to enhance the process of normalization. We want the process of normalization to go forward, not to take any steps back but to take more steps forward and to move forward more rapidly.

Accordingly, I was instructed to confirm to you the U.S. acceptance of the three basic Chinese points and to reaffirm once again the five points that were made to you by the previous U.S. Administration. I would like to repeat again the phrase that I have used several times since coming to Peking, namely that the United States has made up its mind on this issue.

I can also say that Ambassador Woodcock is instructed to proceed more actively with the negotiations of the normalization process and he will be prepared to participate in such negotiations as of this June.

I can also say, speaking privately and in confidence of this small group, that the President personally is prepared to resolve this question as rapidly as it proves practical. We have no intention of artificially delaying it. The President has recently completed a very difficult political struggle over the ratification of the Panama Canal Treaties. When he first started that struggle, out of 100 Senators there were only 26 in support of his position; and in the country at large, according to public opinion polls, only 8% of the people were in favor of the position that the President was advocating. The President persisted and he pre-

ailed.² The same thing has happened recently in regards to the very controversial and emotional issue involving the sale of planes to three Middle Eastern countries. A great many Americans initially were against that proposal and in the Senate there was very strong predominant opposition to it.³ The President persisted and he prevailed.

The President, therefore, is prepared to undertake the political responsibility at home of resolving the outstanding issues between us. He recognizes that this is our responsibility and not a problem of yours. In our relationships we will remain guided by the Shanghai Communique, by the principle that there is only one China and that the resolution of the issue of Taiwan is your problem.

However, at the same time we have certain domestic problems and certain historical legacies which we will have to overcome. These are complex, difficult, and in some respects very emotional issues. That is why we will have to find some formula which allows us to express our hope and our expectation regarding the peaceful resolution of the Taiwan issue, though we recognize that this is your own domestic affair and that we do so in the spirit of the Shanghai Communique.

In general, we think it is important that the United States be known as trustworthy and that the American presence in the Far East, though we are now continuing and accelerating our military withdrawal from Taiwan, continue in such a manner as not to create destabilizing conditions likely to be exploited by our mutual adversary. This consideration must be borne in mind when resolving the issue of normalization and when defining the full range of relations during the historically transitional period of our relationship with the people on Taiwan.

These are the issues to which we will be addressing ourselves with energy and flexibility at home, and these are the issues which we are asking Ambassador Woodcock to pursue more actively so that our relationship can be fully normalized. We feel that this process will enhance what exists already, namely the fact that on the fundamental issues concerning the future of international politics we have an overriding common interest. And in many areas we are already cooperating, even if only tacitly. When I spoke with the Foreign Minister today, I suggested that our relationship had three aspects to it: one is global consultation and occasional cooperation; second, widening of our cooperative relationships where it is mutually convenient; and thirdly, it is normalization. All three are important and we want to make progress on all three.

² The Senate approved the second of the Panama Canal Treaties on April 18 by a vote of 68 to 32.

³ See footnote 2, Document 106.

Teng: In the relations between our two countries the question of normalization is of fundamental importance. There are also other aspects in our relations as Dr. Brzezinski stated just now, that is, namely, international issues, and in this respect there are wide areas for cooperation. In the conversations between Chairman Mao and Premier Chou En Lai on the one hand and two former U.S. Presidents and Dr. Henry Kissinger on the other, as well as my conversations with them, we said that both sides were faced with the same problems. Therefore there is much (hen to) common ground. But the common problem, Chairman Mao stated on more than one occasion, was the problem of coping with the polar bear, and that's that. There are many areas for cooperation between our two sides. I know we can explore on many issues, too, and I think our views converge on a number of issues. So we always express our welcome to our friends in the American Administration in their visits. We have stated that if they come to talk about normalization it is all right. If it is not their purpose to talk about normalization it is also all right. Even if they don't come to discuss anything with us we will welcome them. But on the other hand there is a difference in nature whether the two countries have normalized their relations or not. For instance, we cannot go to Washington because the embassy of the Kuomintang clique is there, and our relations are bound to be affected by the absence of normalization in the economic field as well as other fields. We will be affected. You will also be affected. For instance, in our efforts to cope with the polar bear if there is normalization of relations between our two countries there would be a difference in the strength. I know that some Americans tend to think that normalization of relations between our two countries will irritate the Soviet Union and make agreements between your two countries even more difficult, but I think that one can imagine perhaps it is even easier for you to reach agreement with the normalization. On the question of normalization our views are clear-cut. There are three conditions and we can only follow the Japanese formula. Here I would like to explain why the Japanese formula is the only way out because we consider the Japanese formula the maximum that we can go.⁴ By the so-called Japanese formula we mean that after the normalization Japan can maintain the non-governmental and commercial contacts with Taiwan. We have been discussing this question for almost more than five years, since 1972, the issuance of the Shanghai Communique. Now we have stated in explicit terms our position on many occasions. In 1975 President Ford visited China together with Dr. Henry Kissinger, and I had talks with them. Finally, President Ford stated that if he was reelected he would move to

⁴ In the last two sentences, Carter underlined, "we can only follow the Japanese formula," "the only," and "the maximum that we can go."

full normalization according to the three conditions without any reservation. We were very happy at that time with the oral commitment of President Ford. Because before President Ford's visit to China in all our discussions there were several questions that remained unsolved. One of them was that the U.S. intended to maintain a governmental diplomatic mission in Taiwan. We have stated that there is only one China. We will not accept two Chinas, or one-and-a-half Chinas in any form. Another question is to ask China to undertake the commitment to solve the issue of Taiwan by peaceful means. And we refused because the liberation of Taiwan is an internal affair of China in which no country has the right to interfere. As to when and how we resolve this question, it is China's own business. President Ford made this commitment after the clarification of all these questions I mentioned. Consequently President Ford was not reelected and of course the new Administration has a right to reconsider this question. And then President Carter took office and in initial period I think you were busy with your domestic affairs, so for a period of about eight months there was no contact between us. Last year Secretary Cyrus Vance came to China and raised the same old questions. I believe you know the details of these conversations. At that time I told Secretary Vance that the proposal he made to the Chinese side was a step backward from the position of President Ford. But in this respect we welcome your idea that the two sides can start negotiations on the question of normalization as of June, but China's position is consistent. I told Secretary Vance that the Chinese side will not accept the proposal that the Chinese people should undertake the commitment to liberate Taiwan only by peaceful means because it is a matter concerning China's sovereignty and an internal matter for China. I even went so far as to tell Secretary Vance that while China is happy with the reunification of Taiwan with the mainland, we would respect the concrete conditions in Taiwan. You have said on the question of the resolution of the issue of Taiwan the U.S. side has to take into account the reaction of your people at home and people in Taiwan. We understand your viewpoint. In solving the question of normalization of relations between our two countries under the three conditions, the U.S. side can express your hopes. It is quite all right. You can state your views but you should not make it a precondition and the Chinese side will state our views saying that the solution of Taiwan and how and when we will solve the problem of Taiwan is the business of the Chinese people themselves. Dr. Brzezinski has said just now that President Carter made up his mind on the Panama Canal Treaty and the question was solved. And he also made up his mind on the question of the sale of planes to the three Middle Eastern countries and this question was also solved. Similarly if the President can make up his mind on the question of normalization, I think the question can be solved and it is not difficult to solve this question because I think the majority of the

American people and I think the majority of the statesmen of the world endorse such an action. But we know that in your present visit you do not have to solve this question. But we would like to take this opportunity to reaffirm the position of the Chinese side and at the same time you have also stated your views. I think it is highly necessary and useful. I hope you will report to President Carter about our conversation this afternoon on this question so as to enable him to have a better understanding of China's position on this issue and to enable him to consider this question when the negotiations start in June.

Brzezinski: Let me first of all say that I will report very fully to President Carter, and I hope that perhaps tonight at supper when we talk more informally I can tell you more about President Carter personally because I think that it is important that our leaders not only know each other's views but have a better sense of each other as people, as personalities, as leaders. President Carter is a very unusual person, one who is decisive, who likes challenges, whose entire political career has involved taking on causes where he started behind and where he ended on top.

You said earlier that the Soviets don't want normalization between China and America, and I am also certain that they do not wish any deepening in our relationships. Precisely because we have certain common fundamental interests and because we face the same challenge from the polar bear I think it would be useful to maximize contacts at a high level even if you cannot visit Washington. America is a big country. There are other places besides Washington, and I remember during the war when we did not have diplomatic relations with the Chinese Communist leadership we nonetheless had very high level direct contacts. Such contacts even before full normalization would make more effective our common opposition to the hegemonistic designs that we both oppose.

With respect to discussions about normalization, which we trust will begin in June, I would like to suggest that these discussions be confidential and that no advance publicity be issued. I think continuing such discussions in the context of confidentiality would make their success more likely and would minimize some of the political complications which, at one point or another, will be inevitable certainly in our own country. Although my visit here is not to negotiate normalization, I would like to think of it as contributing to a step forward and not to a step backward. We only want to go forward, and I hope you will interpret this visit in such a fashion.

We start with the premise which we have already accepted before—that there is only one China, not one-and-a-half Chinas or two Chinas or China and Taiwan. For us there is only one China. We also believe that the three key points provide the framework for defining

our basic relationship. There are certain basic difficulties that we ourselves have to overcome, but though these difficulties are for us to overcome precisely because there is a relationship between us you have to be aware of these difficulties and be sensitive to them.

The fundamental difficulty is how will the American people understand the nature of the historically transitional period in our relations with the people of Taiwan following normalization. During that historically transitional period domestic difficulties in the U.S. would be far minimized if our hope and expectation that the internal and purely domestic resolution of Chinese problems would be such that it would be peaceful and that our own hopes in this respect would not be specifically contradicted. This is not a condition. This is not a pre-arrangement, but it is a question of an internal problem in the U.S. which would be easier to resolve in that context. Moreover, during the historically transitional period the maintenance of full range of commercial relations with Taiwan would provide the necessary flexibility during the phase of accommodation to a new reality in the course of which eventually one China will become a reality.

Teng: You have mentioned just now the confidential character of the negotiations which may start in June. Please rest assured that in China there are better conditions to keep secrecy than in the U.S.

Brzezinski: I am afraid you are absolutely right. That is why it is better to conduct them here than in Washington.

Teng: Moreover, on the question of normalization I have stated that you can express your hopes and expectations and we will state our views. That is as to when and how we shall solve this problem that is purely the business of the Chinese people themselves. So each can express his own views.

Brzezinski: Hopefully that would not be in direct contradiction.

Teng: No, I think each side is free to state its views without any constraint. I have heard from Foreign Minister Huang about your conversations yesterday. He expressed fear that if normalization is realized under three conditions the Soviet Union might seize the chance to infiltrate into Taiwan and Taiwan might develop its own nuclear weapons, but in the past people expressed fear that there might be a vacuum in Taiwan. On the other hand I think when we tackle the problem of Taiwan we are taking into account the realities in Taiwan. Besides the U.S. will maintain commercial and non-governmental relations with Taiwan. Japan also has strong non-governmental and trade ties with Taiwan. So it won't be easy for the Soviet Union to move into Taiwan. We don't have such fears, but even if such a thing should happen we have ways to deal with it. We have taken such things into account.

Brzezinski: Let me say this. Once such an exchange, not an exchange but set of parallel statements has taken place, for you it is the

end of the problem, so to speak. For us it is the beginning of the political problem at home. I think you know very well how complicated public emotions on this issue might be in the U.S. and this is why the issue is a genuinely complicated one and the need for us is a genuine political need. I mention this because I think that a constructive resolution of this problem for us would involve not only going through the phase of normalization with you but through a difficult political process at home which will follow normalization. This is why the nature of the two independent separate statements has a bearing on our political process and on the difficulties we will have to overcome.

Teng: I think that is all about this question. We are looking forward to the day when President Carter makes up his mind. Let's shift the subject.

Brzezinski: I have told you before, President Carter has made up his mind.

Teng: So much the better.

Brzezinski: One can make up one's mind but then the process of executing that about which one has made up his mind can be difficult, and we hope we can overcome it.

Teng: Fine. Anyway, in June Mr. Woodcock will take part in the negotiations.

Brzezinski: That's right.

Teng: You have also discussed other aspects of our bilateral relations with our Foreign Minister. Your Excellency has mentioned that pending the normalization we can develop our relations. We are in favor of this idea and we share your desire. As I have said there is a difference as to whether relations are normalized or not. In commercial, scientific and technological expansions and economic expansions we will give priority to the countries that have diplomatic relations with us under the same terms. And the U.S. government is also restricted by the absence of the normalization. And there are no good conditions for giving preferential treatment to each other. We discussed this question in the past, too. I took up this question with Dr. Henry Kissinger. I cited the example to Dr. Henry Kissinger of the intended purchase by China of a computer of 10 million operations per second. At that time the U.S. corporation concerned and American businessmen were very enthusiastic about the transaction but the U.S. government refused to give them permission. Dr. Kissinger proposed to discuss this question between the two governments. We did not agree because this is a commercial relationship which should not be diverted into the political track. And now there is no such question because China will soon be able to produce such a computer. And then we tried to purchase a computer from Japan (one million operations per second) which involved certain American technology, and also the U.S. government did not

give the permission to the transaction. When we introduced certain technology from Europe, such question also pops up. Recently the American corporation has agreed to sell us the infrared scanning equipment, but U.S. government has refused its permission. You have told us that you will reconsider this question. That is fine. All of this shows that pending the normalization such relations are bound to be limited and you yourselves are also restricted. Perhaps I think you have the fear of offending the Soviet Union. Is that right?

Brzezinski: I can assure you that my inclination to be fearful of offending the Soviet Union is rather limited. The problem that you mention, however, has its roots in our relationship with the Soviet Union. You are right when you speak of these restrictions. They have very little to do with diplomatic relations or no diplomatic relations, normalization or no normalization. The origin of these restrictions is our policy toward the Soviet Union and other communist countries that at one time were closely associated with the Soviet Union. The policy is therefore a legacy of the past, and the rules are not sufficiently flexible and elastic to recognize the new existing political realities. We are now in the process of reviewing some of these irrational restrictions insofar as our trade with you is concerned, and I have taken personal interest in the Daedalus case, most recent case, and most recent negative decision is now being actively reviewed.⁵ As far as being afraid to offend the Soviet Union, I would be willing to make a little bet with you as to who is less popular in the Soviet Union—you or me.

Teng: It is hard to say. But one thing is certain. The main target of the Soviet Union is the U.S.

Brzezinski: That's right.

Teng: The Soviet Union also wants to improve relations with China. We have refused. We have told them that so long as the Soviet Union does not change its policy of social imperialism it is impossible to improve relations. Our debate with the Soviet Union would last for 10,000 years, according to Chairman Mao, and then one man came to China to speak on behalf of the Soviet Union and Chairman Mao made concession by subtracting 1,000 years from the 10,000 years and there were 9,000. On a later occasion he made another concession by taking out another 1,000 years from the 9,000 so we will go on debating with the Soviet Union 8,000 years. In short, our debate with the Soviet Union will not be resolved.⁶ We have also raised the demand that the Soviet Union should withdraw its troops from border areas, the People's Republic of Mongolia, and restore situation at the border to status of the

⁵ See footnote 6, Document 106.

⁶ Carter underlined, "our debate with the Soviet Union will not be resolved."

early 1960s, the time of Khrushchev. The Soviet Union has thought out all sorts of ideas. It is keeping its mental pressure on China while at the same time it tries to create the superficial impression of certain degree of reconciliation between China and the Soviet Union. In March this year President of the Supreme Soviet sent a message to Standing Committee of the Chinese National Congress proposing to issue a friendly statement between the two countries on principles guiding state relations. We made a prompt and public reply to this message. I think you have read it. Not long ago in my conversation with a U.S. delegation from UPI one man raised the question do you think it is possible to improve relations between China and the Soviet Union. I asked him a question in return. Do you think it possible for the Soviet Union to change its policy of social imperialism? The Soviet Union knows very well China's position but then why has it made such actions? I think it is using China as a pawn in order to gain more things from the U.S. and of course its intention is also to hoodwink the people of the world and cover up its features of expansionism in the world.

Brzezinski: I think that it is clear that from the Soviet point of view absence of cooperation between the U.S. and China is desirable. The Soviet Union would like to see a poor relationship between the U.S. and China. I think it is also fair to say that in my country there is some division of opinion regarding Soviet motives and prospects for American-Soviet relations. My own view is that the American-Soviet relationship will remain for a very long time to come fundamentally a competitive and in some respects a hostile relationship, but there are also some cooperative aspects to it which stem from mutual interest and particularly from the need to restrict or to confine the dangers of a nuclear war. Accordingly, American policy toward the Soviet Union must be one which combines sustained political competition with occasional willingness to cooperate and to accommodate. Unfortunately, that occasional accommodation and cooperation is misunderstood by some people as a termination of the rivalry and this from time to time produces in America misguided and excessive hopes regarding peaceful relations with the Soviet Union. I believe, moreover, however, that recent Soviet actions, particularly in Africa, significantly strengthen the political influence of those who have been arguing that Soviet designs are fundamentally aggressive and that they must be resolutely resisted. This brings me to the question of more tangible cooperation between China and the U.S.

I personally see no contradiction, and I think I speak for President Carter in this regard, between signing a SALT agreement with the Soviet Union when it is in our mutual interest and at the same time competing effectively when challenged politically or even reacting more directly when that challenge is more aggressive and assertive. We have

seen examples of that in Africa. We may see examples of that in the Middle East. In that context, I think it is important that we not only consult but that we also consider in what ways our respectively independent reactions might be complementary.

I honestly do not think it is useful for you to criticize us frequently as appeasing the Soviets even though your subjective motivations are good, the objective consequences of that strengthen the Soviets. It is also not good for us to say that your anti-Sovietism is essentially rhetorical. The fact is that in many parts of the world in different ways we can do things and you can do things the effect of which is to reduce Soviet influence or to repel Soviet aggression. We have certain influence in certain parts of the world. We also have certain resources which we are prepared to use, alone or together with our friends. For example, recently in Zaire. You have influence with some people, for example Mugabe, and in the non-aligned movement to expose the role of Cuba as a Soviet agent.⁷ I think consultations such as these that I have had over the last two days can over time be helpful in developing responses which produce greater stability in the world, even if they do not involve an attempt to defuse old issues. Our ideologies will continue to be different; our perspectives will be different on many issues. On the fundamental question, namely how to respond effectively to the hegemonistic challenge, I think over time our consultations can yield constructive and positive results.

Teng: We have done whatever is within our capability in this respect. In our view the U.S. is not strong enough in its actions. I believe our Foreign Minister has told you our views on the weaknesses of the Soviet Union.

Brzezinski: I told him of my views of the weakness of the Soviet Union. My list was longer.

Teng: We discussed it many times before. But the U.S. is helping the Soviet Union to overcome its weaknesses. I share your view that the fundamental nature of your relations with the Soviet Union is competition. This is a fact no matter what agreement you may reach with the Soviet Union, the competition will persist. You think that your help to the Soviet Union in technology and economy will help to restrain the Soviet Union. It is impossible. And you think that in this way you will be able to prevent the Soviet Union from meddling in affairs in Africa and the Middle East. It is also impossible to do so because the Soviet strategy is fixed and will not change. They will try to squeeze in wherever there is an opening. Your spokesmen have constantly justified and apologized for Soviet actions. Sometimes they say there are no signs to

⁷ Carter underlined "to expose the role of Cuba as a Soviet agent."

prove that there is the meddling of the Soviet Union and Cuba in the case of Zaire or Angola. It is of no use for you to say so. To be candid with you, whenever you are about to conclude an agreement with the Soviet Union it is the product of concession on the U.S. side to please the Soviet side.

Brzezinski: I must say that I don't quite agree with that. We have some ongoing negotiations with the Soviet Union—SALT, which is yet to reach an agreement but I hope we do reach an agreement, and if we reach an agreement it will be because we are satisfied that our needs and interests have been satisfied. The same is true of some other areas. I notice you are having negotiations with the Soviet Union about frontiers. You have recently had a trade agreement with the Soviet Union. You have had agreements in the past. I am sure you did not reach these agreements in order to appease or to make concessions, but because you felt that they safeguarded your interests and created a basis for stable relations in that area. This is normal.

We are not naive in dealing with the Soviet Union. For the last thirty years it has been the U.S. which has opposed Soviet hegemony designs and that is roughly twice as long as you have been doing it, so we have a little bit of experience in this. I don't claim everything we have done has been done well. We have made many mistakes. There are many people in many countries who don't believe the Soviet Union is an aggressor. They want comprehensive accommodation with the Soviet Union, so we have continuous debate in the U.S. about Soviet intentions and about how best to handle the American-Soviet relationship. But periodically the Soviets come and help us. Like after World War II many Americans thought the Soviet Union was a peace loving country to which we ought to give massive aid. The Soviet Union helped us by imposing a blockade on Berlin, and the American public became more realistic. In the late 1950s the Americans began to feel the Soviet Union under Khrushchev was more accommodating. He helped us again by creating the Cuban missile crisis, challenging us to compete to the moon, announcing he will defeat us in the economic competition. We got to the moon before the Soviets. They haven't gotten there yet and we have defeated them in the economic competition. More recently many people have said that the Soviet Union under Brezhnev is peace loving and seeking accommodation in many areas. Again the Soviet Union has come to help—acting aggressively in Ethiopia and Zaire, pushing 50,000 Cubans acting as Soviet agents in Africa, building up its forces in central Europe, engaging in border provocations with China, and by refusing to deal honestly and fairly with Japan.

So by and large I think American attitudes toward the Soviet Union will be more realistic. And if you look at Congressional attitudes today, there is a growing inclination in Congress to support larger de-

fense budget, to be more skeptical about SALT, to insist on greater compliance on the part of the Soviet Union with agreements that have been reached with us.

President Carter when speaking of *détente* always uses two words over and over again. It has to be reciprocal and comprehensive. Behind these two words is deliberate political meaning. Reciprocal means the Soviets cannot act differently to us than we can to them. Comprehensive means *détente* cannot be limited only to areas beneficial to the Soviet Union, for example trade—but be abused in other areas. This is our policy. I am quite convinced that in the Carter Administration the kind of sentiments that were expressed by President Carter recently in a major speech at Wake Forest are becoming increasingly the dominant outlook guiding our relations with the Soviet Union.⁸ This does not mean we want permanent hostility with the Soviet Union. We will sign agreements on the basis of realism and self-interest, without delusion about the character of Soviet motives or policies.

Teng: It is good that you have no delusions about Soviet designs. It is all right for you to sign agreements with the Soviet Union but I don't believe that such agreements will play a great role. But any rhetoric will play no role in deterring the Soviet Union. I think you are going to sign a fourth agreement in SALT with the Soviet Union.

Brzezinski: Second.

Teng: In 1963, you signed the test ban treaty. Another agreement in 1972. In 1974 the Vladivostok agreement, so this is the fourth agreement.

Brzezinski: Vladivostok was not really an agreement.

Teng: There was a great gap between you and Soviet Union in 1963. The gap was narrowed greatly in 1972. And in 1974 the U.S. itself admitted that it had reached parity. Dr. Kissinger came to Peking to brief us. He was very honest in stating that neither side was able to restrain the other. And I told him that your two countries may well continue your race and even if you are going to sign an agreement for the fourth time you will continue your race nevertheless. And it remains true that the Soviets will try to squeeze in wherever there is an opening. It is now trying to squeeze into Zaire and this time we have made a strong promise. Many French and Belgians have made prompt and strong response. Soviet Union will also try to squeeze into Eritrea. One cannot say that the U.S. has achieved superiority in the Middle East. And the fundamental thing in the Middle East situation is for you to tackle the problem of Israel in a proper way. If you side with Israel you antagonize yourselves with over 100 million Arab people, then it is im-

⁸ See footnote 3, Document 87.

possible to solve the Middle East issue forever. And in this way the Soviet Union will play an important role. It will try to win over a number of countries to its side. If an alliance is formed between Israel, Saudi Arabia and Egypt as you hope to form, then the majority of Arab countries will have been abandoned. In this case the Soviet Union has a role to play. Now there is not much time left but I would like to discuss another question. The question of Pakistan. You know that now you have pretty good relations with the government of General Zia-ul-Haq. It is necessary for you to deepen your relations with Pakistan, especially after the coup in Afghanistan because Pakistan has an important position there. We had complaints against you in this respect in the past. The previous U.S. Administrations neglected Pakistan but paid greater attention to India. It was called to our attention that after the coup in Afghanistan the Soviet Ambassador in Pakistan made an open statement of policy of pressure on Pakistan and his statement was rejected. There is another important question in Pakistan and that is the question of Bhutto. We have expressed our attitude frequently on the question of the death sentence on Bhutto. And now there is talk in the world that the U.S. perhaps supports General Zia-ul-Haq in giving death sentence to Bhutto. I don't know whether it is true.

Brzezinski: It is not true.

Teng: Fine. I think there is also something political in this. Did you also express your concern to General Zia?⁹

Brzezinski: Yes, quietly. We feel that public pressure would not be helpful.

Teng: You are right. We are doing the same thing in the same way. If this question is not handled in an appropriate way then there will be perpetual disturbances and turbulence in Pakistan.

Brzezinski: We have also been in touch with the Iranians and Saudi Arabia on this, both of whom give money to Pakistan and they have an interest in the fate of Bhutto. Would you be prepared to give asylum to Bhutto?

Teng: If he wants to come, then we will be prepared to receive him.

Brzezinski: He could use the same villa as Sihanouk did!

Teng: I think he has a better place.

Brzezinski: I agree with you about Pakistan. I think it is a serious problem and I would also be glad to have your assessment of the likely developments in Afghanistan. Is it your judgement that the pro-Soviet clique that has seized power is going to remain effectively in power or do you think there is a possibility of some resistance to change? After

⁹ Carter drew a line in the right margin to highlight these comments by Deng.

all, you are a neighbor of Afghanistan and have far greater sensitivity for the internal situation in Afghanistan than we do. We are very far away.

Teng: Our relations with Afghanistan are just so so. And I am sure the Soviet Union had a hand in the coup. But much remains to be seen, and we must do some work too.

Brzezinski: But do you think there is a possibility of the situation changing again?

Teng: It is hard to judge. Militarily, certainly the Soviet Union has got control of Afghanistan.

I now propose that we conclude our talk and we can continue to exchange views at the dinner table.¹⁰

Brzezinski: Let me just mention one thing about Afghanistan. We have some intelligence information which shows that Soviets already established a communications system with Afghanistan government of the kind which they only maintain with their very close friends.

Teng: Yes, you are right. And I think the coup was created single-handedly by Soviet Union. And of course it will say that Afghanistan remains non-aligned but all these are false statements.

Brzezinski: It is as non-aligned as Cuba.

Teng: People are worried that Afghanistan may become Cuba in the East. All right.

Brzezinski: Thank you so much.

¹⁰ No record of this discussion was found.

111. Memorandum of Conversation¹

Beijing, May 22, 1978, 5:05–7:25 p.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Chairman Hua Kuo-feng

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Leonard Woodcock, United States Ambassador to the People's Republic of China
Michel Oksenberg, Staff Member, National Security Council

Hua Kuo-feng, Chairman of the People's Republic of China

Huang Hua, Vice Minister

Ch'ai Tse-min, People's Republic of China Ambassador to the United States

Wang Hai-jung, Vice Minister, Head of the American and Oceania Department

Lin Ping, Head of the American Oceania Affairs Bureau

Ting Yuan-hung, Head of the American Desk

Shih [omission in the original], Interpreter

Lien Hung-pao, notetaker

Dr. Brzezinski: If you would permit me, I would like to present you with a brief note from President Carter and a gift on behalf of the American people.

Hua Kuo-feng: Thank you.

Dr. Brzezinski: This is a brief note which is from the President to you. It says: "To Chairman Hua, a piece of the moon for you and the people of China, symbolic of our joint quest for a better future. Jimmy Carter." I have with me for you a piece of the moon brought back by American astronauts from the moon.

Hua Kuo-feng: Thank you very much.

Dr. Brzezinski: Here in this glass is an actual piece of the moon. And this is a flag of the People's Republic of China which was taken by

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 5/18–24/78. Top Secret; Sensitive. The meeting took place in the Great Hall of the People. At the top of the page, the President wrote, "He's impressive. JC." On May 23, Brzezinski cabled an account of his meeting with Hua to Carter and Vance. In it, he noted that Hua "said that for the Chinese to renounce the use of force to solve the Taiwan issue while the U.S. continues to supply arms to Taiwan would be tantamount to the creation of two China's. This was unacceptable." Brzezinski then observed, "Seemingly implicit in Hua's remarks, though the subject merits further study, is that we have a choice as to the formula for normalization. Either we can continue to supply arms to Taiwan after normalization without obtaining a Chinese statement of peaceful intent, or we can obtain the statement while terminating arms sales." Carter initialed this telegram. (Backchannel message 12 from Tokyo to the White House Situation Room, May 23; Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 5/18–24/78.)

the American astronauts to the moon. It was on the moon and it was brought back from the moon with this piece of rock.

Hua Kuo-feng: Thank you very much. I wish to express once again our welcome to Dr. Brzezinski on your visit to China. This is your first visit to China?

Dr. Brzezinski: This is my first visit, but I very much hope not my last.

Hua Kuo-feng: The first means the beginning, not the end. It seems that the first visit here will bring the second, third, and fourth visits.

Dr. Brzezinski: I very much hope so.

Hua Kuo-feng: So today you visited the Great Wall?

Dr. Brzezinski: Yes. In my very brief visit to China I have had the opportunity to appreciate not only your magnificent past but also the monumental scale of your undertakings to shape the future, and both are enormously impressive.

Hua Kuo-feng: There is a poem by Chairman Mao entitled "Mount Liupan," in which there are two lines about the Great Wall: "Those who fail to reach the Great Wall are no men of valor."

Dr. Brzezinski: "Mount Liupan." Is this poem "The sky is high, the clouds are pale . . . ?"

Hua Kuo-feng: Yes. I have heard that Dr. Brzezinski got to the peak of that section of the Great Wall.

Dr. Brzezinski: Yes. It was a challenge which we overcame quickly.

Hua Kuo-feng: Are you used to the Chinese food here?

Dr. Brzezinski: Your cuisine here, quite seriously, is one of the best, perhaps the best, in the world. If I stay in China longer and ate that well I would have to volunteer for the May 7 School.²

Hua Kuo-feng: Some Chinese comrades going to the May 7 School have even put on more weight after much exercise.

Dr. Brzezinski: That was muscles.

Hua Kuo-feng: In your present visit Dr. Brzezinski has already talked to Foreign Minister Huang Hua and Vice Premier Teng Hsiao-p'ing. I have already learned about your conversations. In his conversation with you, Vice Premier Teng said if you come to discuss questions with us we welcome you. If you come not for the purpose of discussion, then you will also be welcome. It is good to have an exchange of views between us. Does Your Excellency think that you have more to say? I would like to listen to you first.

² During the Chinese Cultural Revolution, many government officials were sent to the countryside to attend May 7 schools in which they engaged in manual labor and received ideological indoctrination.

Dr. Brzezinski: Let me begin by saying that what impressed me very much about our conversations was the extent to which the fundamental interests of our two countries are similar. We often use different words to describe either the dangers or the opportunities that we confront. But the more I talked to your colleagues, the more impressed I was that the essence of these words was fundamentally similar.

Hua Kuo-feng: Well, we share much common ground. That is why we must work together to cope with Soviet social imperialism. Therefore, there are a lot of common points between us on a number of issues concerned. On your present visit to China you can see that in our conversations we share important common ground and our minds meet on a number of issues. With regard to Chinese different views on PRM 10, Dr. Brzezinski has made some explanations.³ But I think you will understand our criticism is good intentioned. It is intended to help some people in the U.S. as well as in Western Europe to see more clearly the true features of Soviet social imperialism. You have already had discussions with Foreign Minister Huang Hua and Vice Premier Teng Hsiao-p'ing on the present international situation. We had discussions on the same questions in the past during the visits of Dr. Henry Kissinger, President Nixon, and President Ford. We are following closely the developments of the situation in the world and on the whole there has been no drastic change, so our views remain the same. If there is any development in the world situation to be spoken of we have seen that it has become even more manifest that there is a growing expansion and meddling of the Soviet Union in the affairs of the world. For instance, shortly after the conclusion of the Helsinki Conference there was the incident in Angola, and then in Zaire, then there was the conflict between Ethiopia and Somalia, and the problems in the Middle East. A recent case in point was the coup in Afghanistan. And of course Soviet expansion has revealed even more clearly in the face of the world's people the true features of social imperialism.

We have also taken note of the fact that our friends in Europe have somewhat changed their views to a certain extent. Not long ago the Chief of the General Staff of the Armed Forces of Great Britain, Sir Cameron, visited China. And he openly stated that both China and Britain face an enemy at their door whose capital is Moscow. And this caused opposition of certain people within Britain, but the majority of people were in favor of his statement. And quite a number of people have said that Sir Cameron has stated what they themselves have been thinking about in their minds but they are not to speak out. We also have some contacts with our French friends and, of course, their public statements are not like that of Sir Cameron. But they know that their

³ See Documents 108 and 109.

main danger comes from the Soviet Union. They are prepared to strengthen their defense capabilities. They have also stated that they will continue their efforts to promote partnership relations with the U.S. There are also quite a number of people in West Germany who are similarly minded about the assessment of the world situation. In our contacts with our friends from Nordic countries we have observed that they feel even more acutely the danger of the Soviet Union. And not long ago President Siad Barre of Somalia visited China. And he had his personal experience of the expansionist and aggressive designs of the Soviet Union. And we have also told a lot of our friends that the main danger of war comes from the Soviet Union. Then how should we deal with it? The first thing is one should make preparations. We have discussed this idea of ours with our friends. If one is prepared and once a war breaks out, one will not find himself in a disadvantageous position. The second thing is that it is imperative to try to upset the strategic deployment of Soviet aggression. Because in order to obtain hegemony in the world the Soviet Union has first to obtain air and naval bases throughout the world, so it has to make strategic deployment. And we must try to upset its plans for global deployment.

The third point is that we should call the attention of the world's people to the danger of the Soviet Union launching a war of aggression so that the people will not cherish any illusion about it. So that the people of all countries will wage a tit-for-tat struggle against it in the light of their concrete conditions. And only in this way will it be possible to postpone the outbreak of the war. In our opinion, it is impossible to avoid the war entirely. We have found in our conversations with a lot of friends that they hold different views in this respect. I remember that during the second visit to China, President Nixon asked a question of Chairman Mao. He asked whether it was possible to avoid the war for 1000 years. Chairman Mao shook his head. Then he said What about 50 years? And Chairman Mao said that perhaps it was impossible. Then President Nixon said What about 20 years? The Chairman said perhaps it is possible. I was present at the conversation and, of course, what I have told you is not in direct quotes. We think the purpose of the Soviet Union engaging in such frantic arms expansion and war operations at high speed is to expand and invade other countries. Some American friends have told us that on the question of energy alone at a certain point the oil production of the Soviet Union will decline. But there will be greater demand for oil in the Soviet Union. Therefore, it is necessary for the Soviet Union to find some oil resources abroad. So recently the Soviet Union is carrying out frantic activities in the Middle East and in the Horn of Africa. In the Middle East when President Sadat of Egypt abrogated the Treaty of Friendship with the Soviet Union and expelled Soviet experts, the Soviet Union immediately turned to Libya. In Somalia, when the Somalians abrogated the

Treaty of Friendship with the Soviet Union and expelled Soviet experts, abolished the base (a military base under a guise), then the Soviet Union turned to support Ethiopia. So the Soviet Union is making a continual effort to seek bases for itself and expand its spheres of influence. Chairman Mao said on the same occasion that the U.S. has interests to protect in the world and the Soviet Union wants to expand. This contradiction is insoluble. Some people assert that China is pessimistic. We do not think so. We are revolutionary optimists. We are only bringing to light the essence of the problems so that the people may come to grips with it and raise their vigilance. China does not want to see a major [omission in the original] break out. We need a peaceful international environment in which to build up our country. But we are certainly aware of the fact that the Soviet Union is bent on subjugating China. Therefore, we must raise our vigilance.

After the passing of Chairman Mao, the Soviet Union has made a lot of petty moves. I THINK Dr. Brzezinski is aware of it. On the basis of our analysis of the essence of the problems in the world we think that the Soviet policy of social imperialism will not change and therefore our policy toward the Soviet Union will not change either. As they knew that Dr. Brzezinski was coming to China, they hurriedly sent back Ilichev to Peking for a few days.⁴ Then do they have any intentions to settle any issues with us? No. And not long ago they sent a helicopter and 18 gun boats and patrol boats to invade Chinese territory. We lodged a protest. They expressed regret. But then they resorted to sophistry. They said that the incident took place in night and the Soviet troops did not know it was Chinese territory that they entered by mistake. It was not true at all. In Moscow, yes, it was in the middle of the night, but along the Ussuri River it was 7:00 in the morning. Then how could it be that the Soviet troops failed to see which was Chinese territory? They said it was during the night. It was Moscow time. On the whole, we think that as the developments of the international situation show, it is good. The situation in China is also good. If the situation in China was not good, if the Chinese people were not vigilant and made no preparation, then the Soviet Union would attack China.

You have already discussed the international situation, so I do not intend to dwell on it any longer. Now a few words about our bilateral relations. I know that Dr. Brzezinski was not instructed to negotiate this question in this present visit. Nevertheless, the two sides exchanged views on this question. And Dr. Brzezinski has also conveyed the mes-

⁴ Soviet Vice Foreign Minister Leonid Ilichev, the Soviet negotiator for talks on the Sino-Soviet border dispute, returned to Beijing on April 26. (Telegram 122476 to US-NATO Brussels, May 13; National Archives, RG 59, Central Foreign Policy File, D780204-0737)

sage from President Carter stating that he has made up his mind on this question.⁵ And we welcome this. And on the question of normalization of relations between China and the U.S., Vice Premier Teng also reviewed the past conversations. And I believe that our position and views on this question are well known to you. Vice Premier Teng also stated that if the American President really has made up his mind it is not difficult to solve this problem. And of course the U.S. side has stated that it has to solve certain internal problems. As you have made up your mind, I think it is easier for you to do such a work on this question. And I remember that the previous U.S. Administrations once had a theory of the so-called dominoes. And later on this theory disappeared. And later on there were arguments by certain people that is to maintain old friends. In our opinion, one must make an analysis of one's old friends. I think we can tackle this question from two points. Chiang Ching-kuo, of Taiwan, may be counted as an old friend of the U.S., but I think it is worth thinking of the fact that how many people can he represent? The overwhelming majority of the people in Taiwan, including a considerable number of military and political officers in the Chiang Ching-kuo government, desire reunification. And even the children of certain officers in the armed services of the government of Chiang Ching-kuo who are now studying in the U.S. are actively promoting the unity of China. So one cannot say that Chiang Ching-kuo represents the 16–17 million people in Taiwan. The previous U.S. Administration (I am not referring to the present Administration) once helped Chiang Kai-shek against the Chinese Communist Party and the Chinese people, and it was engaged in a prolonged trial of strength and struggle against the Chinese people. Chiang Kai-shek was the common enemy of the entire Chinese people. Although he got a huge amount of U.S. dollars and military equipment from the U.S., he was defeated in the end. And the U.S. Government thus created a very bad image among the Chinese people. This was what had happened in China with respect to the question of the so-called old friends. In Vietnam, it was Diem and in Korea Syngman Rhee that were opposed by their people and finally defeated.

That is the first point I would like to make. Now my second point is the U.S. side invariably wants China to commit itself to solve the issue of Taiwan through peaceful means. At least the U.S. side thinks that it may issue a statement expressing its hope and expectation that China will solve this question by peaceful means and it would hope that China will not contradict it. Then it also means that the U.S. side is asking China to undertake a commitment not to use force to liberate Taiwan. If we undertake the commitment that China will not liberate

⁵ See Document 110.

Taiwan by arms, then on the other hand the U.S. side is helping and arming Taiwan with its military equipment. What will be the result of these actions? I think it is still the creation of one China, one Taiwan, or two Chinas.⁶ Taiwan is part of China's territory and the people in Taiwan are our compatriots. Does China insist on liberating Taiwan through arms? We think if Chiang Ching-kuo of Taiwan did not get U.S. equipment and weapons there might have been a quicker and better settlement of this issue. As for how we shall carry out work in Taiwan after the liberation of Taiwan and how we shall make the people in Taiwan live a better life, we have our own ideas. The Chinese Government is responsible not only for the Chinese people on the Mainland but also on Taiwan.

After Secretary Vance's visit to China, I sent an oral message to President Carter.⁷ I believe that Dr. Brzezinski knows the message. The solving of the Taiwan issue is not merely a question of diplomacy. It is a political question. If one looks at this issue in broad strategic perspective, one will make up his mind and this issue can be solved at an early date. The normalization of relations between China and the U.S. is most beneficial to our efforts to deal with the Polar Bear. We have always stated that for Japan the first priority is to maintain a good relationship with the U.S. and then with China. I think we share the same views on this question. I have learned about a statement by Your Excellency to the effect that the U.S. side will not place any obstacle to the conclusion of the Friendship Treaty between China and Japan. Instead, the U.S. side supports the conclusion of the Treaty. We appreciate your attitude. Actually, there are no great difficulties in concluding the Treaty of Friendship between China and Japan. The only question is the inclusion of the anti-hegemony clause. China insists on the inclusion of the clause, and Japan says no. And we say that in the Shanghai Communique between China and the U.S. the opposition to hegemony is included. And the joint statement of China and Japan issued in 1972 during the visit of Prime Minister Tanaka to China has also included the opposition to hegemony. Then why should Japan not dare to include this clause in the Treaty of Peace and Friendship between China and Japan? We are also of the opinion that the inclusion of the anti-hegemony clause in the Treaty is also a restraint on China itself.⁸ It is not difficult for Japan to say that it will not seek hegemony. The only question is that the Soviet Union is firmly against it. In our view the

⁶ Carter drew a line in the left margin to highlight the preceding four sentences.

⁷ This is possibly a reference to a message delivered during Woodcock's meeting with Foreign Minister Huang reported in telegram 2654 from Beijing, November 14, 1977. (National Archives, RG 59, Central Foreign Policy File, P850056-1753) See also Document 68 and footnote 4 thereto. Regarding Vance's visit, see Documents 47-52.

⁸ Carter underlined, "restraint on China itself."

Treaty is going to be concluded between the two countries opposing hegemony and in the Treaty we will not single out the Soviet Union. Whoever seeks hegemony will be opposed by us. If the Soviet Union did not seek hegemony, it should not be so afraid of it. But as the Soviet Union is seeking hegemony, it is in mortal fear of this Treaty. Indeed, there are a lot of advantages in including this anti-hegemony clause. And on this issue the Fukuda Government has not made up its mind. Then we say that we will wait for a decision by the Fukuda Government. Then we will go ahead with it. But on the whole our relations with Japan have developed smoothly in various fields. And not long ago we signed a long-term trade agreement with Japan.⁹ It is beneficial to both the Chinese and Japanese peoples. I have learned from your conversations that you also discussed the question of Cambodia. Foreign Minister Huang explained our views to you. It is true that Vietnam intends to establish a great Indochinese Federation there. And the Vietnamese are also backed by the Soviet Union in their activities. We approve of the visit by U.S. Vice President Mondale to ASEAN countries. It is good for the prevention of the Soviet infiltration in the region. But his statement on Cambodia is quite different from the views of the Chinese side, and we feel that his statement was helping the Soviet Union. I have mentioned this question again to Dr. Brzezinski in order to help you understand our views and attitude.

In the Middle East President Sadat took the bold action of visiting Israel. We support him. We have good relations with Egypt. But he failed to consult and inform the other Arab countries before his visit to Israel. As a result of the meddling in the affairs of the Middle East by the Soviet Union, there was the rejection front which was quickly formed. This gave the Soviet Union an opportunity to reach its hand into the Middle East. In your conversations with Foreign Minister Huang Hua, Your Excellency mentioned that there were moderate countries in the Middle East—such as Egypt, Jordan, Saudi Arabia, Israel—which may form a bloc to oppose the Soviet Union.

We feel that our American friends should pay attention to one thing. If you fail to restrain Israel, President Sadat will be in a very difficult position. He does not only face the rejection front of the Arab countries, but also difficulties at home. If one can apply some restraint on Israel and force it to withdraw from the Arab territory it has occupied and recognize the national rights of the Palestinian people, then it will be possible for a lot of Arab countries in the Middle East to get united. I recall that Chairman Mao once said to Dr. Henry Kissinger the U.S. has already given one hand to Israel. It should give the other to the Arab countries. On a later occasion Dr. Henry Kissinger told us that the U.S.

⁹ The agreement was signed in February.

side had done this. And this brought about a drastic change in the attitude of Egypt. If there is disunity among the Arab countries, the Soviet Union will seize the chance to get in. This will give rise to the emergence of two antagonistic groups in the Middle East. And if Israel is not restrained, then Egypt will be in greater difficulty. We have noted that President Numeri of the Sudan has made some visits to certain countries. The Sudan is most unhappy with the Soviet Union. It has good relations with Egypt. His activities in those countries were intended to help these countries to unite so that the Soviet Union will not have a chance to get in.

As for Korea, I think that Dr. Brzezinski knows well that not long ago I made a visit there. The North Koreans knew that you were coming to China. They asked me to convey to you the message that Korea would not attack the South.¹⁰ In other words, they will not launch a war against South Korea. And they felt it difficult to understand the massive military exercises carried out jointly by the U.S. and Pak Chong Hui of South Korea. Their worry is that if the rule of Pak Chong Hui becomes unstable, it may launch an attack against the North. And the North Korean side also expresses its readiness to enter into negotiations with the U.S. side. They have conveyed this idea to President Carter through Presidents Tito and Ceausescu. They hope that they can obtain independent and peaceful reunification of the country free from outside interference. In other words, North Korea does not demand to change the social system of South Korea at once. Neither should South Korea. After a certain period of time and through democratic election, there should be a unified leadership of the country. Will this make it easier for Soviet revisionists to interfere in the affairs of Korea? We do not think so. We think it will make it difficult for Soviet revisionists. North Korea is firmly opposed to a consolidated status of division¹¹ of North and South Korea. Of course, the above are the views of North Korea, and the Chinese Government thinks that their ideas are right.

We know that the U.S. Government holds different views in this regard. So that is what I would like to emphasize since I have learned from your conversations what you have already discussed. Now that you are here we think it is a good opportunity to explain our views to you in a candid and sincere way. Finally, I would like to request Dr. Brzezinski to convey my greetings to President Carter upon your return. Well, I am talking too much. I would like to listen to what you have to say.

¹⁰ Carter underlined, "Korea would not attack the South."

¹¹ Carter underlined, "consolidated status of division" and drew a question mark in the left margin.

Dr. Brzezinski: First of all, let me say that I am profoundly grateful to the Premier for his very complete and frank analysis of problems that are clearly not only important but of mutual concern. The Shanghai Communique calls for consultations between our two governments at a high level, and I believe that these consultations of the last two days, like those preceding them with Secretary Vance and earlier with Mr. Kissinger, have not only been extremely useful but should be held on a regular basis. By having them on a regular basis, we can deepen not only our respective understanding of each other's positions but on that basis also more effectively seek those objectives that we share in common. I know that the Prime Minister's time is very precious and therefore I will try to make my response as brief as I can, but I would like to touch on several points.

Perhaps you will permit me to comment relatively briefly on the observations you made regarding Japan, Korea, Cambodia, and the Middle East, and then a little more fully regarding the strategic nature of our relationship with China and the bilateral character of that relationship.

With respect to Japan, I found myself very much in agreement with what the Premier said and the position of the U.S. is that close friendship between Japan and China is complementary and reinforcing to the close friendship between the U.S. and Japan. The Premier mentioned Soviet fears of Japan signing the anti-hegemony clause. I completely agree with you that if the Soviet Union had no hegemonic aspirations, it should have no reason to object to an anti-hegemony clause.

Hua Kuo-feng: Yes. You are right.

Dr. Brzezinski: I do not wish to make any excuses for the Soviet position because I do not share it and the U.S. does not agree with it. But purely as a matter of intellectual interest it might be useful for the Premier to read a book which was written in Russia at the beginning of this century. It was written, I believe, in the year 1902 by a Russian philosopher-historian Vladimir Soloviev. It was a forecast of political development by the end of this century, and this forecast was that someday the industrially advanced people of Japan and the extraordinarily industrious, able, creative, and courageous people of China will join together and at that moment Russia will face a great danger. I cite that only as a historical footnote, but I think that the Russians, having taken territory from every one of their neighbors, live in great fear of their neighbors uniting.

Hua Kuo-feng: While I have not read the book, I have read the last testament of Peter the Great.

Dr. Brzezinski: Yes. It is very much the same. In any case, we favor friendship between China and Japan. We will encourage the Japanese to move in that direction, and if I may have your permission tomorrow

when I speak to Prime Minister Fukuda I would like to repeat to him our conversation and specifically what you said, but I will do so if I have your permission.

Hua Kuo-feng: It is my hope that Prime Minister Fukuda will make the decision earlier. He has stated on several occasions that he has made up his mind.

Dr. Brzezinski: We will encourage him. On Korea, I was very pleased to hear the assurance conveyed to you by the North Koreans that they will not repeat their attack on South Korea. Peace in the Korean Peninsula is essential to the stability of Japan and through it for the peaceful presence of the United States in the Far East. We will not engage in any conversations with North Korea behind the backs of our allies, the South Koreans. If the South Koreans are willing and if the North Koreans are willing, we would be prepared to participate in tripartite talks in order to promote peace and stability in the Korean Peninsula.

With regard to Cambodia, it is not our intention to interfere in the problems of Cambodia and certainly it is not our intention to facilitate Vietnamese ambitions against Cambodia. At one point you mentioned that we had a domino theory about Indochina which was proven wrong. Your description of Vietnamese efforts backed by the Russians makes me think that maybe that theory was right. But in any case our concern for the situation in Cambodia inside has only the following aspect to it. We think that if the Cambodian Government treated its people better, its ability to protect its independence would be enhanced. In any case, this is not a major issue of disagreement between us, and on the important international issues our views are similar to yours. We do not favor hegemonic designs regarding the Indochinese peninsula. With regard to the Middle East, I believe that our positions are fundamentally similar. We wish to promote a peaceful settlement in the area and to either reduce or exclude Soviet influence from the area. The recent decisions approved by the American Senate to sell planes to Israel, Egypt, and Saudi Arabia reflects our fundamental determination to base our policy in the Middle East on a cooperative relationship with several Arab countries. It is not our intention to treat Arabs who are occasionally enemies of Israel therefore also as enemies of the U.S. We have influence in some Arab countries, like Saudi Arabia, Egypt, and we are trying to help Sadat as much as we can. Also Jordan. You have influence in some Arab countries as well, and perhaps we could work more closely together to reduce Soviet-Cuban influence in such places as Iraq, South Yemen, maybe Algeria, and so forth.

Hua Kuo-feng: And Syria too.

Dr. Brzezinski: Yes, of course. Naturally.

Hua Kuo-feng: We must try to bring all the Arab countries together.

Dr. Brzezinski: And you probably have more influence in Syria than we do.

Hua Kuo-feng: So long as Israel is curbed and forced to withdraw from occupied Arab territory and recognize the national rights of the Palestinian people, then it will be possible to unite many people.

Dr. Brzezinski: We are working very hard on this and as you know this is a very complicated task in part because of domestic American politics. This brings me to the two most important points bearing on our relationship. You said it was important to do a number of things to postpone the war. I happen to agree with you. My government agrees with you that it is necessary to do these things to postpone war to be strong, to be determined to deter aggression, to repel it where it takes place. We happen to think that this might not only postpone war, it might also help to avoid war.

I might also suggest to you that there is perhaps a philosophical difference in the approach to China on the part of President Carter, myself, and others, and of the approach on the part of President Nixon, Mr. Kissinger, and others. The accomplishment of Mr. Nixon and Mr. Kissinger in opening the dialogue with China was an historical accomplishment of very great importance which we value very highly. It was initiated during the Vietnamese War. Later during the Watergate crisis there was an element of historical pessimism involved in it. There was a fear that the United States was going down and the Soviet Union was going up on the scale of history and that this had to be balanced by a relationship with China against the Soviet Union.

We do not underestimate the Soviet threat but we feel that the Soviet Union also suffers from many historical weaknesses. We are fundamentally optimistic about the long-term prospects of our competition with the Soviet Union. We think our friendship with you is useful in that competition but more importantly we think our friendship with you is a central part of our foreign policy as we try to shape a world which is truly cooperative, a world organized for the first time in its total history on the basis of independent states and therefore a world in which new political and social relationships have to emerge.

We therefore feel that our relationship with China is of historic significance. It is an enduring relationship. It has long-term strategic importance. It is not only a tactical anti-Soviet expedient. If the Soviet Union remains a threat, if it persists in its hegemonistic designs, we want to cooperate with you in resisting them; but if we succeed in accommodation to some extent, if SALT reduces Soviet strategic danger, we nevertheless feel that for global reasons, for historical reasons, we wish to have a relationship of ever closer friendship and cooperation with

China because you are a major, vital force in world affairs, whether the Soviet Union is peaceful or aggressive, friendly or hostile to the United States. My personal guess is that the Soviet Union will remain hostile and aggressive for some time to come.

Hua Kuo-feng: May I interrupt for a moment?

Dr. Brzezinski: Please.

Hua Kuo-feng: China also looks at our relations with the United States in a long-term strategic perspective. During President Nixon's visit to China in his conversation with Chairman Mao, he told Chairman Mao that he had come to China in the national interest of the United States. And Chairman Mao fully endorsed his statement. Because what President Nixon said was true. China and the United States share common interests. As you have said, it is perhaps not an expedient. In our argument with Dr. Henry Kissinger, we said to him you should not, the United States, should not go to Moscow on the shoulder of China.¹² In other words, the United States should not use China as a pawn in order to improve its relations with the Soviet Union. You should have a long-term strategic viewpoint to look at this relationship.

Dr. Brzezinski: I agree with that. This brings me to the question of bilateral relations. It involves two aspects. To the extent that it is mutually beneficial, we ought to try to widen it in a variety of ways. Widening that relationship is not a favor by us to you or by you to us but should only be undertaken when there are mutual benefits. Exchange of trade delegations, exchange of military delegations, visits by Cabinet members from the United States to China, at this stage are all things which I have mentioned to your Foreign Minister and which Ambassador Woodcock is prepared to pursue.

On the question of normalization, you have used the phrase "If President Carter has made up his mind," things can be so easy. I think it would be probably more appropriate to say "Since President Carter has made up his mind," it should prove possible for things to be easy. The word "if" is inappropriate in view of the fact that in the course of the past two or three days I have already said three or four times that President Carter has made up his mind.

Hua Kuo-feng: We will observe the actual action.

Dr. Brzezinski: One can make up one's mind to marry a girl but implementation sometimes requires overcoming some obstacles. We understand your three basic points, and we accept them as the framework for the solution. We operate on the principle of the Shanghai Communiqué to the effect that there is only one China and that provides the

¹² Carter underlined, "the United States should not go to Moscow on the shoulder of China."

fundamental basis for the resolution of the issue. However, even after normalization there will be an historically transitional period of time in which the nature of the contacts, commercial and other, between the United States and the people on Taiwan need to be mutually understood. I have read the protocols of your conversations very carefully and I have noted in them your willingness to exercise patience and your understanding that normalization will not instantly alter the relationship between Taiwan and the People's Republic of China.

There will thus be a historically transitional era in the course of which certain relationships between the United States and the people on Taiwan in some form will continue. For us this is not only a problem of relations with you but it is also a difficult domestic political issue. Therefore, the expression of some hope regarding the nature of future resolution of the problem by the United States has considerable domestic importance, but we do not view it as an intrusion in your own domestic affairs for ultimately the resolution of the problem in keeping with the Shanghai Communique is indeed your domestic affair. This is not a matter of one side, namely us, asking for conditions from you but more a matter of overcoming obstacles in a reasonable and flexible way so that normalization can become a reality and you can historically resolve your own internal affairs in due course.

We do not want to take any steps back on this issue. We want to go forward on it and Ambassador Woodcock is authorized to begin serious negotiations on this subject as of next month, if your side finds this convenient. In any case, there is going to be a period of historical transition during which presumably the United States will maintain a full range of economic relations with Taiwan and in the course of which many of the historical legacies of the past can then gradually be diluted, overcome or resolved. Bearing in mind our common strategic interests, bearing in mind the good will that is in our mutual interests, bearing in mind the flexibility which you have already shown in regard to some other countries on this matter, bearing in mind the need for us to weigh difficult internal political struggles over this issue, I feel quite confident that we can jointly find a solution in keeping with your three points, satisfy the requirements of the Shanghai Communique, and make possible reasonably rapid resolution of this issue. We are prepared to discuss this through the medium of Ambassador Woodcock here, with Ambassador Ch'ai Tse-min in Washington, or through any other direct form of negotiations that may be mutually convenient. Last and final sentence, given the fact that this issue in the United States tends to provoke emotions and controversy, it would be important at this stage particularly to maintain confidentiality about the negotiating process. I am grateful to you for listening to me with such patience, but we have covered a number of very important points.

Hua Kuo-feng: As for the question of keeping the negotiations confidential, it is quite all right with China. We have had a lot of discussion on the question of Sino-U.S. relations and during your present visit Vice Premier Teng also explained to you in great detail our views. We endorse an early negotiation and we also agree with you that Ambassador Woodcock, Chief of the U.S. Liaison Office, can conduct the negotiations. As for negotiations with the Soviet Union on the limitation of nuclear weapons, I think Foreign Minister Huang already expressed our attitude on this question. It is getting very late. I believe that at half past seven you will be giving a banquet. There is only ten minutes to go. Perhaps we should stop here.

Dr. Brzezinski: Thank you very much.

Hua Kuo-feng: I hope you will come again.

112. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, May 25, 1978

SUBJECT

Appraisal of the China Trip

Overview

The China trip met the objectives we had intended. Without question, we leave China with a substantially better relationship than existed prior to your three days in Peking.² The better climate was created, in part, through your presentations and toasts. But perhaps more importantly, you generated an improved atmosphere by arousing Chinese expectations of movement on normalization and of American resolve in dealing with the Soviet Union. To sustain this improved atmosphere, therefore, will require careful attention to what we

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 5/16–31/78. Secret; Sensitive. Sent for information.

² Someone, probably Brzezinski, made several marginal notations on the memorandum as noted in footnotes below. The first two sentences of this paragraph are bracketed with a checkmark next to the bracket. For memoranda of conversation of Brzezinski's meetings in Beijing, see Documents 108–111.

say about our relations with China, a carefully considered and forthcoming Woodcock presentation in June, and a realistically tough-minded policy toward the Soviet Union.

Chinese Impressions of You

One of our major objectives was to give the Chinese some exposure to you and your views, and thereby to inform them of the quality of a man whose policy preferences are of great consequence to them. You made a favorable impression simply by being yourself. The Chinese admire people who think strategically and conceptually, and you clearly demonstrated those qualities. Through your strong defense of our Korean policy and through persistence in seeking to rebut their statement concerning “If the President makes up his mind,” you demonstrated an inner toughness and willingness to defend your views. The nature of your presentation also conveyed to them that you have an open and precise mind. Your youthful spirit and zest for life runs counter to disciplined, tempered Chinese mannerisms, but are characteristics which the Chinese admire in Americans—precisely because of their absence among Chinese. They know innovation flows from enthusiasm.

On the negative side, by no means outweighing the positive side, I suspect you came across as somewhat vain, perhaps overly confident, and somewhat prone to verbosity.

Cy behaved with greater dignity than you, but his bemusement with the Chinese was also evident. What the Chinese most appreciated, I think, is that you clearly take them seriously. You established the basis for a long-term, rewarding relationship with the Chinese. You were totally convincing in your respect for them.

World Affairs

I was particularly impressed by these aspects of your discussions on world affairs:

—As you, I was struck by the strong convergence of views about the major source of instability in the world today: the Soviet Union.³ There is utility in stressing publicly this fundamental convergence of views. But we must harbor no private illusion that the Chinese see this convergence as enduring. Indeed, I was even more struck on this trip than in August with the Chinese determination to remain an independent force in world affairs and to join us only superficially to counter the Soviet threat. We fully wish to cooperate with China as equals in the creation of a pluralistic world order. The Chinese believe

³ The first sentence of this paragraph is bracketed with a checkmark next to the bracket.

the quest for a world order is quixotic. They wish to position themselves, as in a horse race, so that our strength ebbs—which they see as inevitable—and as Soviet power peaks, they will be in a position to surge forward.

Hence, I caution against becoming overly exuberant about the potentialities of the Sino-American relationship. Our approach should be to enmesh the Chinese in the maintenance of the global equilibrium, so that their own interests and aspirations will gradually change. At the same time, we must be aware that our capacity to alter the Chinese world view—rooted as it is so deeply in Chinese tradition—is likely to prove only marginally effective.⁴

—I was also struck that the Chinese were much more relaxed about American resolve vis-a-vis the Soviets this time than they had been in August. I had anticipated that a major objective of the Chinese would be to lecture us and to scorn our weakness. They did not. Fortunately, our actions in Zaire provided a decisive backdrop for your visit, and the evolving situation in Afghanistan remained sufficiently murky⁵ that the Chinese could not dwell on this issue. At the same time, the forthcomingness of your position and the graphic description of the new weapons we will be deploying discouraged any efforts to lecture. However, you established a standard against which future American actions will be evaluated that may be hard to attain.

—It is clear that the areas of overlapping interest are in Europe and what we call the Third World. Neither of us has an adequate strategy for preventing Soviet meddling, and we both recognize our inadequacies. I continue to believe that we should expand and deepen our consultations on Third World problems. In particular, I would recommend that the State Department, the Defense Department, [*less than 1 line not declassified*] develop more extensive contacts with the Liaison Office for briefing purposes on matters of mutual concern. And we should encourage Woodcock to seek similar consultations in Peking. In fact, in your thank you letters to Hua, Teng, and Huang, which I will draft, you might wish to mention this point.⁶

—As to discussion of regional problems, I was particularly struck by these considerations:

⁴ This paragraph is bracketed with a checkmark next to the bracket.

⁵ The first half of this paragraph, which is at the bottom of the second page, is bracketed with a checkmark next to the bracket.

⁶ Next to the second half of this paragraph is a line and an arrow, and someone wrote in the margin, "Action list." Brzezinski's thank-you letters to Hua, Teng, and Huang were transmitted in telegram 144589 to Beijing, June 7. (National Archives, RG 59, Central Foreign Policy File, D780239–0132)

- *Korea.* Both sides have an underlying interest in stability, but for different reasons, each of us must provide reassurances to our adversarial allies. China still competes with the Soviets for influence in North Korea, while we must reassure the South in part to comfort Japan. As a result, the real differences between us at this point are less than the rhetoric suggests. But we harm the Chinese cause by saying this. Hence, in our public statements, it is best to ignore the genuine commonality of our views.

- *Southeast Asia.* The Chinese concern about Vietnam is extremely great, certainly much more than I had anticipated. China now faces threats both to its south and its north. This helps establish the basis for an accommodation on normalization, for the Chinese hardly wish to face a security threat on three sides, and they appreciate the restraining role we play in Taiwan. The Chinese concern, I think, should lead us to stop saying that we wish to normalize relations with Vietnam. State should be instructed to delete this sentence from its standard descriptions of U.S. policy in Southeast Asia.⁷

- *South Asia.* Our interests in this region almost totally coincide. As followup to your visit, perhaps when Desai visits Washington, we should strongly encourage him to dispatch his Foreign Minister to Peking; Indian reluctance to do so can be largely attributed to fears of offending Moscow. We should also fully involve the PRC in our consultations with Pakistan and Iran concerning Afghanistan.

- *Africa.* Chinese lecturing on Africa was less harsh than I had expected. On the other hand, I was disappointed by the Chinese unwillingness to respond to specific questions about their relations with Somalis and with the relevant parties in southern Africa. I believe the inadequacy of the discussion partly grows out of Chinese impotence in Africa; they simply have no power to project into the region and they know it. In addition, because of your own style of presentation, the Chinese realized that if they lectured to us, you would come right back with suggestions as to what they could do.

- *Mid-East.* I am concerned about your presentation on the PRC-Saudi links. The only thing that will let you off the hook is that the Chinese are unlikely to do anything with the Israelis, and you can always say that what was implied was reciprocal moves toward our respective allies.

—The difference between your presentation and Vance's was, of course, strikingly great. You have given the Chinese a stake in your own political success in the U.S. By so doing, I suspect you have be-

⁷ The last two sentences of this paragraph are bracketed with a checkmark next to the bracket.

come their preferred interlocutor, and if any parallel actions are to be secured from them in world affairs or if any concessions are to be extracted from them concerning normalization, they clearly will prefer to give you the credit for it. While the Chinese will seek to play upon your differences with Cy to benefit both you and them, do not consider this a personal triumph. Do not think you have gained any “credit” in Peking. They will use you, and cast you aside when you no longer suit their pleasure.

Normalization

While we must continue to say that your trip was not a negotiating one, the fact is to the contrary. However, you were able to achieve progress precisely because it was called “non-negotiation.” The Chinese negotiate best when the illusion is created that everyone is sticking firmly to their principles. Here are the highlights of the discussion—though we must not call the results “progress.”⁸

—The Chinese demonstrated greater eagerness to move forward on normalization, and indeed implied a certain impatience with our sluggish response to Hua’s cryptic message to Carter of last November.⁹

—More clearly than before, the Chinese link their willingness to cooperate with us in security matters with normalization.

—Hua’s and Teng’s presentation tacitly revealed that the Chinese understand and accept that we intend to sustain an arms sales relationship with Taipei after normalization. This is a major step forward in the unfolding of the Chinese position. When you study Hua’s and Teng’s remarks, you must look at this section extremely closely. Upon reading the transcripts, I did not find the differences between Hua and Teng as striking as we had initially thought. Hua’s remarks elaborated upon Teng’s remarks in a carefully orchestrated sequence. You elicited the sequence through your own brilliant and subtle presentation concerning a “historically transitional era.”¹⁰

—In effect, the Chinese offered as a choice if we wish normalization at this point—either to continue arms sales to Taiwan with no Chinese statement on peaceful resolution of the Taiwan issue, or no further U.S. arms sales coupled with a Chinese declaration of peaceful intent. I believe that there is still some give on the Chinese position concerning the nature of their unilateral statements, should we go the “arms sales” route. That is, we may be able to negotiate over the type and quantity of

⁸ This paragraph is bracketed with a checkmark next to the bracket.

⁹ This paragraph is bracketed with a checkmark next to the bracket. Regarding the November message, see footnote 7, Document 111.

¹⁰ This paragraph and the one below are bracketed with arrows next to the bracket.

weapons we will sell to Taiwan, in exchange for some indication of restraint on their part.

—Since your discussions moved the dialogue significantly further than we had anticipated, we must now rethink the nature of Woodcock's presentation. In order to sustain the momentum, he cannot simply restate what you have already covered. My own suggestion is that he should table a draft communique while setting out the same formulation that you had outlined in Peking.¹¹

—During the very sensitive period into which we are entering, our public statements on normalization must be meticulously crafted. You must make absolutely certain that the President understands the subtleties of the situation and is prepared to use the right rhetoric. The kinds of indiscretions that have occurred concerning the Middle East probably cannot be tolerated in the China discussions. I will do a memorandum summarizing the formula to which the President must rigorously adhere.¹²

Bilaterals

The Chinese are ready for expanded economic and cultural contacts. Huberman's conversations give rise to some optimism, again as long as we stress that in the absence of normalization we recognize these contacts will be limited. I am confident that a Frank Press visit will take place.

The Chinese Domestic Scene

The Hua–Teng Relationship: Differences in style and emphases were evident. Perhaps most significantly, Teng referred to Mao but once or twice, while Hua referred to Mao repeatedly, as if to demonstrate his intimate relationship with the late Chairman. Neither did Teng refer to Hua, although Hua approvingly referred to Teng's conversations with you on several occasions. Teng projects confidence and toughness. He rarely consults with his aides, while Hua on several occasions consulted with Huang Hua and Wang Hai-jung.

Yet, I did not feel these differences suggest a tension-ridden relationship. For the time being, at least, the two together provide an adequate and even strong leadership team—Teng, the asskicker, and Hua, the reconciler.

Hua was more impressive than I had anticipated. Nothing I have read about him or written about him adequately captures the man. Either consciously or because of innate qualities, he has some of the

¹¹ The last two sentences of this paragraph are bracketed with an arrow next to the bracket.

¹² This paragraph is bracketed with two checkmarks next to the bracket.

bearing that a Chinese emperor is supposed to possess. In our society, these qualities are judged effeminate—softspokenness, delicate mannerisms, a relaxation and slowness in his personal movements which suggests an inner serenity of mind. He very much sought to be gracious toward you and to observe propriety. In short, Hua has many of the mannerisms of a Confucian gentleman.¹³

But in a quiet way, he also revealed his inner toughness, a self-awareness of the position he holds, and the dignity that the office bestows upon him.

He had been well briefed for his meeting with you, and handled his brief impressively. Clearly, his dwelling on foreign affairs exclusively was a deliberate Chinese effort to add to his authority in our eyes. This is an important consideration, for it now appears that the normalization agreement will have to have his imprimatur. Teng may help to write Hua's script, but Hua will have to be willing to enunciate it.

In short, I sense the Hua–Teng relationship to be more collaborative and complementary than competitive, with each possessing skills, traits, and resources the other lacks. We should not assume that Teng is in charge. We are dealing with a duumvirate.

The Chinese Domestic Scene

Three days in China on an official delegation does not afford much contact with the society. However, I did walk in the neighborhoods surrounding the Guest House from 5:30 or 6:00 a.m. to about 7:15 a.m. every morning. These strolls reminded me once again of China's poverty and the drabness of life in Peking. And one must remember that Peking and Shanghai are by far the wealthiest localities in China with the highest standards of living in the country.

The single most striking aspect of Peking was the absence of slogans pasted or painted all over town. "De-Maoification" is proceeding in a gradual but persistent manner.

Yet, my morning walks did not yield a sense that China had entered an era of genuine political stability. Politics in China's totalitarian society has been the major vehicle through which the populace can act out their inevitable emotional tensions. The periods of political turmoil during the past decade—the Red Guards, the criticism of Lin, the smashing of the "Gang of Four," and so on—provided opportunities for emotional release in a society which lacks opportunities for people to express their frustrations in private ways—through sports, attending the theatre, reading, and so on.

¹³ The last three sentences of this paragraph are bracketed with a checkmark next to the bracket.

Frustrations continue to accumulate in China today, and if the leadership ever falters or becomes divided, there will be ample tinder to spark another era of turbulence. China's entry into the modern world has been a convulsive one—periods of tranquility and growth punctuated by periods of social ferment and unrest. My morning walks convinced me the convulsive quality of China will persist.

The foreign policy implication of this insight is that the U.S. cannot place great reliance upon China even for the maintenance of stability in East Asia. While a strong and secure China is in our interest, I continue to harbor doubts as to the extent to which China ever really will become genuinely secure and strong.

113. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 25, 1978

SUBJECT

Report on My China Visit (May 20–23)

Overview

1. My trip to China had four objectives: (1) to deepen our consultations on strategic matters of common concern and, where possible, to make our separate actions in such places as the Horn, southern Africa, South and Southeast Asia, and Japan mutually reinforcing; (2) to expand our cultural and economic ties; (3) to set the stage for Woodcock's June presentations; (4) to acquire a personal feel for Chinese leaders. I think the trip was productive in all four realms.

Global Consultations

2. The Chinese recognize the strategic importance of their relationship with us, and they were somewhat reassured by my presentation on our strategic objectives, on our military strength, and on our willingness and ability to compete with the Soviet Union.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Brzezinski, May, 1978, Trip: 5/25/78–6/78. Top Secret; Sensitive. A handwritten "C" at the top of the page indicates Carter saw the memorandum.

3. Their hostility toward the Soviet Union remains particularly striking. They consider Moscow to be the major source of instability in the world today. There is utility in stressing publicly this fundamental convergence of views.

4. I was struck that the Chinese were more relaxed about American resolve vis-a-vis the Soviets this time than they had been in August. I had anticipated that a major objective of the Chinese would be to lecture us and to scorn our weakness. They did not. Fortunately, our actions in Zaire provided a reassuring backdrop for my visit.

5. I stressed to them a central point: that we seek to create a pluralistic world order and that we are historically confident that such an order can be created. Hence, our approach toward China is not based on tactical expediency nor is it motivated purely by anti-Soviet design. Rather, it reflects an enduring commitment. Hua Kuo-feng in particular listened closely to this presentation, asked a couple clarifying questions, and agreed with this view.

6. Our approach should be to enmesh the Chinese in the maintenance of the global equilibrium, so that their own interests and aspirations could gradually change. At the same time, we must be aware that our capacity to alter the Chinese world view—rooted as it is so deeply in Chinese tradition—is likely to prove only partially effective.

7. In their conversations with me, the Chinese were not particularly condescending and did not accuse us of appeasement. That was new. The only real area of professed disagreement was Korea, where they claimed to favor a total U.S. withdrawal. I rejected this outright. Chairman Hua conveyed to me, however, North Korean assurances that there will not be a North Korean attack against the South. In thanking him for it, I pointedly referred to the assurance as involving no repetition of the North Korean attack—a point not lost on my hosts but also not contested.²

8. The Chinese were clearly preoccupied with the situation in Indochina. They specifically referred to it as a Soviet-backed design to establish pro-Soviet hegemony. With a hostile Vietnam to their south, China now faces adversaries both to its south and its north. The Chinese concern, I think, should lead us to stop saying that we wish to normalize relations with Vietnam. State should be instructed to delete this sentence from its standard descriptions of U.S. policy in Southeast Asia.

9. They were scathing in their condemnation of the Cuban role in Africa, responsive to my suggestions that the Cubans be exposed in the nonaligned movement and approving of our reaction in Zaire.

² See Document 111.

10. In the course of my global overview, I presented a detailed case for SALT.³ There was subsequently no criticism of SALT as appeasement. I also gave the Chinese a glimpse of our new weapons technology (with specific examples) as part of the argument that we are not weaker than the Soviets. They listened open-mouthed. Finally, I told them outright that their descriptions of the United States as weak and as appeasing are “objectively” helpful to the Soviets.

11. We were able to have constructive talks on the normalization issue in part precisely because the discussions were called “nonnegotiations.” The Chinese negotiate best when the illusion is created that everyone is sticking firmly to their principles. The highlights of the discussion included these points, though we must not call the results “progress:”

—The Chinese demonstrated greater eagerness to move forward on normalization, and indeed implied a certain impatience with our sluggish follow-up to Woodcock’s last presentation in Peking in November.⁴

—More clearly than before, the Chinese linked normalization to their willingness to cooperate with us in matters of common strategic concern.

—Teng hinted at understanding of our need for a non-contradicted statement regarding peaceful reunification of Taiwan. But both he and Hua rejected any American demand concerning Chinese statements of intent toward Taiwan as an effort to infringe on Chinese sovereignty.

—Both Hua and Teng understood that we would, as Teng put it, retain a full range of commercial relations with Taiwan. Hua tacitly indicated he understood this to mean arms sales. This is the first concrete indication we have that the Chinese at least understand the kind of relationship we would like to have with Taiwan after normalization.

12. In effect, the Chinese appear ready to offer us a choice if we wish normalization at this point—either to continue arms sales to Taiwan after normalization without receiving a Chinese statement indicating their intent to resolve the Taiwan issue peacefully, or no further U.S. arms sales coupled with a Chinese declaration of peaceful intent. As Hua put it, for us to sell arms and request China to commit itself to peaceful resolution of the issue would clearly lead to a “two China solution.”

13. I believe there may still be some give on the Chinese position concerning their unilateral statements, should we decide to select the

³ See Document 108.

⁴ See footnote 7, Document 111.

“arms sales” choice. That is, we may be able to negotiate with the Chinese over the quantity and type of weapons we will sell to Taiwan after normalization, in exchange for some indication of restraint on their part. But this part of the negotiations will have to be handled at the highest levels and done so by indirection.⁵

14. Since my discussions moved the normalization dialogue further than we had anticipated, in order to sustain momentum, Woodcock will not be able simply to restate what I have already covered. Perhaps the time has come to table a draft normalization communique while edging into the hardcore problems.

15. During the very sensitive period into which we are now entering, our public statements on normalization must be meticulously crafted. Our statements must take into account the subtleties of the situation. I will have a memorandum for you tomorrow summarizing the formulas to which we all should rigorously adhere.⁶

Cultural and Economic Exchanges

16. The Chinese appear ready for expanded economic and cultural contacts. I propose various steps in this regard: Cabinet visits, a Frank Press delegation (already approved by you) and exchanges of trade and military delegations. These issues will be pursued via our respective Liaison Offices.

The Chinese Leadership

17. There may be some differences of view between Hua and Teng on normalization. I felt some personal urgency with Teng, perhaps because he is 74 and nearing the end of his political career. He curiously mentioned twice that he only had three years left in office. In contrast, Hua was less inclined to hint at the need for rapid movement. While Teng appeared blunt and forthright, Hua seemed more gentle and indirect.

18. Either consciously or because of his innate qualities, Hua has the bearing that a Chinese emperor is supposed to possess. In our society, these qualities are judged somewhat effeminate—softspokenness, delicate mannerisms, a relaxation and gracefulness in personal movement which suggests an inner serenity of mind. Yet, he was self-assured and engaged in a masterful overview of the global situation without recourse to a single note, quoting at times verbatim from my earlier remarks to Teng and Huang.

⁵ Carter underlined the word “indirection.”

⁶ Not further identified.

Conclusion

19. We are dealing with a capable and tough Chinese leadership but one which seems ready to do business with us. To sustain an improved atmosphere in Sino-American relations will require careful attention to what we say about our relations with China during the coming months, a carefully considered and forthcoming Woodcock presentation in June, and a continued, prudent demonstration of American strength and will in the world today.

20. You should take 30 minutes to scan the protocols of my talks with Teng and Hua—they will give you the needed feel for two major statesmen. (I omit my exchanges with Huang, to whom I made a 3½ hour long presentation of your policies.)⁷

21. I also attach a letter to you from Woodcock.⁸ Finally, your gift to Hua was much appreciated.

⁷ See Document 108.

⁸ Woodcock's handwritten letter, May 23, is attached but not printed. In it, he noted, "The possibility of full normalization was a major element in the meeting with Vice-Premier Teng Hsiao-ping [see Document 110]. To my mind, it was expressed clearly that the Chinese accept that 'full commercial relations' include arms sales as necessary. This cannot, of course, be specifically articulated." Carter initialed the letter at the top of the page.

114. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, May 30, 1978, 0352Z

3352. For Assistant Secretary Holbrooke From Unger.

1. Monday morning May 29 as soon as President Chiang had returned from his regular week-end trip outside Taipei he received me in Presidential Palace; President's secretary James Soong, who translated CCK's comment also present.

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780225-0434. Confidential; Priority; Exdis. Repeated to Beijing.

2. I presented your report on Brzezinski trip using contents reftel, also citing some of pertinent points contained two dinner toasts.² (I left full texts those toasts with CCK.) Re military purchases, President did not raise matter and I did not mention. I said you would also be giving Ambassador Shen report some time this week.

3. When I had finished report CCK inquired whether there had been any specific developments on normalization—any forward steps? I replied I had seen no evidence of such; our intention to normalize was reaffirmed but I believed specifics had received no detailed discussion, nor was there any negotiation on specific issues.

4. President then made five points, noting they were his views which he wished to put forward after hearing my report:

A. Through Ambassador Shen the GROC had already made known to U.S. its deep concern over the Brzezinski visit but CCK asked me to convey this once more; Washington must realize seriousness of GROC views on this matter. (Comment: This comment no doubt refers to GROC basic objection to our treating once more with PRC, especially at high level, and by inference, our continuing intention to normalize);

B. Nevertheless the policy of the GROC and of President Chiang toward the US will not change, as CCK made clear in his inaugural address (ref: Taipei 3144)³ and as he wished to state to me specifically on this occasion;

C. The GROC policy vis-à-vis Chinese Communists remains and will remain unchanged; the former will continue to work hard with free Chinese everywhere to achieve the reunification of China and freedom for all Chinese people (including all on Mainland);

D. The President recognizes the US Government has repeatedly told him and his government that in the process of normalizing relations with the Chinese Communists the US will show its concern also for the welfare and security of the people of Taiwan, and this is understood; in fact this statement is contradictory in that in normalizing relations with the Chinese Communists the US does great harm to the ROC

² Telegram 135913 to Taipei, May 27, contains Unger's instructions for his meeting with Jiang. (National Archives, RG 59, Central Foreign Policy File, D780224-0116) Regarding the toast at the May 20 banquet, see footnote 11, Document 108. Brzezinski's toast at the May 23 farewell banquet was reported in Fox Butterfield, "Brzezinski in China: The Stress was on Common Concerns," *The New York Times*, May 24, 1978, p. A2.

³ Telegram 3144 from Taipei, May 20, commented on Jiang's inaugural address in which he "emphasized the need to enlarge scope of constitutional rule, broaden political participation, and safeguard human rights, but gave no hint of possible amnesty." He also "reaffirmed in standard terms GROC's basic policies: self-reliance, no negotiation or compromise with 'Communist enemy' (which includes USSR as well as PRC), and opposition to normalization." (National Archives, RG 59, Central Foreign Policy File, D780212-0552)

and it is an action detrimental to ROC interests; the contact of the US with the PRC “has and will hurt us very much”;

E. (Nevertheless) the ROC is an ally of the US, situated in the Asian and Pacific region and dedicated to contributing to peace and security in this part of the world.

5. I acknowledged the important differences in our two views and explained again briefly the importance we attach, especially in a world context, of establishing effective relations with the PRC. I mentioned as my own personal speculation that in the months ahead Washington will be studying actively its relations with the PRC and probably beginning to think more concretely about the normalization process and possibly about a timetable for such. In this connection I invited the President to raise any matter which he or a designated representative would wish to discuss with us as a purely preliminary exploration.

6. President Chiang reiterated that his government’s assessment of the PRC regime is fundamentally different from ours and we must recognize this basic divergence; he said his government’s position is firm that normalization will cause great damage to the ROC. Thus when we talk about future relations this is based on the present close and friendly relations and a continuation and an enhancement of those; beyond those, the President said he wished to state clearly, there is nothing to discuss. CCK then reiterated that he hopes the US will realize that although we have differing views, as friends and allies we have significant common interests which can be maintained and will continue to provide a basis for friendly relations, beneficial to us both. He urged that the USG take careful note.

7. I replied that at present we also wished to continue working together in the present context of our relations; moreover we wished to continue close relations between us even though there may have to be important changes in the relationship.

8. Comment: I believe that President Chiang may have intended to signal to us, once he had reiterated the formal GROC position and their total objection to normalization, that he hopes we will proceed with normalization in such a way as to leave the ROC room to continue with us something like the kind of relations we have enjoyed in recent years. What such an arrangement could be is something which I presume neither we nor, I believe, the GROC is prepared at the present time to explore, but I don’t believe anything CCK said should cause us to set aside our assessment that it will be his intention following normalization, however bitter that pill, to continue as close a relation with the USG as we will permit.

9. Note: I have just seen State's 135627 (Notal)⁴ which arrived too late for use in connection with my call on President.

Unger

⁴Telegram 135627 to Taipei, May 27, described Holbrooke's meeting with Ray Cline, former Director of the Bureau of Intelligence and Research, who was about to depart for Korea and Taiwan. (National Archives, RG 59, Central Foreign Policy File, P840128–2363)

115. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, May 31, 1978, 0043Z

136991. Subject: Briefing Ambassador Shen on Brzezinski Visit. Reference: (A) State 135913, (B) Taipei 3352.²

1. Asst Sec Holbrooke briefed ROC Ambassador Shen May 30 on Brzezinski trip along lines set forth Ref A. Unfortunately meeting was curtailed by Holbrooke's having to attend meeting in Deputy Secretary's office. This plus fact that Shen's car had been diverted to 21st Street entrance by NATO Summit, leading to confusion in escort arrangements, put Shen in even feistier mood than usual and could well color report he sends home.

2. Holbrooke emphasized that discussion of global issues, constituting 90 percent of Peking conversations, had enhanced US–PRC relations by demonstrating the two sides had common interests in many areas of the world; nevertheless there were no negotiations on subject of normalization and nothing said or done in Peking in any way jeopardized peace or prosperity of Taiwan or its ability to maintain necessary contacts with US. Shen said it sounded to him as though US had simply agreed to PRC three conditions and all that remained to be worked out was normalization date; was this true? Holbrooke reiterated there had been no negotiations on normalization, nor was any timetable for negotiation discussed. He underscored that US, as it had

¹Source: National Archives, RG 59, Central Foreign Policy File, D780226–0746. Confidential; Priority; Exdis. Drafted by Feldman, cleared by Thayer (EA/PRCM) and Gleysten (EA), and approved by Holbrooke. Repeated to Beijing.

²Telegram 3352 to Taipei is Document 114. For telegram 135913, see footnote 2 thereto.

done in past, would keep ROC informed. Certainly the atmosphere in US–PRC relations had been improved by the trip but this was because of congruent views on many global issues, especially Africa.

3. Shen inquired about Japanese press reports of US agreement to sell military items to PRC and Holbrooke denied any truth to these reports. In conclusion, Shen asked if he would be correct in reporting that full normalization was now well on the way. Holbrooke replied that normalization has been and remains the goal of the administration, but it would be quite incorrect to say that the process had taken any dramatic turn as a result of the discussions in Peking; in any case, US will continue to act deliberately and responsibly.

Vance

116. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, May 31, 1978

SUBJECT

Secretary Vance's Meeting with PRC Foreign Minister Huang Hua, June 2, 1978

Cy meets with PRC Foreign Minister Huang Hua on June 2. His agenda will cover Zaire (Huang will be visiting Africa upon his departure from New York), SALT, the contemplated Frank Press visit, and normalization.

Cy wishes to be able to inform Huang of your reaction to my discussions in Peking. I propose that we request Cy to say something roughly along the following lines, although I would welcome your own words to convey to the Chinese more accurately your views:

The President reviewed the record of Dr. Brzezinski's conversations with your leaders. He has asked me to inform you that as a result of the candid discussions on international affairs, he will be better able to take into account your views on the many issues where we have common concerns. He hopes that our actions in these areas will be mu-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 6–8/78. Secret; Sensitive; Eyes Only; Outside the System. Sent for action. The date is handwritten. A handwritten "C" at the top of the page indicates Carter saw the memorandum.

tually reinforcing in the months ahead. The President also hopes that the commercial and cultural dimensions of our relations will expand in the months ahead, particularly since he believes that an expanded and deepened relationship in the cultural and economic spheres contributes to the normalization process. The President also feels that the conversations on normalization were constructive and revealed that the time is opportune to explore the practicalities of normalization on the basis of the Shanghai Communique. Accordingly, as Dr. Brzezinski indicated to you, acting on instructions from the President and myself, Ambassador Woodcock will be in contact with you later this month to initiate confidential discussions with you on normalization.²

In sum, the President thanks you for the courtesy you showed to his emissary, Dr. Brzezinski, and he feels that the discussions were positive and enhanced the normalization process.

Recommendation:

That you approve the above statement for Vance to deliver to Huang Hua.³

Alternatively, that you approve the statement, as amended by you.

² Carter wrote, "OK" in the left margin next to this paragraph.

³ Carter checked the Approve option under this first recommendation.

June–December 1978

117. Memorandum of Conversation¹

New York, June 2, 1978, 10:55–11:55 p.m.

SUBJECT

Secretary's Meeting with PRC Foreign Minister Huang

PARTICIPANTS

U.S.

The Secretary
Richard Holbrooke,
Assistant Secretary, EA
Michel Oksenberg, NSC Staff
Harry Thayer, Director, EA/
PRCM (Notetaker)

PRC

Foreign Minister Huang Hua
Ambassador Chen Chu,
Permanent Representative to
the U.N.
Counselor Chou Nan, PRC
U.N. Mission
Hu Chuan-chung (Interpreter)

(The Secretary met the Chinese party at the 37th floor elevator, conducting them directly into the sitting room. The Secretary apologized for the delay in his arrival in New York.)

The Secretary: I have a message from the President. He has asked me to tell you that he has reviewed the record of Dr. Brzezinski's conversations with your leaders.²

He has asked me to inform you that, as a result of the full discussions with your leaders on international affairs, he will be better able to take into account your views on the many issues where we have common concerns. He hopes that our actions in these areas will be mutually reinforcing in the months ahead.

The President also hopes that the commercial and cultural dimensions of our relations will expand in the months ahead, particularly since he believes that an expanded and deepened relationship in the cultural and economic sphere contributes to the normalization process.

The President also feels that the conversations on normalization were constructive and revealed that the time is opportune to explore further the practicalities of normalization on the basis of the Shanghai Communiqué.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 6–9/78. Secret; Nodis. Drafted by Thayer. The meeting took place in the UN Plaza Hotel.

² See Documents 108–111.

Accordingly, Ambassador Woodcock will be in contact with you later this month to initiate confidential discussions with you on normalization.

In sum, the President thanks you for the courtesy you showed to Dr. Brzezinski, and he feels that the discussions were positive and enhanced our relationship.

Minister Huang: What questions will Mr. Woodcock be covering?

The Secretary: He'll be covering the whole subject of normalization.

Minister Huang: Can you say anything more specific?

The Secretary: We will be sending instructions. We will be getting them out to Ambassador Woodcock in the next week or ten days.

Minister Huang: We welcomed the opportunity to have an exchange of views on questions of common interest during Dr. Brzezinski's visit. Apart from talks between Dr. Brzezinski and myself, Dr. Brzezinski also met Vice Premier Teng Hsiao-ping and Premier Hua. Through these talks, we feel the discussions were beneficial to the two sides; it was useful for the two sides to understand each other's point of view. I took part in all the talks directly and so there is no need to repeat them here.

The Secretary: Yes, I have read full and detailed reports of all the conversations very carefully.

Minister Huang: In a dinner hosted by Vice Premier Teng in Bei Hai Park they conducted very interesting conversations. Vice Premier Teng said that in another three years he may declare his retirement, as he is getting advanced in age. With regard to the invitation extended by Dr. Brzezinski for the Vice Premier to make a visit to the United States, the Vice Premier said: In that case we must work harder, since I am getting old; now, however, you still maintain a Chiang Kai-shek Embassy in the United States.

The Secretary: We'll be getting our conversations with the Foreign Minister underway shortly.

Minister Huang: Dr. Brzezinski raised the question of visits by U.S. delegations to China led by Dr. Schlesinger and by the President's Science Adviser, Dr. Press. Because I left Peking only two days after the meetings with Dr. Brzezinski, I was not able to consult with the departments concerned, so I am not in a position to give a reply. In any case, we shall study it before giving a response.

The Secretary: Fine. I think that visits by Dr. Schlesinger and by Dr. Press and other distinguished scientists would be very useful and productive in the relations between our two countries.

Minister Huang: You are probably aware that we have an ambitious plan for the next 22 years: modernization of agriculture, industry,

science and technology and national defense. We only have 22 years left. The present situation is this: we still are 15 or 20 years behind scientifically advanced countries in scientific knowledge; we still have to make very great efforts before we can bridge the gap and catch up.

We shall be guided first of all by Chairman Mao's principle of self-reliance, by relying on the wisdom and on the diligence of the entire Chinese people to bring about the four modernizations. On the other hand, we are also ready and willing to learn from other countries all good things on the basis of mutual benefit without harming our national sovereignty.

The Secretary: That's why I think it might be (Minister Huang indicates he wants to continue). Excuse me!

Minister Huang: Here I wish to make one point very clear. As long as the two sides abide scrupulously by the principles of the Shanghai Communique and you do not dabble in two China's, one China and one Taiwan, I'm sure the relationship between the two countries can further expand. But in the absence of normalization of relations between the two countries there are bound to be limitations on the cooperation between our two countries. Before normalization is realized, your side is bound to put limitations, and many facts prove my point. You still consider China a hostile country. I am talking about substance, not labels. So, in this respect, there really is a difference between normalized relations and non-normalized relations.

The Secretary: Could I respond very briefly? First, let me say there should be no doubt that our conduct is based on the principles of the Shanghai Communique. I have said this is so. The President has said it. I'll repeat it today. There should be no question about it. Secondly, I would not agree that we regard the People's Republic as a hostile country. We believe that although there may be differences on some issues between us we have many areas where we have common views and objectives, and we have many common interests. And we hope that consultations, exchanges, discussions—all will lead to more and more common ground between our two countries.

Minister Huang: When Dr. Brzezinski was in Peking, he also reiterated the U.S. commitment to the Shanghai Communique. He also reaffirmed that you will continue to carry out the commitments of the two previous Administrations.

The Secretary: That is true.

Minister Huang: We welcome all this. On international affairs, the two sides in Peking had extensive exchanges of views. We reiterate what Chairman Mao once told Dr. Kissinger: that as far as we have broad common objectives, neither of us should try to harm each other, and we both should seek to fix that SOB (in English). We also criticized

some of the approaches adopted by your side towards the Soviet Union. To sum up, we call it “appeasement”.

The Secretary: Yes. I read the transcript.

Minister Huang: If this appeasement policy is allowed to further develop, it cannot but harm the basis of the Shanghai Communiqué. Dr. Brzezinski in Peking emphasized on many occasions that President Carter has decided to bring about normalization between our two countries. If that is the case, that is very good. (Mr. Oksenberg corrected the interpreter’s omission of the word “if”.)

The Secretary: Mr. Minister, I understand you are going to Kinshasa on the way home.

Minister Huang: Yes, I am going via Paris, where I’ll change planes for Kinshasa. The visit was planned several days before the invasion (of Shaba) happened. It is a helpful coincidence (confusion in interpreting, after which Huang said in English:) I should say that it is very good I am going to make the trip now. (laughter)

The Secretary: I’m glad too.

Minister Huang: You should go also, (The Secretary: I may.) but I doubt you will—you may be apprehensive of offending the Soviet Union.

The Secretary: Let me comment on the situation. First, the Soviets and the Cubans knew about the invasion beforehand. We have stated this publicly. The President has made this clear. I have made this clear, and this is our conviction.

With respect to the actions on the ground in Zaire, we have indicated to President Mobutu that we will help both with short-term economic assistance as needed and also with security as needed in the Shaba region. In dealing with the security problem, I can inform you that on Saturday we will be sending aircraft into Morocco to pick up Moroccan troops which we will then fly into the Shaba region. This will be the first element of an African security force. The current plans are that the commander of the African forces will be Moroccans. There will be elements from other African countries which will be added to the core of Moroccan troops. We will be picking them up and delivering them to Shaba when they are prepared to move.

Minister Huang: How many?

The Secretary: We are talking of 1,000. There are now 100 on the ground. These are advance elements. What we are talking about will be a substantially larger force than is currently there.

Minister Huang: What other Africans have promised troops?

The Secretary: I understand that Togo has promised. There is a possibility that the Ivory Coast might send a small contingent, and discussions are taking place with others at this very moment.

Minister Huang: What about English speaking countries?

The Secretary: None now, but I don't rule out that the French will be moving out most of their troops, to be replaced by pan-African troops.

We are meeting in Paris on Monday. We, the French, the Belgians, the Germans and the English. The purpose of the meeting is two-fold.

First, we will do the preparatory work for the economic conference in Brussels on the 13th and 14th. The second purpose will be to discuss security problems further; what more needs to be done to assure that the technical personnel required to run the mines will have the security required to permit them to stay in the area. The meeting in Brussels will be expanded to include Zairians and others as well. That meeting will examine steps needed to get the Zaire economy running well. It is now in very bad condition. Western countries will provide financial and other assistance required to help them get their house in order. In addition, we will probably need support from some international organizations such as the International Monetary Fund. The leadership on the economic side will be by Belgium, supported by all the rest. There is a good spirit of cooperation. All recognize the need to do this and to do it fast, and you will find that President Mobutu welcomes this. On the military side, we have accelerated deliveries to Mobutu of a number of items of military assistance. He needs communications equipment, trucks and the like, and we are moving immediately to meet his needs.

Minister Huang: All of this is non-offensive equipment.

The Secretary: Last summer we delivered many tons of ammunition in advance to have it on the spot should something like this invasion happen. We had intelligence several months ago that something like this might occur. We felt it best to pre-position material should it occur.

How long do you plan to be there?

Minister Huang: Four days. The duration is very short. I plan to discuss in Zaire items of Chinese assistance and cooperation between our two countries. We are also ready to listen to President Mobutu's views on the region.

I wish to thank the Secretary of State for receiving me despite his very busy schedule.

I'm going to Kinshasa to fulfill what Dr. Brzezinski said: to make parallel efforts.

The Secretary: That's a good point. (Huang prepares to rise.) Do you have two minutes more?

We have been reviewing carefully the situation in Pakistan. I plan to meet this afternoon with Aga Shahi, Foreign Minister of Pakistan. At that time I plan to indicate to him that we think we can reinstitute the

flow of economic assistance and to increase it. In addition, we are prepared to review with Pakistan their military needs and give them assistance in that area as well. We held discussions last week. I told him of our concern. We agreed to meet again today to discuss it further. I know you agree on the need to strengthen that area. We will of course also reaffirm our commitments under the CENTO Treaty, to which Pakistan is a party.

Minister Huang: Following the pro-Soviet coup d'état in Afghanistan, Pakistan is facing a new situation. They are a little worried. Pakistan is one of your old allies. You should give Pakistan more assistance. We discussed that point in Peking. You have always given greater importance to India, slighting Pakistan.

The Secretary: We have friendly relations with both.

The Secretary: What should we say to the press? That we had an exchange of views on a number of international matters?

Minister Huang: We could say something like: we met briefly and had discussions on a number of questions of common concern.

(The Secretary escorted Minister Huang down the elevator and to the sidewalk where they posed for photographs and briefly answered questions.)

118. Memorandum From the Deputy Assistant Secretary of State for East Asian and Pacific Affairs (Gleysteen) to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, June 6, 1978

SUBJECT

Impressions of Your Trip to China

Dick Holbrooke told me you wanted a brief appraisal from me of your Peking visit. The following comments, which are necessarily impressionistic, are based on what I was able to see and hear and on one careful reading of the transcripts.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 29, Brzezinski 5/78 Trip to China: 6/1–6/78. Top Secret; Sensitive; Eyes Only.

General Assessment

Your visit was successful in that you were able to remind the Chinese that our relationship with them is important and capable of mutually-beneficial evolution. On normalization, you avoided formulations which might have risked a setback, and the discussions may have advanced our understanding.

As a strictly personal opinion, I should add that I myself would not have unveiled as boldly as you did—either to the Chinese or to the rest of the world—the full scope for development of the US–PRC relationship, including security cooperation. I think hints suffice for the Chinese and the Soviets. Moreover, I suspect the Chinese are not prepared at this stage of our relationship to be seen in an intimate embrace. I should also note that your repeated emphasis on the President’s “having made up his mind” may have created a credibility problem if we are not able, in fact, to carry through on normalization in the next few months.

Tone

Compared to the earlier Kissinger and Vance trips,² I would rate yours somewhat between the pre-1973 heyday and the low point of public quarreling in 1975. The Chinese treated you with courtesy, and I think, somewhat greater warmth than Secretary Vance. You will remember, however, that they treated Vance quite well while he was in Peking and only jumped on him after he left, apparently because of the way the Administration and the American press played the visit. In any event, the Chinese were obviously interested in what you had to say as well as in using you to influence the President.

Your Presentation

In general, you exposed the Chinese to a well-designed, comprehensive explanation of our overall foreign policy as well as specific policies region-by-region. You did not duck our differences with the Chinese on matters such as SALT and other efforts to reduce confrontation with the USSR. You kept the Chinese feet to the fire regarding the lack of effective Chinese actions against the Soviet Union in many parts of the world, our differences over Korea, and the unhelpfulness to our common cause from Chinese carping in public about our alleged weakness in the face of Soviet expansionism. You may have helped

² For Vance’s August 1977 trip to China, see Documents 47–52. For documentation on Kissinger’s trips to China in 1971 and 1972, see *Foreign Relations, 1969–1976*, vol. XVII, China, 1969–1972, and *Foreign Relations, 1969–1976*, vol. E–13, Documents on China, 1969–1972. Documentation on his 1975 visits to China is in *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976.

mute Chinese criticisms of us, and certainly forced the Chinese into a more careful and thoughtful exposition of their own policies.

There were certain overtones of your presentation which probably had a greater effect on the Chinese than your general defense of US policy. In the variety of ways available to you, you:

—implied clearly to the Chinese that there has been a shift in our global strategy since the Vance visit so that the competitive elements of our policy vis-a-vis the USSR now heavily overshadow the cooperative elements, and you identified yourself clearly with those who favor a concentrated, worldwide effort to counter the Soviets;

—stated that our common ground with the PRC is now far more important than our differences, in contrast to previous US and PRC formulations which have been considerably more qualified; and

—suggested, rather pointedly, that the goal of our China policy is a far more intimate US/PRC collaboration embracing a security dimension (by your reference to third country arms sales to China, stress on Mort's presence and invitation for a military delegation).

Your Impact on Chinese Perceptions

I suspect the Chinese reaction was a mixture of receptivity and skepticism. Transparently, they welcomed your assault on the Soviets. They are undoubtedly assessing as carefully as they can the significance of the unmistakable difference between your presentation and Vance's. They may try to exploit any perceived differences among American policymakers; at a minimum, they hope the effect will be beneficial to them.

Nevertheless, I think the Chinese probably remain somewhat skeptical about us and still doubt that our deeds will match our words. In his comments to you, for example, Teng assumed we will sign a SALT agreement which the Chinese will find excessively favorable to the USSR. The Chinese will continue to criticize us for not taking sufficiently forceful actions against the Soviets in Africa and elsewhere, and, as I have noted above, I am quite sure they still question our resolve on normalization.

Obviously, we will have to wait and see how this mixture of receptivity and skepticism works itself out. Although the Chinese had every reason to do so on their own, your efforts on Cuba probably played a catalyzing role in the Chinese decision to let go at Cuba as a phony member of the non-aligned movement. We may see more moves of this kind. I am less hopeful, but not completely pessimistic, that we will see less criticism of us as appeasers. In addition, the Chinese showed a little more humility and objectivity about their own actions in countering the Soviets and in acknowledging their limited influence in much of the world. And they were also remarkably frank about their painfully-uncomfortable situation in Indochina. All this is to the good and should be encouraged. *Basically, however, the Chinese posture toward you was not*

very different from that taken toward Vance. Both Huang and Teng continued to portray US policy as weak, inadequate, and naive. They also continued, rather sanctimoniously, to defend their actions as all that could be expected of China, and they left little doubt that if China were to take additional actions these would be taken independently of the US.

Normalization Issues

You handled the normalization issue in a way which disarmed the concern I had expressed to you on the plane. The only exception which you saved by your add-on remarks was your suggestion that we might depart from the “Japanese model.” I see no reason why we cannot, in practice, modify the “Japanese model,” but we will create an unnecessary issue with the Chinese if we dispute them on this question.

Huang did two things which I had not quite expected. First, he suggested a degree of impatience with us by asking whether we had an answer to Hua’s message of last year or whether we had anything to say following Vance’s promise last year to study their position further. Some of Teng’s remarks also reflected impatience of a more ambivalent kind. Second, Huang implied, as the Chinese never have before to my knowledge, a linkage between the completion of normalization and their willingness to cooperate with us in our common concern about the Soviet Union. I am not inclined to read too much into either of these points. Huang’s manifestations of impatience strike me primarily as gamesmanship and the usual Chinese effort to throw the ball back in our court. Moreover, I doubt that the linkage between normalization and general cooperation, which was probably intended more as an enticement than as a threat, portends a significant shift in the Chinese position.

Reviewing the record of your talks in the context of Vance’s discussions last year, the Chinese position on normalization now seems reasonably explicit in two respects while remaining ambiguous in the third. On *representation*, the Chinese have by now made very clear that the form of our representation in Taiwan after normalization must be *non-official* and *non-governmental* in character in order to sustain the principle that there is but one China. However, they imply almost as clearly that they will be relaxed about the substance of our representation if the proper form is strictly preserved. This impression was fairly apparent last year, but your talks have reinforced it.

On the matter of *peaceful settlement*, the Chinese have gone out of their way to draw the parameters of what they are prepared to do, i.e. they seem willing to tolerate a fairly objective statement of US expectations and to state their own position in minimal terms. Thus, they may be willing to refrain from any mention of forceful liberation, perhaps

limiting themselves to a statement that settlement of the Taiwan question is an internal matter which brooks no foreign interference. Certainly Teng and Huang went further than they or any other Chinese leaders have before in trying to avoid talk about the use of force. This was helpful.

On the third and remaining issue, *arms sales*, I am skeptical that Teng's reference to the US maintaining commercial relations with Taiwan (page 9 of the transcript) was an indirect way of acknowledging the continuance of arms sales after normalization. It could have been simply a reference to Taiwan's dependence on the US and Japan for economic survival. However, Hua's open reference to arms sales (page 7 of the transcript) is more interesting because it leaves open the possibility that the Chinese might be willing to tolerate arms sales if we eased off on our demand for a Chinese statement of peaceful intent.

We should not, I believe, assume from this same statement that the Chinese would be willing to make a *commitment* to refrain from use of force if we in turn terminated arms sales to Taiwan. This would distort Hua's point which was to underscore the *unacceptability* of a PRC commitment. In any event, a Chinese statement of peaceful intent would have to be so qualified that it would not conceivably offset the disastrous effect on Taiwan—and here—of an embargo on US arms sales to the PRC [ROC?].

But your talk with Teng has rekindled an idea we toyed with during Kissinger days. If the Chinese will not give us a flat commitment not to contradict our statement of peaceful expectations, could we try to extend their stated willingness to tolerate what we say to go somewhat beyond the Shanghai Communique? Specifically, could we couple our statement of peaceful expectations with a warning that if this expectation were threatened, the resulting situation would have a serious effect on our policy toward the PRC? A statement along these lines would be more effective in reassuring Americans than a simple reiteration of the Shanghai Communique.

Probably the most important thing that occurred during your discussion on normalization was that the issue of arms sales surfaced at Chinese initiative in a way leaving the door open. I had feared that we might have been forced to precipitate the issue and that if we had we might provoke the Chinese into a statement of all-out opposition.

Your talks suggest the possible outline of a normalization settlement:

—US willingness to meet the Chinese three conditions, specifically including the ending of all governmental representation on Taiwan, termination of the defense treaty, and removal of all US forces and military installations from Taiwan;

—a joint communique in which we would recognize the PRC as the sole legal government of China and acknowledge the view that Taiwan is part of China;

—a US statement that we expect the Taiwan problem to be settled peacefully and would view seriously any threat to this prospect;

—a Chinese counter statement that the ultimate settlement of the Taiwan problem is an internal Chinese affair in which no other country has the right to interfere;

—PRC acknowledgement of continuing economic, cultural and other contacts between the US and Taiwan; and

—unilateral, but public, US acknowledgement of continuing US arms sales to Taiwan for an “historically-transitional” period.

To be sure, we might still find that the Chinese counter statement on Taiwan would be too damaging for our purposes, and that the Chinese might have more restrictions in mind concerning arms sales. They might, for example, try to restrict the types of arms which we could sell to Taiwan (e.g. limiting sales to replacements) or to specify the period after which such sales should terminate. Such PRC qualifications would have a deeply unsettling effect on Taiwan and in Congress.

Mention of stability on Taiwan provokes me to add *one final note*. On the plane, you indicated you were inclined to hold back on major arms sales to Taiwan with the thought that we might want to discuss these with the PRC or modify them in light of Woodcock’s negotiations in Peking. I agree that any arms sales to Taiwan must take full account of the final normalization process, and it is for this reason that I have always opposed flamboyant items such as F-4s. But I feel just as strongly that we should not further delay the arms sales decisions for Taiwan and that we *must not initiate* a discussion of these sales with the PRC. If we do, we will begin playing a game which we can only lose. Instead, we should treat the next round of arms sales to Taiwan as a continuation of our post-Shanghai Communique policy toward Taiwan. If the Chinese choose to raise the sales with us, then we will obviously have to respond. If they don’t, we should leave well enough alone.

119. Memorandum From Secretary of State Vance to President Carter¹

Washington, June 13, 1978

SUBJECT

Next Moves on China: Woodcock's Approach

Issue

Zbig and I have both told the Chinese that Leonard Woodcock will undertake negotiations on normalization this month. Those talks will represent the beginning of a serious effort to establish diplomatic relations with the PRC. It may be difficult, but there is a reasonable prospect that the Chinese will come around to accepting our positions on key issues if they are as outlined below.

Closely interrelated decisions on timing and substance are required urgently so that we can draft instructions to Woodcock (which we will then clear with you). We need first to determine what target date for public announcement would best serve normalization from a political point of view. Then we must address the three remaining substantive issues: relations with Taiwan after normalization; public statements on "peaceful settlement"; and arms sales to Taiwan after normalization. All these issues are addressed below.

We will be dealing with three separate parties: Peking, the Congress, and Taiwan. Our handling of the latter two, including the timing of consultations, will depend on the course of the US-PRC track. But as normalization approaches, our dealings with ROC President Chiang Ching-kuo will take on increasing importance, particularly for the Congress.

Timing

After considering all the options, I believe that, if we can work out the details with Peking, the best target date for public announcement of recognition would be mid-December.² At that time we would issue a

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Normalization, 1/24/78–11/10/78. Secret; Sensitive; Nodis. Printed from a copy that does not bear Vance's initials. At the top of the first page, Carter wrote, "Cy—no copies, no distribution. J." Vance's June 13 covering memorandum to the President reads, "I hope we can meet next week to discuss specific instructions for Leonard Woodcock as outlined in the attached memorandum, and the political, strategic and diplomatic implications of normalization. I suggest that the Vice President, Zbig, Harold Brown, Ham Jordan, Dick Holbrooke and Mike Oksenberg also participate." An unknown person crossed out the names of Jordan, Holbrooke, and Oksenberg. (Ibid.)

² Carter underlined "mid-December" and in the right margin wrote, "ok."

joint US–PRC communique including agreement to establish full diplomatic relations after we had adjusted our relations with Taiwan.

Before issuance of that communique, the following would have to take place:

—Woodcock’s talks with the Chinese this summer, aiming at agreement just after the election;³

—If necessary to conclude the negotiations, a visit by me to Peking after the elections;

—Consultation with the Congressional leadership at appropriate times; and⁴

—Notification to President Chiang and Japanese Premier Fukuda about three weeks before the announcement.

The actual establishment of diplomatic relations, which would come three to six months after issuance of the communique, could be marked by a high-level PRC visit to Washington.⁵

In recommending a mid-December date, I am mindful that if SALT is completed this year, both SALT and normalization would be ready for action by the new Congress at about the same time, requiring careful management from both a foreign policy and a domestic political perspective. But I recommend that Congressional action on normalization precede the SALT ratification debate on next year’s legislative calendar.⁶

The December date would allow us to proceed with Peking at a reasonable pace and would have some negotiating advantages over a stretched-out process. I have in mind Zbig’s remark to Teng Hsiao-ping that “. . . the President is prepared to resolve this question as rapidly as it proves practical. We have no intention of artificially delaying it.”⁷ Adequate advance notice to Congress, Taipei and Tokyo will be very important to the political success of the policy and to a stable adjustment in Taiwan. But to minimize the likelihood of leaks and the emergence of normalization as an election issue, I recommend against consultations with anyone other than the top Congressional leadership before the elections.⁸

³ In the right margin, Carter wrote, “ok” next to this point and the next one.

⁴ In the right margin, Carter wrote, “Very carefully—act as though it is a press release.”

⁵ In the right margin, Carter wrote, “Why the delay?”

⁶ In the right margin, Carter wrote, “agree.”

⁷ See Document 110.

⁸ Carter underlined “the top Congressional leadership” and in the right margin wrote, “as late as possible—*very* small group—in my office.”

*Substantive Issues**Residual Relations with Taiwan*

After extensive study, we have narrowed our examination to two models of a “private” organization to handle our residual relations with Taiwan. One is a federally-chartered private corporation along the lines of the Red Cross; the other is a corporation privately chartered in the District of Columbia. Whichever model we choose would need legislation empowering it to carry out various activities (e.g. handling nuclear cooperation, arms sales and textile trade) on behalf of the government. Either would constitute a fig leaf for certain relationships for which the US Government—and the government in Taiwan—must ultimately be responsible. Both could arouse strong criticism, primarily in Congress. But both would, I believe, meet the PRC’s conditions and both would be able to handle the relationship with Taiwan adequately.⁹

Because of the need for Congressional support and legislation to implement normalization in general¹⁰ and because of continuing Congressional involvement with the “private” corporation (for example, in appropriating funds annually or in monitoring sale of nuclear materials or arms), it would be advisable to discuss the alternative models with key Congressional leaders. This need not be done prior to Woodcock’s presentation, but Leonard will have to signal to the Chinese that we have made an important step forward from the position on residual representation I took in August. Thus, we will instruct Woodcock to inform the Chinese that after establishment of diplomatic relations we would have no official relations with Taiwan and no governmental representation.¹¹ American presence on Taiwan after normalization would be such as to allow us to continue non-official relations but not contradict the PRC’s “three principles”. Without this key statement by Woodcock the seriousness of our entire approach would be open to question.¹²

Public Statements about Taiwan

The record of every PRC statement on the “Taiwan question” since the early 1950’s makes clear that, as a matter of principle relating to its claim of sovereignty over Taiwan, Peking will not make a non-use of

⁹ In the right margin next to this paragraph, Carter wrote, “‘interest section,’ ‘trade mission,’ ‘military mission?’ What we have now with PRC.”

¹⁰ In the right margin, Carter wrote, “Let’s limit necessary legislation to that which following indisputable decision to recognize PRC, would be supported by ROC proponents to continue some relationship with Taiwan.”

¹¹ Carter underlined, “no official relations with Taiwan and no governmental representation” and in the right margin wrote, “I’m not sure we need to go this far.”

¹² In the right margin, Carter wrote, “—?”

force statement or any other statement which limits its theoretical options on “liberation” and that it will reiterate its standard line that “liberation”, including timing and method, is an internal Chinese affair which “brooks no outside interference”. Our need to continue arms sales to Taiwan only reinforces this Chinese position.

But the August 1977 and May 1978 conversations¹³ also indicate that the Chinese understand our position and may be willing to take a stand which, while not endorsing our view, does not contradict it either. As Teng expressed it to Zbig:

... You have said on the question of the resolution of the issue of Taiwan the U.S. side has to take into account the reaction of your people at home and people in Taiwan. We understand your viewpoint. In solving the question of normalization of relations between our two countries under the three conditions, the U.S. side can express your hopes [for a peaceful settlement].¹⁴ It is quite all right. You can state your views but you should not make it a precondition. And the Chinese side will state our views saying that the solution of Taiwan and how and when we will solve the problem of Taiwan is the business of the Chinese people themselves.

I believe that, in adopting this approach, Teng was implicitly acknowledging the point I made last August, that it would be essential to US domestic acceptance of any agreement we reached that the Chinese not contradict our statement or make a statement of their own stressing forceful “liberation”.

I propose that Leonard indicate to the Chinese that we would issue a statement expressing our expectation that normalization would not lessen the prospects for a peaceful settlement of the Taiwan question by the Chinese themselves and the importance of this peaceful prospect for the further evolution of US–PRC relations. He would state that we expect them to reiterate their position that Taiwan is an internal matter and assume they can find a way to indicate that they will be patient on this question and strive for a peaceful settlement. In any case, Leonard would say, the Chinese should understand clearly that what they say could undercut our efforts for normalization.¹⁵

Arms Sales to Taiwan

We must be in a position to state to the Congress that we will continue sales of defensive military equipment to Taiwan and that, although the PRC does not like that, it clearly understands our position

¹³ For Vance’s August 1977 visit to Beijing, see Documents 47–52. For Brzezinski’s May 1978 visit to Beijing, see Documents 108–111.

¹⁴ In the right margin, Carter wrote, “This is probably o.k.” The brackets are in the original.

¹⁵ In the right margin, Carter wrote, “all ok.”

and has proceeded with agreement on normalization anyway.¹⁶ In order to make that statement, the public and private record must sustain our characterization of Peking's position—and in a way which does not provoke a public counterattack from Peking.

As Zbig has informed you, Chairman Hua explicitly surfaced the arms sales issue. When he noted to Zbig that China would not commit itself to use peaceful means to settle the Taiwan question, he left the inference that if we did not demand such a statement China might tolerate US arms sales to Taiwan. Hua's statement was typically delphic and ambiguous, and I believe the arms sales issue remains the trickiest of all and still a potentially insurmountable obstacle.¹⁷ But I also believe that Hua's broaching of the subject reduces the risks from our raising it directly and opens the door sufficiently for us to begin to probe the limits of PRC tolerance.

I propose that Leonard refer to Hua's statement and observe that we have carefully considered it. He would note that none of the unofficial contacts with Taiwan after normalization would be intended to create "two Chinas."¹⁸ Furthermore, he would say, we are not asking Peking for an explicit public commitment on peaceful settlement or to refrain from expressing its view that resolution of the Taiwan question is an internal matter.

In his opening session Leonard should deal with the representation issue and leave until subsequent meetings the explicit discussion of arms sales. But he should be prepared to acknowledge our intentions if asked about them directly by the Chinese.¹⁹

Leonard's opening presentation may well not be enough to give us confidence about Peking's ultimate position, but it is a good starting place and should elicit indications about what further steps are necessary. I will proceed to draw up negotiating instructions on this basis if you concur.²⁰

¹⁶ In the right margin, Carter wrote, "We should insist on *no restraints* on our trade with Taiwan (not single out arms or any other item). A unilateral (& uncontested) statement may be advisable."

¹⁷ Carter underlined, "a potentially insurmountable obstacle."

¹⁸ In the right margin, Carter wrote, "ok."

¹⁹ In the right margin, Carter wrote, "May be better to spell out our entire proposal initially."

²⁰ At the bottom of the page, Carter wrote, "Cy, Devise special procedures: Leaks can kill the whole effort. We should limit the dispatches and negotiating information strictly—maybe just to [*less than 1 line not declassified*]. Avoid *any* public hints of degree of progress. I don't trust 1) Congress 2) White House 3) State or 4) Defense to keep a secret. J.C." Carter probably meant restricting access to the President, Vice President, Secretary of State, Secretary of Defense, and the President's Assistant for National Security Affairs. See footnote 1 above.

120. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, June 14, 1978

SUBJECT

China Policy

On your directive, I told the Chinese we would be prepared to start negotiating on normalization during the month of June. Accordingly, not to lose some credibility, Woodcock should take the initial steps within the next two weeks.²

Cy's paper³ was drafted after extensive review of my Peking visit. I agree with its general thrust. However, let me note three additional considerations:

1. I am concerned about confidentiality. This is going to be a most sensitive process, and premature disclosure that the negotiations are underway is likely to complicate the process. You might mention to Cy the importance of restricting the number of people involved in drafting instructions and in discussion of this matter.

2. The issue of confidentiality is related to congressional consultations. Once these consultations start, confidentiality is finished. On the other hand, I have the feeling that the normalization issue is going to be quite controversial. Thus strong bipartisan support will be necessary, and this does mean the need to consult at least with the top leadership before too much time has passed. Timing of such a step ought to be determined very carefully.

3. The negotiating strategy proposed in the paper is essentially sequential. We would start with the easiest question—our post-normalization representation on Taiwan—and then go on to the more difficult problems, particularly the question of arms sales to Taiwan.

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Normalization, 1/24/78–11/10/78. Secret; Sensitive. At the top of the page, Carter wrote, "Zbig—no copies. J."

² Woodcock's instructions, which Brzezinski sent to Carter for approval under an undated covering memorandum, are in Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China, Normalization, 6–12/78. In his memoirs, Brzezinski noted that he would "periodically submit to the President draft instructions for Leonard Woodcock, which would be prepared by Oksenberg and Holbrooke, working closely with me, and which would be reviewed by Vance. The President gave them meticulous attention. He took out sentences and inserted and reworded others. He carefully monitored every single paragraph and every proposal." (*Power and Principle*, p. 225)

³ See Document 119.

An alternative might be to lay out our position more comprehensively, perhaps through the device of submitting a draft normalization communique. It might be useful to discuss this alternative approach at the meeting that Cy proposes.

Generally, my impression is that the Chinese are inclined to negotiate constructively, though on the basis of their “three conditions.” Their handling of your Annapolis speech,⁴ as well as their talks with me, indicate a more positive assessment of our foreign policy. We have thus created a relatively favorable climate for the forthcoming negotiations.

Do you want a meeting scheduled for next week?⁵

Do you want all those mentioned by Cy to attend?⁶

⁴ Carter’s June 7 address at the U.S. Naval Academy is printed in *Public Papers: Carter, 1978*, Book I, pp. 1052–1057.

⁵ Carter checked the Yes option.

⁶ Carter checked the No option and wrote below it, “[*less than 1 line not declassified*]. J. Keep meeting secret.” Carter probably meant restricting the meeting attendees to the President, Vice President, Secretary of State, Secretary of Defense, and the President’s Assistant for National Security Affairs. See footnote 1, Document 119.

121. Telegram From the Liaison Office in China to the Department of State¹

Beijing, June 16, 1978, 1058Z

1837. Eyes Only for Holbrooke from Woodcock. Subj: Request for Recommendations. Ref: State 150207.²

1. Thank you for your message. I am happy to hear that final stages are being reached.

2. I believe it will be extremely difficult to get the Chinese to agree to remain completely silent when we publicly state that we are convinced Peking will not use military force to reunify Taiwan. Nor are

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840150–2594. Secret; Immediate; Nodis; Stadis.

² In telegram 150207 to Beijing, June 13, Holbrooke informed Woodcock: “We are nearing final stages of preparing your instructions per our conversations in Peking. If you have recommendations, we would welcome them as soon as possible.” (National Archives, RG 59, Central Foreign Policy File, P840128–2193)

they likely to remain silent when we tell our public that we plan to continue arms sales to Taiwan.

3. However, the Chinese response may be somewhat more moderate than in the past. In addition we may be able to negotiate with the Chinese a private statement of their intentions regarding Taiwan along following lines which we could use publicly as representing the Chinese views and which the Chinese might agree not to contradict:

A. The Chinese have told us that the PRC believes that it is in the best interest of the Chinese people on both sides of the Taiwan Straits that reunification be peaceful. (The Chinese themselves may add separately both in negotiations and publicly that Taiwan is Chinese territory and Chinese have sovereign right to decide how liberation should be achieved.)

B. The Chinese have told us that our common concerns in the international arena are of major importance and in this context Taiwan is of minor importance.

C. The Chinese have told us that they have no objection to the U.S. following the example of Japan and all other countries who have continued commercial, social and other friendly interchanges with Taiwan after severing formal diplomatic ties. This, of course, would have to be done through a non-governmental office.

D. The Chinese have told us that they believe that continued full commercial relations with Taiwan will prevent any outside power from taking political and military advantage of Taiwan.

4. Arms Sales: In our negotiations with the Chinese I think we should repeat Secretary Vance's statements of last August and Brzezinski's statements on this subject during May visit. While we should not use the term "arms sales" we should make it very clear that when we speak of our intention to continue the sale of equipment of all types that Taiwan needs for all legitimate purposes we mean all types of equipment.

5. It seems clear that Chinese have been trying to create more favorable climate for normalization through production-sharing invitation to U.S. oil companies; Chen Yi-sung's and Vice Foreign Minister Ho Ying's statements about peaceful liberation; favorable reaction to Brzezinski visit; and dramatic increase in visits and exchanges (Pan Am has just reached agreement for 5,500 Pan Am tourists next year). I think we have better chance now to normalize relations than we have had for some years.

6. Chinese negotiations with Portugal, in which the Chinese are trying to put the question of Macao to one side in order to avoid panic in Hong Kong, are illustrative of current PRC thinking. It may be just

possible to include in the list of possibilities in paragraph three an assertion that ultimate reunification of Taiwan will take a long time.

Woodcock

122. Memorandum of Conversation¹

Washington, June 19, 1978, 11:30 a.m.–noon.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Ambassador Han Hsu

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

Ambassador Han Hsu, Acting Chief of the People's Republic of China Liaison
Office

Tsao Kuei-shang, Political Counselor, People's Republic of China Liaison Office
Yang Yu-yang, Interpreter, People's Republic of China Liaison Office

Background: Mr. Oksenberg received a telephone call from Wang Hung-pao on Thursday, June 15, indicating that Ambassador Han Hsu would like to meet with Dr. Brzezinski. He indicated that Dr. Brzezinski was out of town and would be back from Panama late on Friday. He could arrange for Ambassador Han to see David Aaron swiftly or we could wait until Dr. Brzezinski was back on Monday. Mr. Oksenberg asked which meeting Ambassador Han preferred. (After consulting with Ambassador Han, Ms. Wang informed him that a meeting on Monday would be fine.)

Dr. Brzezinski: Howdy! It is good to see you. Have a seat.

My memory is still fresh from the trip. It was one of the high points of my life. I appreciated the photographs that you sent me.

Ambassador Han Hsu: I notice you have been very busy since your return, and now you are just back from Panama.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 6–9/78. Secret. The meeting took place at the White House. A shorter version of this memorandum of conversation, focusing only on the aspects relating to U.S. arms sales to the ROC, bears a "C" at the top of the page, indicating that the President saw it. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 50, Chron: 6/78)

Dr. Brzezinski: Yes. The President's trip to the Panama Canal was very useful.² The Venezuelan President said that he considered the Panama Canal Treaty the most constructive step by the U.S. and Latin America in the twentieth century, that it was a decisive step away from our previous neo-colonial relations with Latin American countries.

Ambassador Han Hsu: As you know, regarding the Panama Canal Treaty, we favor it.

Before proceeding, I am instructed to talk on foreign affairs matters.

According to the news media, the United States is considering a large sale of arms to Taiwan, including 60 F-4s.³

Dr. Brzezinski must be aware of Premier Hua's conversation of May 22 on this question.⁴ Such an act on the part of the United States would not be in conformity with the spirit of the Shanghai Communique. It goes counter to the indications made by the American side during Dr. Brzezinski's discussions in Peking to the effect that President Carter is determined to speed up and push forward the normalization of relations between our countries on the premises of the principle of one China, of the U.S. side accepting the three points of the severance of diplomatic relations with Taiwan, the removal of all U.S. military forces and installations from Taiwan, and the abrogation of the so-called Mutual Defense Treaty with Taiwan.

This would be a very important policy and action about which we are very concerned. I hope that President Carter and Dr. Brzezinski will pay attention to this.

Dr. Brzezinski: I will convey it to the President and to the Secretary of State immediately so they will understand your position.

Let me note that you are commenting on a newspaper report. I do not want to confirm or deny the accuracy of a newspaper report.

I do wish to say, however, that our acceptance of the principle of one China and our willingness to move forward on normalization within the context of your three points do not preclude the maintenance of full economic relations with the people on Taiwan.

When I talked with your leaders in Peking, I said that there is bound to be a historically transitional phase in our relations with Tai-

² President Carter visited Panama City June 16–17 to sign the Panama Canal Treaty.

³ Telegram 148485 to all East Asian and Pacific diplomatic posts, June 12, reported, "Globe's Beecher quotes admin sources (6/11) that U.S. considering sale of 60 F-4 fighters worth \$500 mil to Taiwan." (National Archives, RG 59, Central Foreign Policy File, D780245–0667)

⁴ See Document 111.

wan in which the maintenance of economic and social relations will have to continue, given the historical legacies we are trying to overcome. This will be difficult.

We are aware of your desires and your national sentiments. You have to be sensitive to our historical legacies and concerns. I want to underline again President Carter is committed to the principles of the Shanghai Communique and is determined to normalize relations with you in the framework of your three points and on the basis of the principle of one China. But we have historical and political legacies that have to be overcome.

Ambassador Han Hsu: Since you had detailed conversations with our leaders on this subject, I would just make one further comment. During your conversation with the Chinese leaders, they told you in person that as to the indication that the U.S. Government has made up its mind on this issue, the Chinese side will hear its words and see its actions.

(Turning to another text written in another book.) During Dr. Brzezinski's trip, the U.S. side indicated a number of modalities for expanding our relations and put forth concrete suggestions in this regard.

In his conversations with Dr. Brzezinski, Vice Premier Teng stated that in principle the Chinese side favors an expansion in our bilateral relations with the U.S. side and shares the American desire. Of course, there is a difference between normalized and not normalized relations. For example, the U.S. made a suggestion for an exchange of military visits, but in view of the status quo, the conditions are not yet ripe.

As to the U.S. suggestion for delegations led by Cabinet-level officials, we would welcome Dr. Schlesinger to head an energy delegation and Dr. Press to head a scientific and technological delegation.

Since Dr. Press originally suggested June 19 as the date of his arrival in Peking, it obviously is too late. We suggest that a scientific and technological delegation to visit China in mid-July, around July 10. (In Chinese, literally, beginning in the middle third of the month.) We hope the U.S. side can give a reply as early as possible. If the U.S. side agrees, we would appreciate receiving a list of names as well as the desires of the U.S. delegation as to its travel and the subjects it wishes to discuss.

As for the timing of the energy delegation, this can be agreed on later through consultations of the two sides.

Dr. Brzezinski: I appreciate the promptness of the reply and its constructive spirit. As far as the military delegation is concerned, we are in no hurry, if it is more convenient for the Chinese side to wait.

As far as the other delegations, I will be in touch with Dr. Press immediately concerning a July 10 visit. If it is not practical, we will be back in touch with you right away.

As far as Dr. Schlesinger is concerned, I will be in touch with him. Given the energy bill in Congress, there is likely to be some complication as to a visit by him in the very immediate future, but he will welcome such an opportunity at the earliest mutually convenient time.

By the way, I read the speech you delivered in Illinois.⁵ You should do more speaking like this. You should talk more, both privately and also talk more publicly.

I have not seen you since my return. I want to tell you that I found my conversations in Peking very helpful and very valuable, not only about matters of bilateral concern but about how each of us perceives the evolution of global politics more generally.

We approach relations with you as involving long-term and strategic considerations, and we do not consider our relations with you tactical. I found that your leaders also have this view. This provides a solid basis for increased contact and even tacit cooperation.

I hope it will be possible to have such consultations more frequently and regularly. In the absence of full and normal relations, it may be more difficult to undertake formal moves together, as it would be after formal relations are established.

But such visits are very useful. From the American side, I found it very useful to hear the world views of Premier Hua and Vice Premier Teng, and to review the world situation on a systematic basis with Foreign Minister Huang.

I have given a summary report to the President about the trip and have given him to read the entire transcripts of my conversations with Premier Hua and Vice Premier Teng. He has read them in their entirety. He was impressed by the candor of our talks and thought it very useful to obtain the views of your leaders.

This comes close to having a direct conversation between our two leaders. If they do not share a common perspective, at least we have promoted mutual understanding. (In a departure from common practice in the Brzezinski–Han Hsu talks, the above paragraph was not translated. Rather, Han Hsu responded immediately.)

Ambassador Han Hsu: Yes, and that is why at the closing banquet, Foreign Minister Huang Hua said that he felt the talks were very beneficial. Vice Premier Teng hopes that you will be in China again. The next time you should bring your children.

⁵ Han visited Illinois at the invitation of Representative Paul Findley (R–Illinois) and delivered a commencement address on May 21 at Illinois College. The title of his address was “The Friendship Will Last From Generation to Generation.” (Douglas E. Kneeland, “Peking’s Man in Washington Has a Visit With Americans in Illinois, and a Good Time Is Had by All,” *The New York Times*, May 24, 1978, p. A16)

Dr. Brzezinski: Yes. I would like to do so. Many people wish to go, and I wish to go again. My wife enjoyed the trip very much as well. She liked Madame Huang and got along well.

Have you heard that my wife gave a toast at the final banquet?

Ambassador Han Hsu: (Clearly surprised.) No!

Dr. Brzezinski: Well, let me tell you the story. At the banquet we hosted and after I gave my toast, my wife leaned across the table and said that she wanted to give a toast. I felt a little uncomfortable and thought I should discuss this with the Foreign Minister. You know that the Foreign Minister is a professional diplomat, and so when I turned to him and asked him whether he thought it appropriate for my wife to give a toast he said, "Well, uh, uh, uh, well, uh, y-e-s-s-s-s. If she . . . ah, uh, ah, wants to."

I then turned to my wife and said "The Foreign Minister thinks it best if you do not give a toast." My wife said "But this is *our* banquet. We are the hosts!" She turned to Madame Huang and asked her what she thought.

Madame Huang said "If you wish to give a toast, of course you should give a toast." Madame Huang then leaned across the table and in Chinese spoke very very firmly to the Foreign Minister. The Foreign Minister then turned to me and said "Of course your wife should give a toast!"

Ambassador Han Hsu: What did she say?

Dr. Brzezinski: She said that the toasts that had been given thus far had dwelled on important matters of state but had omitted any mention of the Chinese people, and she proposed a toast to the Chinese people, not only for their history but for their dedication to the building of a new country, a dedication which had become so evident to Mrs. Brzezinski during her brief stay in Peking.

Before we break up, may I ask you a question? Do you accept invitations of a non-diplomatic sort to visit private homes?

Ambassador Han Hsu: Of course.

Dr. Brzezinski: Well, I would like to invite you to come to our house. It would be a casual evening. Perhaps we could swim before dinner.

Ambassador Han Hsu: I would accept such an invitation with pleasure.

Dr. Brzezinski: Well, Mike will be in touch with you about either June 24 or June 25.

I look forward to it.

Ambassador Han Hsu: So do I.

123. Editorial Note

Secretary of State Cyrus Vance proposed holding a meeting to discuss the next step in the normalization process in his covering memorandum to the June 13 memorandum to President Jimmy Carter (see Document 119). In response to Vance's memorandum and an accompanying one from the President's Assistant for National Security Affairs, Zbigniew Brzezinski (see Document 120), Carter agreed to a meeting, but requested a smaller group of attendees than Vance proposed (see footnote 6, Document 120). The meeting was scheduled for June 20.

The day before the meeting, Michel Oksenberg of the National Security Council Staff prepared a briefing memorandum for Brzezinski. Oksenberg emphasized four points. First, "If we move forward on SALT without accompanying forward movement in our China relationship, we undermine the essence of our triangular diplomacy—namely, simultaneously to seek a more cooperative relationship with both the PRC and the USSR." He noted that if the United States did not seek to normalize Sino-American relations, it could, as a "compensatory move," adopt a more liberal policy of transferring technology to China. He added, however, that "this is a much more risky course, both in terms of a Soviet reaction that could jeopardize SALT and of the peaceful future of Taiwan. We have an interest in a strong and secure China, in other words, only after the Taiwan issue has been made a less provocative issue in Sino-American relations."

Second, Oksenberg asserted that the United States would not be able to obtain a pledge from China of peaceful intent toward Taiwan: "This is a matter of sovereignty for them." He added, "for their domestic political reasons, the PRC leaders cannot normalize on terms that would reduce the chances for the ultimate reunification of China." Oksenberg's third point related to the capacity of the U.S. Government to manage Sino-American normalization. He wrote, "Zbig, my deepest concern over this issue is the President's capacity to sell normalization to the public. If his standing in the polls were strong and public confidence in his management of foreign policy were high, there would be no question what course we should adopt. However, normalization is not an issue that can be bungled. Our ties with China are too fragile to withstand the stress of failure. Candor forces me to say that my gravest doubts about normalization rest not with the Chinese or the bargain we will be able to strike but our own capacity to handle this issue well." Fourth, Oksenberg warned of potential dangers: "On the merits of the case, normalization is the best course, without a Chinese guarantee of peaceful intent but with a commitment to patience and with an understanding on arms sales. However, the President must be aware of the serious domestic political peril and legal complexities of normalization.

It is not a decision I envy, and I will support him fully no matter what he decides." (Memorandum from Oksenberg to Brzezinski, June 19; Carter Library, National Security Affairs, Staff Material, Office, Presidential Advisory Board, Box 74, Far East: Box 1)

The meeting was held on June 20 at 2:15 p.m. with the President, Vance, Secretary of Defense Harold Brown, Brzezinski, and Assistant to the President Hamilton Jordan in attendance. (Carter Library, Presidential Materials, President's Daily Diary) No memorandum of conversation has been found. In his memoirs, Brzezinski noted: "We reached the following conclusions, which I jotted down on a sheet of paper and, for reasons of security, did not even have typed:

"U.S.–China:

"1. Keep very confidential.

"2. Chinese anxious to improve relations. Have done everything we wanted prior to ZB visit.

"3. Aim for December 15. But keep the info circle very small. Our public position—we do want to improve and normalize relations.

"4. China congressional action to precede SALT ratification.

"5. Residual relations: would like broader options than private organization. A trade mission? A military sales mission? Cy will get legal assessment.

"6. Woodcock to conduct negotiations. Oksenberg and Holbrooke to work on this. Woodcock to initiate discussions by asking for a date. Instructions to follow.

"7. Woodcock to go in, propose talks every ten days, propose an agenda: (1) representation; (2) peaceful resolution; (3) U.S. trade with Taiwan; (4) communiqué and modalities.

"8. Early next week submit draft on representation instructions.

"9. Woodcock to explore the possibility of one year's notice to R.O.C. as a way out of the dilemma." (Brzezinski, *Power and Principle*, p. 224)

124. **Briefing Memorandum From the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke) to Secretary of State Vance¹**

Washington, undated

Legal Questions re Treaty Termination with the ROC

You have asked four linked questions on termination of the Mutual Defense Treaty with Taiwan:

—Does the Treaty cease to exist at the time of announcing recognition of the PRC as the sole legal government of China?

—If the Treaty does not lapse at that moment, with whom is the treaty applicable, i.e. could the argument be made that it applies to the PRC?

—On the day of announcing recognition of the PRC and de-recognition of the ROC, could the President state he is giving notice to terminate the Treaty in accordance with its termination provisions, so that it would actually continue in effect with the ROC for twelve months after de-recognition because of the Treaty-specified termination procedure?

—If the President chooses to terminate the Treaty in accordance with its termination provision, does he need the advice and consent of the Senate?

Harvey Feldman, the ROC Country Director, working informally with the head of the Treaties Division in L, has come up with the following answers which I believe are sound and sufficient for our purposes. We could get a fully staffed out legal position involving several other people but this probably would take 1–2 weeks or more and the answers though longer, would not be greatly different.²

1. The best legal argument is that the Treaty *lapses automatically* at the moment the ROC is de-recognized. A defensive alliance assumes that the partner has the status of a sovereign state. The status of the ROC after normalization might be sufficient for establishment or maintenance of agreements of a technical nature, but not one which necessarily involves sovereign defense. The International Law Commission

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brownell (Herbert) Study: 6–10/78. Secret; Sensitive; Nodis. Drafted by Feldman on June 24. Former Attorney General Herbert Brownell was advising the Department of State on the legal issues surrounding the normalization of relations with the People's Republic of China.

² The phrases "involving several other people" and "or more" were inserted by hand by an unknown person.

of the UN has recognized that severance of diplomatic relations even *with an ongoing sovereign state* “might be incompatible with the implementation of certain kinds of political treaty such as political alliance.” After Normalization, the GROC would no longer be recognized by the U.S. as having the requisite legal capacity to enter into a collective defense treaty with the U.S. In this legal view, the fate of the MDT is an automatic consequence of de-recognition, rather than any action by the Executive branch.

2. Although the automatic lapse theory is the most plausible and legally compelling, it nevertheless would be possible for the President to announce on N Day that he is taking action to terminate the Treaty in accordance with its provisions for termination after twelve months’ notice. In that case, he could also argue that the Treaty continues in effect with the ROC for the next twelve months, despite de-recognition. This is not as compelling a legal argument as the foregoing, but it is one which can be made. We would then be in the anomalous position of being obligated to discuss common defense with a government which we viewed as not having the legal standing to discuss with us questions of defense of sovereignty. Undoubtedly this would furnish grounds for legal debate, but a court challenge is extremely unlikely. The PRC view of such a position is another matter.

3. If the Treaty continues in effect after de-recognition of the ROC, it nevertheless cannot be held to apply to the PRC since it was concluded with the ROC after October 1, 1949 and since the entire legislative history makes clear it was intended to apply to the government on Taiwan. In general, even in the case of treaties concluded with the ROC before October 1, 1949 and intended to apply to all of China, the U.S. would have to positively agree to applicability to the PRC for the treaties to remain in force and be so applicable.

4. With respect to the Constitutional power of the President to terminate treaties, L states that (a) neither the Constitution nor law makes any special provision for treaty termination; and (b) the precedents are mixed: past Presidents have terminated treaties both with and without the advice and consent of the Senate or the Congress. L believes Senatorial or Congressional participation is not a legal requirement. In the case of the MDT, it could also be argued that in giving advice and consent to a Treaty which includes a procedure for termination, and not specifying Congressional involvement in that procedure, the Senate has agreed in advance to termination by the sole act of the President.

125. Intelligence Assessment Prepared in the National Foreign Assessment Center, Central Intelligence Agency¹

RP 78–10267C

Washington, June 1978

The Peking–Hanoi–Phnom Penh Triangle**Key Judgments**

The current Sino-Vietnamese quarrel over Hanoi's treatment of the ethnic Chinese population in Vietnam is the most clear manifestation to date of the fundamental differences between Peking and Hanoi. These differences center on Hanoi's ties with Moscow and the competition for influence in Indochina and the rest of Southeast Asia.

- Peking is deeply suspicious of Vietnam's regional ambitions, and also its tilt toward Moscow.

- Hanoi resents what it sees as Peking's attempts to dominate Southeast Asia as well as its support to Cambodia.

- Cambodia is pivotal in the rift between China and Vietnam since it is the current focus of their rivalry for regional influence. Hanoi seems determined to bring a more malleable regime to power in Phnom Penh, while China shows no sign of willingness to soften its support of the current Cambodian leadership.

- The prospect is for continuing fighting between Cambodia and Vietnam, which means that Chinese support to Phnom Penh and Soviet assistance to Hanoi are also likely to increase.

- Although both sides realize that neither is likely to benefit from an all-out confrontation, bitterness is so deep that the situation could deteriorate further, especially if the Vietnam–Cambodia fighting intensifies.

- Hanoi might eventually feel it necessary to permit a Soviet military presence in Vietnam, long a major concern of Peking.

- The relationship between Peking and Hanoi already has moved into a new and probably protracted stage of open political warfare and heightened military tensions that could threaten the new equilibrium that has developed in Southeast Asia since the end of the Indochina war in 1974.

- The deterioration of Sino-Vietnamese relations almost certainly will prompt Hanoi to seek better relations with the United States,

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Unfiled Files, Box 127, [China] 4/75–1/81. Secret.

which the Vietnamese believe could become an alternate source of economic assistance.

[Omitted here is the body of the report.]

126. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, July 7, 1978

SUBJECT

NSC Weekly Report #66

1. Opinion: Choices

In four key policy areas—China, the Middle East, Africa, and the Soviet Union—we are at the point where some basic choices need to be made. If we do not make them explicitly and consciously, we are likely to find it more difficult to attain our key objectives.

Let me state them very concisely:

A. China

We have embarked on a course that could have very great international consequences. U.S.-Chinese normalization could open the doors to a political-economic relationship with one-fourth of mankind. It could alter the international balance. Success here would be a very major and historic accomplishment for you.

However, in seeking it, we should avoid actions that convey to the Chinese insensitivity to their concerns. The issue of Vietnam is very germane here. The Chinese see Vietnam as veering towards the Soviets, and they are genuinely alarmed and outraged. A Soviet presence in Vietnam would provide the Soviets with a strategic springboard, as threatening to China's security as are the Soviet forces now in Mongolia.

The Vietnamese, probably encouraged by the Soviets, are now making noises about U.S.-Vietnamese normalization. The State Depart-

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 41, Weekly Report [to the President], 61–71: 6/78–9/78. Secret; Sensitive. On the first page, Carter wrote, "Zbig—1. I should think that a U.S.-VNm relationship would be better for PRC, worse for USSR. I agree with State, but don't wish to push any effort now. J."

ment said yesterday, “Our policy is clear. We are prepared to normalize relations.”²

This willingness comes at the wrong time and in the wrong context. It will reinforce Chinese concerns, and thus needlessly complicate the more important task—normalizing with Peking. You need to choose: Vietnam or China, and China is incomparably more important to us.

If you agree, you might wish to have me send a note to the State Department, asking that efforts to normalize relations with Vietnam be postponed until the other issue is resolved.

[Omitted here is material unrelated to China.]

² Brzezinski is apparently referring to the Department of State’s “Press Guidance on US–VN Relations,” which states, “Our policy with regard to normalization of relations with Vietnam is clear. As we have stated at each of the three rounds of talks with the Vietnamese in Paris last year, we are prepared to normalize relations at the diplomatic level and to exchange embassies and ambassadors. Once Embassies are in place, we would lift the trade embargo.” (Telegram 170745 to CINCPAC Tokyo, July 6; National Archives, RG 59, Central Foreign Policy File, D780278–0662)

127. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, undated

SUBJECT

Woodcock’s Next Round: Meeting Number 3

At breakfast tomorrow, we will discuss the next set of instructions to go to Leonard.

Two sessions have now been held. On July 5, Leonard made his initial presentation on our basic principles and the negotiating procedures we wished to follow.² You will recall that we wished to discuss

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Normalization: 6–12/78. Top Secret; Sensitive; Voyager; Eyes Only; Outside the System; Alpha Channel. Sent for action. A handwritten notation suggests that the memorandum was drafted in “mid-July ’78.” At the top of the page, Carter wrote, “Zbig–J.”

² Woodcock described his July 5 meeting with Huang Hua in backchannel message 174 to the White House, July 5. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People’s Republic of): 2–5/78)

three issues in sequence, reaching tentative agreement on one issue before moving to the next. The three issues are: a) the nature of the post-normalization American presence on Taiwan; b) our respective statements on the occasion of normalization; and c) American trade with Taiwan after normalization.

On July 14, Huang Hua set forth the Chinese principles and the procedures the Chinese wished to follow.³ Huang called for a comprehensive U.S. presentation on the three issues to which the Chinese would then respond.

The ball is now in our court. We face three options: 1) to accept the Chinese procedure and make a comprehensive presentation; 2) to insist on our initially suggested procedures, indicating that we will not begin until the Chinese agree to respond to each of our separate presentations; 3) to proceed with the first of our three separate presentations even without a Chinese response.

Cy and I recommend the third alternative. To accept the Chinese procedure would present too swift a retreat and would suggest we had not carefully considered our preference. We should communicate a sense of resolve. At the same time, to insist on our initial procedure, we believe, would produce a deadlock over procedure. We therefore recommend Leonard inform the Chinese that we still intend to make three separate presentations and that a separate response to each would facilitate the negotiating process. Leonard would then immediately offer to move on to the first topic: the post-normalization American presence on Taiwan.

We face an important choice on the substance of the presentation: whether to build a positive environment by making a lean presentation or to introduce potentially contentious considerations on which we could subsequently yield.

From Peking, Leonard has cabled his strong recommendation that we strive to build a positive environment.⁴ Leonard notes our respective positions are already close. He recalls that in his presentation to Huang Hua last November,⁵ he was instructed to give the Chinese reason to believe we would not seek to maintain official representation on Taiwan. To quibble now, Leonard observes, would risk getting our discussions bogged down over an issue that is not central to our principal concerns for Taiwan's security and thus undermine prospects of completing the process within the time frame that we envisage.

³ Woodcock described his July 14 meeting with Huang Hua in backchannel message 181 to the White House, July 14. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Normalization: 6–12/78)

⁴ Not found.

⁵ See Document 68 and footnote 4 thereto.

Leonard encourages a positive beginning, then careful resolution of the central security issues (statements and arms sales), followed by ironing out of the residual details.

We concur with Leonard's reasoning, which leads us to recommend the relatively brief presentation spelled out below.⁶ We have couched Leonard's statement so that, if the Chinese do not object or raise questions, we in fact will have considerable latitude in developing our post-normalization presence on Taiwan. We do not indicate whether any activities currently carried out under the government domain would not be carried out under private channels. We deliberately and with some license interpret the Chinese position as permitting the maintenance of our current commercial, cultural, and *other* relations; they have never used the word "other." We allude to a transition period during which we will phase out our governmental presence on Taiwan. If asked, we will say our "unofficial organization" will be *essentially* private. The attractiveness of this presentation is that it places the burden on the Chinese to seek clarification, to correct our understanding of their view, or to seek to impose precise limits on the American presence.

To be sure, Leonard's presentation lacks the detail that would ease our Congressional problems. However, a more extensive, explicit presentation would raise sensitive issues—such as whether U.S. Government officials would visit Taiwan on short-term assignment—to which the Chinese might feel obliged to object, but which they would accept if left unsaid. In short, by striving for ambiguity, we may preserve our ability to have a somewhat more formal, extensive relationship with Taiwan than were we to strive for explicitness.

We have drafted our presentation with the possibility in mind that we may wish to reveal it to Congress at the time of normalization.

To conclude, we recommend a brief and somewhat ambiguous presentation which nonetheless commits us to sustain our relationship with Taiwan after normalization without permanent official representation and without formal governmental relations. We need approval for this presentation.

⁶ The presentation for Woodcock was not found attached, but several drafts are in the Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 44, Meetings: 8/78.

128. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, August 11, 1978

SUBJECT

Teng Hsiao-p'ing's Exposed Position

We are now far enough into the Teng era in China so that some evaluation of his strengths and weaknesses can be made. We are also beginning to get enough feel, after 18 months of watching Chinese internal developments, to crank the domestic element into the formulation of our China policy.

Teng Hsiao-p'ing clearly has the initiative in Chinese policy formulation across the board. The policies he is pushing are, increasingly, openly "revisionist," and some of the propaganda justifying them stops only a half inch short of being plainly anti-Maoist—a fact which is not lost on the politically sophisticated element of the populace whose opinion counts. Not only do current policies have an almost uniformly "Tengist" flavor, but Teng is also doing well in the personnel area—nearly all significant appointments have gone to men with close ties to Teng, wall posters and other bits of nastiness continue to be directed from time to time against his known and putative political enemies and he has recently inaugurated a purge of presumed "Lin Piao sympathizers" in the army which, if it spreads, could have major political significance. This is especially true in light of Lin's reputed espousal of a moderately pro-Soviet line, on the one hand, and Teng's revelation that China plans to abrogate the Sino-Soviet treaty, on the other.

Yet, despite the evidence that much is going Teng's way and that his policies are genuinely popular, it is also clear that he is encountering numerous difficulties:

—Hua Kuo-feng has yet to identify himself with many of Teng's policies and key ideological formulations and has on several occasions seemed to support modification of the policies by stressing the Maoist heritage;

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 6–8/78. Secret. Sent for information. At the top of the page, Brzezinski wrote, "RI: WR or DR," meaning that he wanted to submit this memorandum to the President in the Weekly Report or Daily Report. On the second page, Inderfurth wrote, "ZB, A WR item? Rick." Oksenberg sent a shorter version of this memorandum, addressed to Carter, to Brzezinski for his signature under an August 14 covering memorandum. (Ibid.)

—Teng has been unable to purge several key figures, civilian and military, whom he has been attempting to topple for some time;

—Propaganda supporting Teng's economic and educational policies has frequently been defensive;

—The policies themselves have been implemented unevenly, probably because many bureaucrats believe these policies lack staying power and hence are unwilling to identify with them;

—While popular with most sectors of society, Teng's policies clearly harm the younger members of the political elite who gained their positions in the Cultural Revolution.

Teng seems aware of his problems. His remark to you that he has only three more years on the political stage, whether resulting from a firm injunction already imposed on him, or motivated by a desire to disarm his political foes, is a good indicator of that awareness.² As with the President's gamble in the Middle East, Teng appears to feel that only bold leadership—with the risks it entails—will enable China to vault over its current difficulties and become set on a less easily reversible course. But this leaves Teng in an exposed position, which many around him—Hua included—may seek to exploit should failures occur. Teng is looking for, and obviously needs, some easy, generally noncontroversial victories (the Japanese PFT is one).³ Given structural and deep-seated Chinese economic problems, major and unambiguous victories on that front are not likely to be available in the time frame in which he is thinking, and he is likely, therefore, to look to foreign policy for his necessary success.

Policy Implications:

—In our handling of the satellite,⁴ we should take into account Teng's desire for a rapid decision on a significant event of symbolic im-

² Brzezinski informed Carter of Deng's comment in his report on his visit, Document 113.

³ Japan and China had been negotiating a peace and friendship treaty for several years. They signed the Treaty of Peace and Friendship Between Japan and the People's Republic of China on August 12. Telegram 14704 from Tokyo, August 15, summarizes the terms of the treaty. (National Archives, RG 59, Central Foreign File, D780334-0762)

⁴ The United States was considering launching a U.S.-made satellite on behalf of the PRC. (Memorandum from Oksenberg to Brzezinski, August 16; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 56, Policy Process: 6-9/78) Telegram 239586 to Beijing, September 20, transmitted a letter from NASA to the Chinese Space Technology Academy making two offers: 1) to place a PRC "civil peaceful domestic communications satellite in geosynchronous orbit on a fully reimbursable basis;" 2) NASA's cooperation in helping the PRC to procure "two 12-transponder c-band communications satellites of appropriate design" from U.S. industry, which NASA would then launch into geosynchronous orbit. (National Archives, RG 59, Central Foreign Policy File, D780384-0679)

portance which would redound to Teng's credit. His concern on this score probably accounts for his handling of the issue on a priority basis.

—How we handle the student exchange program should take into account Teng's vulnerabilities. We want to make sure that the Chinese students are qualified and that the program entails reciprocity, but the way we achieve these objectives must not intrude on Chinese definitions of sovereignty.

—On normalization, Teng may be looking for a deal but will seek to wrap flexibility in rhetoric that we may find objectionable—but which reduces Teng's domestic burdens.

129. Telegram From the Department of State to the Liaison Office in China¹

Washington, August 17, 1978, 0048Z

208649. For Ambassador Woodcock. Subject: Ambassador Chai's Call on Assistant Secretary Holbrooke.

1. Newly arrived PRC Liaison Office Chief Chai Tse-min paid a fifty minute courtesy call on Assistant Secretary Holbrooke August 16. Following is a summary of the principal subjects discussed.

2. Courtesy calls—Holbrooke noted that Chai has gotten off to a good start on his courtesy calls and would be seeing Energy Secretary Schlesinger and Treasury Secretary Blumenthal later that day. He said that Chai would see the President in the near future and commented that it was important to meet as many senior officials as possible.² Holbrooke particularly emphasized the importance of developing contacts with Congress, a task that Ambassador Han Hsu has done extremely well. Chai noted that the President planned to take a vacation and asked if he would see him before or after the vacation. Holbrooke responded that it seemed likely Chai's meeting with the President would take place after the vacation, but this would be useful because Chai by then would have had an opportunity to meet all of the other high-level

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840140–2320. Secret; Priority; Nodis. Drafted by Anderson, cleared by Oksenberg, and approved by Holbrooke. Repeated Priority to the White House.

² Chai met with Vance on August 11. Their conversation focused on events in the Middle East. A memorandum of conversation is in the Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 6–8/78.

officials prior to his meeting with the President. Deputy Assistant Secretary Sullivan noted that we were also arranging appointments with congressional leaders based on a request received from PRCLC, but that most of these appointments would be for after the Labor Day recess.

3. Holbrooke commented that Vice Premier Teng's meeting with Congressman Wolff's delegation in Peking was extremely useful in furthering understanding of the PRC's position on normalization. In response to Chai's question concerning the reaction of the Wolff Codel, Holbrooke replied that every member seemed more strongly in favor of normalization after the trip.³ However, there is still concern about Taiwan (especially the Defense Treaty) and not all are convinced of our position. Holbrooke noted that in his congressional calls Chai should be sure to call on Senator John Glenn, who replaced Senator Mansfield as Chairman of the Asia Subcommittee of the Senate Foreign Relations Committee.

4. Normalization—Ambassador Chai asked about Holbrooke's impressions from his New York trip last weekend. Holbrooke replied that in New York he had seen influential editors and businessmen to talk about the importance of our relationship with the PRC. He noted that some with whom he spoke feared that the US position worldwide would be weakened if we take action to sever our ties with Taiwan. Holbrooke said that in such meetings he attempts to explain to these opinion leaders our continued commitment to normalization, while stressing that no timetable has been set. Although he did not discuss matters taken up privately in conversations with the PRC, Holbrooke said, he did state that we believe that normalization can be accomplished while we continue to attach high importance to the future of the people on Taiwan.

5. Holbrooke noted that our two countries are now in a very important phase of our relations. Because of the nature of our governmental system, the President can only achieve our goals if there is broad understanding on the part of the people. While he recognized that this is our problem, Holbrooke noted that what is said to Americans visiting China will continue to have a great deal of importance. Holbrooke noted Ambassador Han Hsu's speech in Illinois as an example of another good means of communicating the PRC's views to Americans.⁴ The fact that the speech was given in the Mid-West was

³ Representative Lester Wolff (D–New York) led a delegation of seven Congressmen to China July 3–13. Telegram 2085 from Beijing, July 10, contains a transcript of the meeting between Deng and the delegation. (National Archives, RG 59, Central Foreign Policy File, P840150–2616)

⁴ See footnote 5, Document 122.

particularly important since that area of our country needs more exposure to the importance of the relationship between our two great countries. He added that the visit to the Mid-West by the PRC agricultural delegation is also important as is the visit by the delegation from the New China News Agency.

6. Chai responded that both sides are very concerned about normalization because it has great world importance. As regards normalization, China's view is "the sooner the better" because it would be beneficial for our "common battle." Chai said that although the President faced certain difficulties, the crux of the matter is for him to make a decision. He pointed out that during Brzezinski's visit to Peking the Chinese position was explained very clearly by Foreign Minister Huang Hua, Teng Hsiao-ping, and Hua Kuo-feng. He said he hoped the American Government would deal sincerely and seriously with this matter.

7. Chai said that before he left Peking he visited USLO Chief Leonard Woodcock who shares the same feelings as Holbrooke. Noting that both sides are continuing contacts on the subject of normalization, Chai asked Holbrooke's assessment of prospects for success. Holbrooke stressed the "utter seriousness and determination" of the President to achieve the objectives of the Shanghai Communique. He said we appreciate the historic and strategic importance of completing the process of normalization, and we are proceeding with that in mind. He concluded that he would leave it to Leonard Woodcock to address this matter officially, since he is the President's spokesman, but he again wanted to stress the seriousness with which we address this issue.⁵

8. Holbrooke concluded that efforts in other fields such as the visits by Brzezinski and Frank Press⁶ as well as the forthcoming visits of Schlesinger and Bergland are also very important. He commented that we are studying the proposals growing out of the Press visit and have

⁵ On August 17, Chai met with Brzezinski and said, "Before I left Peking for Washington, I paid a farewell call upon Ambassador Woodcock, and we had a good talk. We share a common desire during our tenure to work together to promote the process of normalization in the spirit of the Shanghai Communiqué. Of course, it is not dependent on our desires but rather it is up to the policies of the U.S. Government." Brzezinski later responded, "So in this spirit of cooperation and recognition of our common interests, we will work it out. I am confident that our negotiations will be successful. There may be difficult moments. That is inevitable. But they will be successful." (Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 33, Memcons: Brzezinski: 10/77–8/78)

⁶ Press headed a delegation of 15, including the Administrator of NASA, the Director of the National Institutes of Health, and the heads of major U.S. scientific and technology firms. Brzezinski recalled that sending the delegation, the "most high-powered science/technology delegation ever sent by the United States to any foreign country," sent a "powerful signal." (*Power and Principle*, p. 226) During the visit, Press met with Deng. Telegram 2110 from Beijing, July 12, transmitted an account of their conversation. (National Archives, RG 59, Central Foreign Policy File, P840150–2634)

formed study teams that are moving forward very vigorously on the various ideas growing out of that trip.

9. Peace and Friendship Treaty—Vietnam negotiations—Holbrooke turned to the Sino-Japanese Peace and Friendship Treaty, stating that we were very pleased that China and Japan finally had reached agreement. He noted that Dr. Brzezinski told both the Chinese and Japanese that the US hoped for its success. This was in contrast to the previous administration which had taken a more neutral posture. This administration feels that the treaty is important to the peace and stability of Asia, and Brzezinski had taken steps while in Japan to help. We were very pleased at its conclusion. Holbrooke asked if Ambassador Chai had any views on the treaty. Turning to Vietnam Holbrooke noted that since coming into office this administration has consistently informed the PRC concerning our negotiations with Vietnam both preceding and after any negotiations. He said he wanted to assure Ambassador Chai that we will continue to follow the same procedure in the future. At present there are no talks scheduled with Vietnam but Holbrooke said he thought there probably will be talks in the future. He simply wanted to make clear, as Ambassador Han knew from last year, that we will continue our practice of informing the PRC on our talks.

10. Regarding the Peace and Friendship Treaty, Chai responded that he thought both the US and the Chinese side were well aware of the great importance of the treaty. He said reactions worldwide were nearly unanimous in favor with but one exception. On the question of Vietnam talks, Chai said he also hoped that we could keep in touch since it would be mutually beneficial.

Vance

130. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, August 21, 1978

SUBJECT

Chinese Foreign Policy: Leaning to One Side Again—This Time Our Side

Hua Kuo-feng's trip, the signing of the Sino-Japanese Treaty, and Ambassador Ch'ai's arrival in Washington underscore the activism of current Chinese foreign policy. Instead of cheering from the sidelines, China is now actively engaged in attempting to build a durable, world-wide anti-Soviet consensus.

Adding to the significance of these developments is the Chinese announcement through Sonada that China will renounce the Sino-Soviet Treaty next year. Until recently, the Soviets had hoped for an improvement in Sino-Soviet relations after Mao's death, believing that a diminution in Sino-Soviet tensions was necessary for the modernization of China. With Chinese willingness to renounce the Treaty, all hope of resurrecting Sino-Soviet amity has ended. The Chinese have both nailed the coffin shut and embarked on a strategy to modernize China by turning to the West. And with that, the Sino-Soviet conflict has entered a new stage.

In 1949, Mao Tse-tung proclaimed his policy of "leaning to one side"—the Soviet Union. The Sino-Soviet alliance and the bi-polar world it helped create was the operative factor in world affairs for ten years, followed by another decade of roughly equidistant, antagonistic relations among the Soviet Union, the U.S., and China. Now the Chinese are willing to solidify through permanent agreements the more fluid situation of recent years: the lengthening of their distance from the Soviet Union and the shortening of their distance from us. They have moved into a new era of leaning to one side, this time toward the U.S. By attaching themselves to the West, moreover, the Chinese hope to accentuate strains in the détente process and thereby lengthen the distance between the Soviet Union and the U.S.

The Chinese are emphasizing that their course is set, and its implications are already becoming manifest. The modernization process will itself deeply affect cultural values and social structure across China,

¹Source: Carter Library, National Security Council, NSC Institutional Files (H-Files), Box 42, PRM-24 [1]. Top Secret; Codeword. Sent for information. Brzezinski circled the date and wrote, "10 days to get to me! ZB."

deepening and broadening interaction with the West. More immediate fallout is also evident.

—China has broken with Albania and Vietnam, cutting its losses with former allies who questioned current policies.

—It is seeking arms in the West, partly as a means of causing irritations in the détente process, but also as a means of making its defense capabilities more credible.

—It is engaged in a wide-ranging modernization of its armed forces, breaking with the Maoist emphasis on guerrilla warfare.

—[1 paragraph (2 lines) not declassified]

—It has not only become more active in the Caribbean and southern Africa, but has introduced a greater degree of parallelism with U.S. policy into its international behavior since your trip.

—It has begun, under Teng's personal direction, a purge of the army, where nostalgia for the days of Sino-Soviet cooperation has long been suspected to exist.

—More generally, it is prepared to endure and hopefully overcome the political and social strains engendered by hectic modernization, wider contact with the West and rapid abandonment of Maoist principles.

The implications for the Soviet Union perhaps may be even more profound. For twenty years, the U.S. sought to isolate and contain China, with limited success and at enormous cost. Now the open-ended burden of keeping China poor and weak has shifted to the Soviet Union. The task is a bone in the Soviet throat, and Moscow knows it. As the new reality of the enduring Sino-Soviet conflict and the decisive Chinese tilt to the West has become evident, Moscow has begun its countermeasures:

—The Brezhnev trip to Siberia in the company of Ustinov, perhaps the most menacing gesture Moscow has made in the border region since 1969.

—[1 paragraph (3 lines) not declassified]

—The clumsy but unremitting effort to prevent Western European countries from selling sensitive technologies to China.

—The pressures on Japan not to sign the Peace and Friendship Treaty, with all the animosity it generated, and the pressure on India to conform more closely to Soviet diplomatic strategy.

—The public support of Vietnam in its current quarrels and the rapid induction of Hanoi into CEMA.²

² The Socialist Republic of Vietnam joined the Soviet-led Council for Mutual Economic Assistance in 1978.

—The rapid exploitation of the situation in Afghanistan following the recent coup.

—[1 paragraph (3 lines) not declassified]

These are all, in a sense, preliminary measures. China has the initiative, and the Soviet Union is still formulating its responses. One wonders whether the list might eventually include limited use of forces against China and/or more sweeping inducements to Washington for the formation of a Soviet-U.S. global condominium.

It is obvious that continued animosity between Moscow and Peking, coupled with a broadening in the Sino-U.S. relationship, brings us beneficial security and economic dividends. Two cautionary notes should be added, however. First, the Chinese will continue their effort deliberately to induce tensions between Moscow and Washington that would drive the U.S. and the Soviet Union farther apart. While we can live with some of the resulting difficulties, we must guard against Chinese efforts to make our policy for us. Second, we must also guard against Chinese efforts to create a dependency relationship in which Peking, playing on its own relative weakness, asks us for more—politically and economically—than we will wish to deliver. The resultant disillusion on both sides would in some ways parallel what happened to the Sino-Soviet relationship in the late 1950s, and we obviously wish to avoid a repetition of that experience.

On balance, though, the Chinese tilt toward the U.S. is a favorable development of major proportions. If we play our cards carefully, we may be able to exclude Soviet power from footholds in East Asia and to keep it from expanding in Southeast Asia. The favorable opportunities we now can see in Asia can be turned into a major political asset for the President as he prepares for the struggles of 1980. I want to address this question in another memorandum.³

³ At the bottom of the page, Inderfurth wrote, "Mike, We need this (in an abbreviated form) in the Weekly Report to the President. Rick" A shorter, less analytical version was sent to Carter, who wrote his initial "C" on it, as NSC Weekly Report #71, September 1. (Carter Library, Brzezinski Donated Material, Subject File, Box 41, Weekly Report [to the President], 61–71, 6/78–9/78)

131. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, August 23, 1978

SUBJECT

Impressions on Our China Policy to Date

I have recently completed organizing your chronological file of papers dealing with our China policy since we came into office. Rick now has this stack of documentation in his files, with a table of contents (Tab A).²

I thought I might share with you from reflections, as I review the enormous amount of work we have done in 18 months.

1. Our China policy has gone through five discernible stages:

—*Discovery* (January–March, 1977): This period involved the President's meeting with Huang Chen and the exploration of the Nixon–Kissinger memcons. It ended with our decision not to treat Nixon's five points as a "pledge" to the Chinese which we wished to sustain. You will recall that you sent a memorandum to the President on this issue, and he accepted the five points. Upon informing Cy of this, Cy requested a reconsideration and the President's endorsement of the five points was recalled.³ In retrospect, I think that was an important and unfortunate incident. Had we accepted the five points, we would have immediately so informed the Chinese and entered into a serious dialogue on our bilateral relations.

—*Backburner* (April–June, 1977): Instead of moving ahead, we decided to study the matter and to engage in symbolic actions. PRM 24 was commissioned in early April,⁴ and Chip Carter joined the Brademas Codel at the same time. Then, for nearly three months

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of): Normalization: 12/18/78–12/31/78. Secret; Sensitive; Eyes Only; Alpha; Outside the System. Sent for information.

² Tab A, a table of papers about China, is attached but not printed.

³ No such memorandum has been found. Patrick Tyler's book, *A Great Wall: Six Presidents and China: An Investigative History*, claims that Oksenberg "drafted a memo to Brzezinski recommending that the president authorize the secretary of state, at the first opportunity, to reaffirm the Nixon–Ford assurances. Brzezinski took the memo, added his own cover note, and sent it to the president for approval." Tyler wrote that Vance was furious when he learned that the Department of State had been circumvented; "He demanded that the Oksenberg memorandum be withdrawn and that all copies of the original memo be collected and shredded." Tyler added, "All but one copy was destroyed. Oksenberg squirreled it away for Carter's presidential archive." (pp. 237–239)

⁴ See Document 24.

nothing happened. The Armacost/Oksenberg draft of the Vance speech of June, which projected a more vital strategy in East Asia, was rejected in favor of an unmemorable Vance speech.⁵ The PRM drafting process ground out slowly. Looking back on this era, I have to be very self-critical, for at that time I was unaware of the influence an NSC Staff Member can bring to bear. The reception which the Chinese accorded you at your June 15, 1977 banquet also did not increase your own desire to push things forward.

—*Vance Trip* (July–August, 1977): Nonetheless, the record shows that the first set of initiatives for improving relations with China rests at your doorstep, with a June 14 memorandum you submitted to the President on this subject.⁶ His response encouraged us to begin to facilitate the transfer of technology to China, to begin thinking of Frank Press’s involvement in Chinese affairs, and to enhance our consultative relations with China. The catalyst for thinking about our China policy, however, was the Vance visit. Planning for that trip began with a late June PRC meeting on PRM 24 and culminated in a July 30 meeting with the President in which he encouraged Cy to make a candid and forthcoming presentation, including the tabling of a draft communique.⁷ Cy left for China with such a communique in his pocket.⁸ In spite of the high expectations, in a memorandum to the President you noted that in fact in several ways Cy’s presentation represented a step back from Ford’s presentation—and that the international situation probably was not conducive to a favorable Chinese response. You noted that we had not prepared the strategic groundwork to encourage Chinese flexibility.⁹ The records will show that the August 22–25 Vance visit did not achieve its intended objective; it did not stimulate a Chinese interest either in normalization or in advancing their bilateral relations with us short of normalization.

—*Backburner* (September 1977–March 1978): With the Panama Canal on the agenda, the Chinese reaction to the Vance presentation, and the bureaucratic divisions within our own government over China policy, China policy entered another hiatus. During this backburner phase, you bore the initiative for China policy; you elicited the Chinese invitation for you to visit China; you pushed the issue of Chinese technology transfer to China, which culminated in a January 30, 1978 PRC

⁵ See footnote 3, Document 43.

⁶ See Document 31.

⁷ For the PRC meeting of June 27, see Document 34. For the July 30 meeting, see Document 41.

⁸ See Document 46. For accounts of Vance’s meetings during his August 1977 trip to China, see Documents 47–52.

⁹ Brzezinski’s memorandum has not been identified.

meeting which also touched on sale of military equipment to the PRC by Western Europe and Japan;¹⁰ and you began your consultative conversations with Han Hsu in early January.

—*Brzezinski Trip and Its Aftermath* (March 1978–Present): The logjam was broken in mid-March, when the President approved your trip to Peking.¹¹ Historians will note that we placed the call to Han Hsu indicating that you were prepared to respond to Huang Chen's invitation one day following the passage of the first treaty on the Panama Canal and that we set the date for your trip one day after passage of the second treaty. From this time on, the files show, a high percentage of the documents are simply memcons of the many meetings which you or I have had with the Chinese. With your trip as the catalyst, we made the Daedalus decision and the decision to draw down forces from Taiwan. You also elicited instructions from the President for your trip to Peking which reiterated Nixon's five points and accepted the Chinese three conditions. What transpired on your trip and since then is no doubt more fresh in your mind, and I need not repeat it here.¹²

2. The question before us now is whether the momentum will be sustained through the forthcoming trips by Schlesinger and Bergland and through the Woodcock negotiations, or whether in the inevitable ebb and flow of history, we may not be reaching the high tide of this surge. One senses that a down-turn could set in because of the sale of the F-5G to Taiwan, which is certain to provoke anger in Peking, though to what extent is uncertain; the Vietnam situation, where I fear that the rush of events may lead us to move ahead with Vietnam so rapidly that it will interfere in our China policy; and the fact that our negotiations on normalization have for the first time gotten to the two core issues—what Peking will say about its intent toward Taiwan and about our determination to continue arms sales to Taiwan.

3. You have played the following roles throughout our 18 months here:

—*Conceptual*: The way we conceive of this relationship is due to your formulation. The notion that our relations with China consists of three dimensions and that we seek to move ahead in all three without linkage was first floated by you at the meeting with the President on the eve of Cy's trip. The formulations about China being central due to maintenance of the global equilibrium and that a strong and secure China are in our interests also come from you. The President's Notre

¹⁰ No record of this meeting has been found.

¹¹ See Document 86.

¹² See Documents 108–111.

Dame speech essentially established the framework within which we have been working ever since.¹³

—*Initiative*: Frankly, I had not been prepared for the degree to which the record shows that initiative for our China policy has been yours. In fact, it is fair to say that the only two issues for which you cannot claim credit are Taiwan troop drawdown and Cy's trip. I also suspect that had you pushed harder earlier China policy may have been PRM 8 rather than PRM 24, for I recall those seminars in March–April, 1977, when you exhibited healthy skepticism about the value of a China connection. Nonetheless, on all other matters the initiative has been yours and I shudder to think where we would be without its initiatives, particularly your trip and the President's instructions, the Press trip, the Daedalus decision, the relationship you cultivated with Han, and I suspect eventually the Olympus Marine Engine deal. Your major ally for initiating action in the bureaucracy has been Harold Brown.

—*Caution*: An interesting role that I had not focused on before has been the cautionary role, warning of the pitfalls, and indicating the trouble spots ahead. If anything, I think this role should be augmented and you could do even more to point out costs that are likely to be paid or constraints that are likely to be faced by alternative courses of action.

—*Toughness*: You have played an important role in making sure our stance on normalization is suitably tough and that we do not pursue normalization as an end in itself. Here you are acting as the President's representative, for his own statements are surprisingly consistent on the package he desires.

Recommendations:

I went through this material trying to think of ways that we might improve our policy process in the China realm. Frankly, it is hard to think of any. I think we are doing well. There have been occasional lapses, but they are inevitable. Our leaks have been few, in part I think because we have attempted to keep the circle very small. Our relations with State have been collegial and cordial. There is a source of satisfaction to be able to write a paper that reaches these conclusions.

¹³ In his commencement address at Notre Dame on May 22, 1977, Carter declared: "It's important that we make progress toward normalizing relations with the People's Republic of China. We see the American and Chinese relationship as a central element of our global policy and China as a key force for global peace. We wish to cooperate closely with the creative Chinese people on the problems that confront all mankind. And we hope to find a formula which can bridge some of the difficulties that still separate us." The full text of the speech is printed in *Public Papers: Carter, 1978*, pp. 954–962.

132. **Action Memorandum From the Deputy Assistant Secretary of Defense for International Security Affairs (East Asia and Pacific Region) (Armamacst) to Secretary of Defense Brown¹**

Washington, September 7, 1978

SUBJECT

Military Attitudes Towards Taiwan and Normalization

As the pace of our efforts to complete the normalization process quickens, it will become increasingly important to assure that your senior military advisers are supportive of the Administration's policy. In this connection there are some indications that suggest it would be prudent to begin discussions with the Chiefs for the purpose of avoiding future misunderstandings about the thrust and pace of U.S. policy toward China.

Since 1972, the U.S. has gradually but consistently reduced our military contacts with Taiwan in accordance with the Shanghai Communiqué. These steps have signalled to the PRC our commitment to Shanghai Communiqué principles while "conditioning" the ROC to the expectation that we will eventually normalize diplomatic relations with Peking and withdraw all military forces and installations from the island.

In recent weeks there have been disquieting indications that some senior military commanders evidently question this policy. The U.S. Navy considered raising the question of reinstating nuclear powered warships (NPW) visits to Taiwan—a practice stopped about six years ago. The Navy also pressed for an expansion of the ROC midshipmen's cruise from Hawaii to the West Coast, and challenged a decision not to send a Mobile Training Team to Taiwan to conduct training in amphibious warfare. There has also been a proposal to have several high ranking ROC military officers flown out to the *Enterprise*. I understand that Admiral Weisner is again contemplating a request for permission to visit Taiwan despite earlier turndowns. In addition I am told Mickey has invited Admiral Linder, Commander of the Taiwan Defense Command, to participate in the observance of the ROK's Armed Forces Day in Seoul in October.

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Reds) 092. Secret; Sensitive; Eyes Only. Stamped "SecDef has seen" and "8 Sep 1978." At the top of the page, Brown wrote, "7/8. Show to Dep Sec, U Sec Pol, ASD ISA." Next to that is a handwritten note by an unknown person that indicates that copies of the memorandum were sent to the Deputy Secretary of Defense, the Under Secretary of Defense for Policy, and the Assistant Secretary of Defense for International Security Affairs.

Assuming that these are not isolated incidents—and given the pace of normalization—I believe steps must be taken expeditiously to ensure that U.S. military leaders fully understand and support our China policy.

As a first step, I suggest that you meet with the Joint Chiefs of Staff in the near future to discuss our China policy. This would provide an occasion to restate the Administration's commitment to the normalization of US-PRC relations, discuss the potential strategic benefits that will flow from normalization, and enable you to reemphasize the corollary—the inevitable reduction of our military contacts with Taiwan.

At some future date you might also want to bring them up-to-date, on a close hold basis, on the normalization issue, though this would certainly require prior coordination with the White House.

I am raising this issue now because I firmly believe that we need to begin bringing the military on-board. If we do not, we risk future trouble not to mention the obvious risk of another Singlaub affair.

Recommendation:

That you schedule an early session with the Chiefs on China. (We will be happy to furnish background and talkers).

With your concurrence, I will talk to Mickey Weisner to see that Admiral Linder does not participate in the ROK Armed Forces Day ceremonies.²

Michael H. Armacost³

² Brown initialed his approval of the recommendation and wrote, "9/8."

³ Armacost signed "Mike Armacost" above this stamped signature.

133. Memorandum of Conversation¹

Washington, September 7, 1978

PARTICIPANTS

Secretary Kreps
 Chai Tse-min—Chief, PRC Liaison Office
 Frank Weil—Assistant Secretary, Industry and Trade Administration
 Kempton Jenkins—Deputy Assistant Secretary for East-West Trade
 Roger Sullivan—Deputy Assistant Secretary, East Asian and Pacific Affairs
 Peng Ching-po—Chief, Commercial Section, PRCLC
 J. Mishell George—Deputy Director (Acting), Bureau of East-West Trade
 William Clarke—Director, PRC Affairs, BEWT
 Hsu Hsuan-wei, Interpreter, PRCLC
 Nancy Chen, Interpreter, ITA/BEWT

SUBJECT

Ambassador Chai's Call on the Secretary

After the Secretary's welcome, Ambassador Chai noted that trade was up, but not to the levels it could be with the normalization of Sino-American relations. Mrs. Kreps thought trade might top one billion dollars in 1978 and Chai responded that it would be good if it tripled.

The Secretary noted Chinese plans for the development of the economy and asked what the U.S. could trade with China in support of their modernization program. Chai said many products from the U.S. were needed by China, but again he returned to the theme that trade would be larger with normalization and the solution of some other problems. Chai observed that the U.S. refused to sell certain products to China. He also noted the absence of MFN for China saying this created certain problems for their exports. Chai did not dwell on the problems and hoped that normalization would wipe them out and promote trade. At no time were trade problems concerning textiles and clothespins mentioned.

Turning to the recent wheat sales, the Secretary said she was pleased the Chinese were again buying U.S. agricultural products. The Ambassador, quoting Teng Hsiao-ping, said China was basically

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 9–11/78. For Official Use Only. Drafted by William Clarke, Director of the PRC Affairs Division in the Bureau of East-West Trade, Department of Commerce, on September 13. The meeting took place in Secretary Kreps's office.

self-sufficient in grain, but due to occasional catastrophes sometimes needed to import grain. He could not give a figure on import requirements, but did note that in buying grain the PRC must look first to Canada, Australia, and France because of normalized relations with these countries.

Mrs. Kreps mentioned the interest in the U.S. in the possibility of joint development of China's offshore oil and gas resources. She said American petroleum technology is the world's best. Chai acknowledged this and said four American oil firms had discussed this matter in Peking recently.

The Secretary, taking note of Dr. Press' recent visit, said she was encouraged by the increase in scientific and technical exchanges and the prospects for more.² Chai said there would be more cultural and scientific exchanges and that Chinese students would come to the United States in 1979 to study English. He said there was a need to introduce U.S. types of advanced technology into China and that he would like to see this occur as it would help increase U.S.–China trade to \$10 billion (sic). He said China needed U.S. satellite technology, mining equipment, products in the energy area, and transport equipment.

Mrs. Kreps, citing the President's stated objective of normalizing relations with China, said she did not know how long this would take, but that the sooner negotiations started, the better it would be for trade. Although normalization is a matter for diplomatic channels, we can not remain indifferent because of the impact in the commercial area. Twice Chai responded by saying that normalization was now mainly up to the United States.

Ambassador Chai, confirming an invitation for the Secretary to visit China, indicated she could have "wide ranging" discussions in Peking on trade matters. Chai said time in 1978 is short and the Chinese leaders already have a heavy schedule for the balance of the year, but said they would be glad to receive her in 1979. The Secretary said she too had a demanding schedule but would welcome a trip after January. Chai inquired if she could suggest a time and the Secretary indicated the first quarter between January and April. She said she would consult her schedule and get back to him with a proposal for a specific time. Chai said he would convey this information to Peking.

² See footnote 6, Document 129.

Finally, Ambassador Chai, noting the plummeting dollar, asked the Secretary what steps the U.S. Government was taking to stop this. The Secretary then explained the Administration's efforts at some length. She concluded by saying that improvement in the balance of trade was a major factor and that this was one reason she felt expanded Sino-American commercial relations to be essential.

The Ambassador expressed the thought that improving the balance of trade was a tough job for the Department, but that in any event U.S.–China trade will increase in step with our political relations.

134. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to the Special Representative for Trade Negotiations (Strauss)¹

Washington, September 19, 1978

SUBJECT

Textile Relations with the Chinese

This is in response to your memo of August 22, concerning textile relations with the People's Republic of China.²

I agree that we should initiate discussions with the Chinese about textiles at an early date. I understand that State officials intend to call in the Chinese Commercial Counselor shortly, outline the nature of the problem as we see it, and suggest possible remedies. If the Chinese agree, formal consultations would follow thereafter.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 9–11/78. Confidential. Sent to Brzezinski under a covering memorandum from Platt and Deal, August 30, upon which Aaron wrote, "ZB—This is the item I mentioned. State is holding up action, but this will have to be faced or Strauss may just act on his own." (Ibid.)

² In Strauss's August 22 memorandum to Vance and Brzezinski, he wrote, "At an early, mutually convenient time, I would like to talk to each of you—hopefully at the same time—with respect to our textile relations with the PRC. As you know, Canada has already negotiated bilateral agreements and the EC has taken unilateral action and contemplates a bilateral agreement in the immediate future, while we have really done nothing. I am concerned that we are neglecting the substantive problem and at the same time are failing to get political mileage which the Administration desperately needs with the textile community." (Ibid.)

I recognize that the rapid growth of Chinese textile shipments to the US deeply concerns our domestic industry.³ For that reason, and especially because the industry's support will be critical in the final stages of the MTN, we should move expeditiously to resolve this problem.

However, we want to proceed in a way that will ensure progress and limit the impact of our action on US-Chinese relations, which have expanded markedly in recent months. I suggest, therefore, that we make no public announcements about our approach to the Chinese on this issue until we have actually begun formal consultations. Premature publicity raises the risk of misunderstanding with Peking. Once the talks are underway—and we propose to move promptly—we should still be able to derive maximum political benefit by demonstrating that we are responsive to the industry's complaints.

I would be pleased to discuss these matters with you and Cy at a mutually convenient time.

Zbigniew Brzezinski

³ The covering memorandum by Deal and Platt notes, "Chinese textile exports to the US have risen rapidly in recent years. During January–April 1978, US textile imports from the PRC were up 178% in volume terms over the corresponding period in 1977. As a result, the textile industry, labor unions, and their supporters in Congress are calling for action by the Administration to restrain Chinese exports. STR, Commerce and Labor want us to negotiate a formal restraint agreement with the PRC. We have raised textile issues discreetly with the Chinese on several occasions over the past six years, including a presentation at the Cabinet level by then Secretary of Commerce Richardson. In 1976, the EB and EA Bureaus in State recommended that we seek voluntary export restraints from the PRC. However, Kissinger ruled out that approach in view of the internal situation in China and the sensitive nature of US–PRC relations." Deal and Platt then recommended that Brzezinski support the Department of State position that the United States discreetly express its concerns about Chinese textile exports to the Chinese Commercial Counselor, rather than publicly address the issue as Strauss wanted to do.

135. Memorandum of Conversation¹

Washington, September 19, 1978, 11:35 a.m.–12:12 p.m.

SUBJECT

Summary of the President's Meeting with Ambassador Ch'ai Tse-min

PARTICIPANTS

President Jimmy Carter
 Cyrus Vance, Secretary of State
 Zbigniew Brzezinski, Assistant to the President for National Security Affairs
 Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
 Michel Oksenberg, Staff Member, NSC
 Ambassador Ch'ai Tse-min, Director of the People's Republic of China Liaison Office
 Ambassador Han Hsu, Deputy Director of the People's Republic of China Liaison Office
 Hsu Shang-wei, Third Secretary and Interpreter of the People's Republic of China Liaison Office

The meeting began with Ambassador Ch'ai, accompanied by Interpreter Hsu Shang-wei, being ushered into the Oval Office by Phil Wise to meet the President and to have his photograph taken with the President and with Dr. Brzezinski and Secretary Vance. The group then returned to the Cabinet Room for a meeting.

President Carter: Let me first extend the warm welcome of the American people to you as you begin your work as Ambassador representing your great country.

As I said in the other room, I am grateful for the rapid expansion of relations between our two countries—student exchanges, exchanges of scientific groups, and the visits of business leaders to your country. This is to the mutual advantage of your great country and ours.

Of course, we now also have plans for additional important visits, in energy, agriculture, science, and education. I am pleased this expansion is occurring.

Ambassador Ch'ai: We have taken notice that after Dr. Brzezinski's trip to China, the flow of visits between our two countries has rapidly increased. Especially after the visit of your scientific delegation, there has been an increase in scientific, technological, and cultural exchanges.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Events–Aggregate documentation: 8–12/78. Top Secret; Sensitive; Eyes Only; Alpha. The meeting took place in the Cabinet Room.

Such an increase in exchanges of visits between our two peoples, and the exchanges in the scientific and technological fields are beneficial to promoting the development of relations between our two countries.

We do hope our mutual relations will be developed beyond their present state with a major stride forward to normalize relations at an early date. These developments are in conformity with the interests of our two peoples and will be beneficial to our joint efforts to cope with the Polar Bear.

President Carter: We also want to see constant and substantive consultations between our two countries. Secretary Vance departs today for a visit to Jordan, Syria, and Saudi Arabia. He will be informing the leaders about the agreements of the Camp David Summit. Peace in the Middle East is in your interest as well as ours. I would be glad for Dr. Brzezinski or someone else to brief you in detail on agreements of the Camp David Summit.

We would certainly appreciate the support of the People's Republic of China in our further efforts to bring about a comprehensive settlement in the Middle East. I ask that you convey this to Chairman Hua and the other Chinese leaders. In view of your influence, I ask that you give us your assistance with Arab leaders and others who want peace in that troubled area of the world.

Ambassador Ch'ai: I will surely convey your opinion.

Before I came to the United States, in Peking our leaders—Premier Hua Kuo-feng; the Chairman of the Standing Committee of the National People's Congress, Yeh Chien-ying; and Vice Premier Teng Hsiao-p'ing—all asked me to convey their best regards to Your Excellency, Mr. President.

President Carter: Thank you.

As you know, this can be a very important year for the relations between our two countries. I have directed our Ambassador in Peking, Leonard Woodcock, to have serious discussions with your leaders concerning the complete restoration of diplomatic relations between our two countries. These are very important matters, and the discussions are serious.

Ambassador Woodcock speaks personally for me, and I personally approve the instructions.²

² A memorandum from Oksenberg to Brzezinski, September 18, noted, "I remain concerned that at some point we must respond to the President's complaint that we are not keeping him well informed about the progress in Woodcock's talks to date." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 44, Meetings: 9/17–30/78) The instructions for Woodcock's fourth meeting with Huang Hua are in backchannel message 81160 from the White House Situation Room to Beijing, September 6. (Carter Library, National Security Affairs, Staff Material, Oksenberg Subject File, Box 44, Meetings: 9/1–16/78)

If the talks are successful, I am prepared to normalize relations between our two countries without further delay.

These mutual efforts of ours are not undertaken for any brief or transient tactical reasons, but are in the long-term historic interests of the lives of our people. I know that no one need be concerned about this, except for one Third Country which might like to see these efforts fail.

I might say that we have now approached the time of complete and very difficult discussions of importance to your country and mine.

We are willing to honor your three points which your government has made clear to us.³ It is important that your government be ready to honor the need of the United States to demonstrate its dependability, credibility, integrity, and resolve as we change our relations with Taiwan and change our relations with the People's Republic of China.

We are prepared after a relatively brief interim period to end all official representation on Taiwan. As you know, under our system of government, our Congress must authorize unofficial relations with Taiwan. We will continue to trade with Taiwan, including the restrained sale of some very carefully selected defensive arms—and let me not be misleading—only in a way that carefully does not endanger the prospects of peace in the region and the situation surrounding China.

I recognize this is very sensitive for you.

I would hate to see Taiwan turn to other sources or even to develop dangerous weapons that would be threatening to you.

These are long-standing commitments which we must honor within the constraints I have outlined to you.

As you know, the people of Taiwan have the scientific capability for the development of atomic weapons, and we feel some relations with us are important to prevent this dangerous development.

I would like to make one last point.

We have an interest in the peaceful settlement of the Taiwan issue and in a peaceful reunification of China.

We intend at the time of our agreement with you to state our expectations of a settlement of the Taiwan issue through peaceful means. We do not expect you to confirm that statement, but we would expect that the Chinese Government will not contradict us. We recognize that this is a very sensitive point.

The political realities—particularly the U.S. domestic political situation which arises out of our long association with Taiwan—require that difficult issues be dealt with separately by you and by us.

³ See Document 98.

If these two issues can be resolved satisfactorily, I see no other obstacles to the complete resolution of other issues that have separated our peoples for too long.

(When the last paragraph was translated, the Ambassador asked his interpreter “What two issues?” The translator explained that the two issues were U.S. military sales to Taiwan and the U.S. statement about peaceful resolution of the Taiwan issue which the U.S. would expect China not to contradict.)

A last point: Please send my personal regards to Premier Hua Kuo-feng, Chairman Yeh Chien-ying, Vice Premier Teng Hsiao-p’ing, and your other leaders. I appreciate the way they received with such hospitality Secretary Vance, Dr. Brzezinski, and Frank Press.

We look forward with great anticipation to the time when we can welcome Premier Hua, Vice Premier Teng, and others here. As you know, American Presidents, Secretaries of State, and others have visited China many times. I extend an invitation to Premier Hua, and other leaders to visit us whenever it becomes possible.

Ambassador Ch’ai: To normalize relations between China and the United States conforms with the common interest of both our peoples and is a major strategic step. Both sides are concerned about this issue.

As to how to normalize relations, Ambassador Woodcock is conducting negotiations with you [*us*] in Peking on this point.⁴

I think that in regard to our position, Ambassador Woodcock has already reported back to you. I believe, Mr. President, you have already seen the reports, so I need not repeat them.

Our principle is that the United States should recognize that there is only one China, that is the People’s Republic of China, and that Taiwan is a province of China.

The United States must meet our three terms—the severance of diplomatic relations, the withdrawal of military forces and installations from Taiwan, and the abrogation of the Defense Treaty with Taiwan.

As to how and when China liberates Taiwan, this is our internal affair which brooks no foreign intervention.

We think that as to how to solve the problem of our relations, the only way is through the Japanese formula. That is to say, after the establishment of diplomatic relations, the United States could only maintain people-to-people relations with Taiwan. There is no way to maintain official or semi-official relations with Taiwan.

During the negotiations for normalization and after normalization, for the U.S. to continue to sell weapons to the Chiang Clique would not

⁴ See footnotes 2 and 3, Document 127, and footnote 3, Document 141.

be in conformity with the spirit of the Shanghai Communique. Regarding this issue, Deputy Chief Han had already had two talks with Mr. Holbrooke, and I think, Mr. President, you already know our position. There is no need to repeat it.

As you mentioned the issue of peaceful means for the liberation of Taiwan, we think that there are two different questions—the question between our two countries and the question between ourselves and Taiwan. Let China solve the latter question itself. As to how and when, this is our internal affair, and the U.S. should not ask us to make any promises on this issue. Since Vice Premier Teng has expressed our views clearly to Dr. Brzezinski, I will not repeat that either.

(Ambassador Ch'ai, later in the day, requested us to rephrase this paragraph thusly: We would differentiate clearly between our relations with Taiwan and our relations with the United States. These are two different problems. As to how to liberate Taiwan, this is China's internal affair which brooks no foreign interference. As to what means for the liberation of Taiwan, this is our own affair. When Dr. Brzezinski and Congressman Wolff visited China, Vice Premier Teng made all this clear to them.)⁵

As to the question of the Presidential invitation to our leaders to visit the United States, it is impossible at this point because of the presence of the embassy of the Chiang Clique here.

If they come to visit, wouldn't it appear that there are two Chinas? Besides conveying your invitation, I can only express thanks for this indication of your good will. After normalization, it would be quite possible.

President Carter: I look forward to it.

⁵ See Document 110 for the memorandum of conversation of the meeting between Brzezinski and Deng. Regarding Wolff's visit, see footnote 3, Document 129.

136. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, September 23, 1978

SUBJECT

Cabinet Officials' Travel to China

With the Schlesinger and Bergland trips as examples, Cabinet Secretaries are demonstrating eagerness to beat a path to Peking. Several have approached the Chinese directly requesting invitations. Others have gone to Holbrooke requesting his patronage. One senses the beginning of jealousies as to who goes next.

To nip this problem in the bud, I recommend that you take this issue up at the next Cabinet meeting. Here are the talking points I recommend:

—You welcome the forthcoming trips by Schlesinger and Bergland to China. They are part of our burgeoning relationship with the People's Republic, which has your support.

—You can see some merit in considering additional Cabinet-level visits to China, either singly or perhaps joint trips of more than one Secretary at one time.

—However, until one can assess the value of the Schlesinger and Bergland trips, it is premature to schedule dates. Until we have a clearer sense of the direction of our China policy, it is premature to think about the timing and sequence of such visits.

—Moreover, our policy interests are not well served by individual Cabinet members approaching the Chinese either directly or indirectly.

—Therefore, you request all Cabinet members to hold any plans for travel to China in abeyance until after the Schlesinger and Bergland trips.

—Anyone wishing to go, or invited, should check first with NSC (Zbig) which will coordinate with State.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 27, Brzezinski: 9–12/78. Confidential. Sent for action. At the top of the page, Carter wrote, "Zbig—Jack Watson. I agree with this. Implement. J." Sent to Brzezinski under a September 22 covering memorandum from Oksenberg. (Ibid.)

137. **Briefing Memorandum From the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke) to Secretary of State Vance¹**

Washington, undated

SUBJECT

Your Meeting with PRC Foreign Minister Huang Hua, New York, October 3, 1978

Your dinner with Foreign Minister Huang Hua comes at a time of a rapidly expanding US–PRC relationship. The main impetus for this change is the all-out effort by the Chinese leadership to promote the rapid modernization of the PRC. Education, scientific and technological work, the economy, and other important segments of Chinese society are being overhauled, and the Chinese are looking to the West and Japan for the expertise to accomplish their ambitious goals. This month alone we have had over twenty PRC delegations in the United States (compared with a rate six months ago of two or three a month) studying city administration, coal, electronics, geography, etc. and large numbers of American educators, technicians, businessmen, and tourists are going to the PRC.

Following up on Frank Press' visit last June,² a PRC delegation led by National People's Congress Standing Committee member Chou Pei-yuan is arriving October 7 to discuss an exchange of students and scholars. The delegation will hold discussions in Washington October 12–16 with a US group led by National Science Foundation President Richard Atkinson and then visit a number of US universities. A State Department officer will accompany them on the trip. We expect a limited number of Chinese students to begin arriving in the United States in November with the number increasing to perhaps five hundred by the fall of 1979.

In addition, we informed the Chinese on September 16 (by letter from NASA) of our agreement to sell to the Chinese a WESTAR communications satellite and place it in orbit.³ We also expect the visits to the PRC by Secretaries Schlesinger (late October), Bergland (No-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 44, Meetings: 10/1–6/78. Secret. Printed from an uninitialed copy.

² Frank Press did not visit China in June 1978. He arrived in Beijing on the evening of July 6 for 3½ days of discussions about science and technology policy as well as opportunities for Sino-American cooperation in this area. (Telegram 2062 from Beijing, July 7, 1978; National Archives, RG 59, Central Foreign Policy File, [no film number]) See also Document 129, footnote 6.

³ See footnote 4, Document 128.

vember), and Kreps (next March) to provide the opportunity for extensive discussions in the energy, agriculture, and trade fields. Planning for these trips is moving apace although we are not sure as yet exactly what Schlesinger has in mind.

Generally, the Chinese have been pursuing their foreign policy goals with a new dynamism and pragmatism. The anti-Soviet theme remains dominant but China's relations with Japan and Western Europe are also growing rapidly as part of the modernization drive. Chairman Hua Kuo-feng's trip in August to Romania, Yugoslavia, and Iran is the PRC's most spectacular recent diplomatic effort. Huang accompanied the Chairman on that trip and also carried on the successful negotiations with Japanese Foreign Minister Sonoda earlier that month on the Sino-Japanese Treaty of Peace and Friendship.

Suggested Talking Points for the dinner are attached.⁴

⁴ The talking points for Vance are attached but not printed.

138. Memorandum of Conversation¹

New York, October 3, 1978, 6:55–11:55 p.m.

SUBJECT

Summary of Secretary Vance's Meeting with Foreign Minister Huang Hua

PARTICIPANTS

Secretary of State Cyrus Vance
Leonard Woodcock, U.S. Ambassador to the People's Republic of China
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
Michel Oksenberg, Staff Member, NSC
Harry Thayer, Director, PRC Desk, Department of State
Foreign Minister Huang Hua
Ch'ai Tse-min, PRC Ambassador to the U.S. and Chief of the People's Republic of China Liaison Office
Chen Chu, Ambassador and Permanent Representative to the United Nations
Chu Chi-chen, Deputy Director, American and Oceanian Affairs, MFA
Kuo Chia-ting, First Secretary, PRC United Nations Mission
Shu Erh-wei, MFA (Interpreter)

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 51, Chron: 10/1–7/78. Top Secret; Sensitive; Eyes Only; Alpha. The meeting took place at the PRC United Nations Mission.

Foreign Minister Huang Hua: I am glad that, while attending the present session of the United Nations, I have the opportunity to meet Mr. Secretary of State. Some time has already elapsed since we met five months ago. Mr. Secretary, in our view, the international situation has had new developments and changes since then. Tensions have intensified. The Soviet Union has intensified its steps for pushing forward its plan for strategic offensive and for strategic disposition. Today we are glad to have an opportunity to listen to Your Excellency's views.

Secretary Vance: Let me say that I too share the pleasure that the General Assembly brings us together again and I am delighted that it gives us an opportunity to exchange views on matters of importance in bilateral and international relations. A good deal has happened since our last meeting, and I am glad to have a chance to exchange views on events and trends in the world. I am glad to have a chance to express my views and learn your thoughts on these various problems.

Middle East

Perhaps I might start first on the Middle East where major steps have been taken which may have, I think, profound effects on the future of that area. I know that Dr. Brzezinski has had a chance to fill in Ambassador Ch'ai on the meetings at Camp David. But I am glad to comment also and to answer any questions you might have on these events and on future developments.

Both the President and I feel strongly that the meetings at Camp David have produced a set of documents which laid the groundwork for a comprehensive settlement of the issues in the Middle East. We did not try to settle all the details but rather we cast a framework for a settlement that would bring a just and lasting peace to the area.

We started out at Camp David with the objective of drafting first a general framework for peace in the region. After listening to the parties for a few days, it became obvious that the only way to make progress was for the United States to put forth a draft for a negotiated text. Accordingly at the end of the first week the United States put forward our text which was the first of 23 drafts of the negotiated agreement.

In describing the document we thought that we should set forth the general principles in the preamble which would set the framework for a negotiated peace for all those who would wish to join. The first step provided for in the agreement is for the total withdrawal of the Israeli military government from the West Bank and Gaza and the establishment of a self-governing authority during a five-year transition period. The establishment of a self-governing authority is an important step. In a few months the Palestinians will have a self-government governing the people in the West Bank and the Gaza representing the people in free and fair elections. It further provides that any individuals

living in the West Bank and Gaza can put forward their names as candidates to participate in the self-governing authority. What this means is that whatever their affiliation—PLO or non-PLO—they can put forward their names and can be elected as representatives of the West Bank and Gaza.

The agreement further provides that the self-governing authority will have full authority for the period of transition. I think that this is a major step on the road to realization—at the end of the five-year transition period—of the full rights of the Palestinian people.

The document further provides that the Palestinian question must be resolved in all its aspects. The first aspect, of course, is the status of the West Bank and the relationship of the entity created at the end of five years to its neighbors. This is to take place in negotiations in five years and the participants in the self-governing authority will have the right to take part in the negotiations. It further provides that during the same period there will be negotiations about the West Bank between Israel and Jordan. These will be part of the negotiations concerning the final status of the West Bank.

Israel wanted to divide these two sets of negotiations and not let the Palestinians participate in the final negotiations with Jordan. We refused to accept this, saying that the Palestinians must participate in those negotiations.

Finally, it was provided that these negotiations must be completed by the end of the fifth year. Israel was opposed and wanted open-ended negotiations. We said no, that they must be completed within a five-year period and Israel finally agreed.

Thus we believe that a mechanism has been created that will resolve the questions of borders, the final status of Gaza and the West Bank, and participation of the Palestinian people in all parts of the negotiations.

In addition, it specifically stated that the negotiations must recognize the legitimate rights and just demands of the Palestinian people.

In short, Mr. Minister, we believe that a process has been established which at the end of the transition period will recognize and lead to the realization of the legitimate right of the Palestinian people.

If I could say one or two more words, on the question of Palestinian refugees, which is part of the Palestinian problem, the agreement provides for establishment of a committee to handle the return of the 1967 displaced persons back into the West Bank. It also provides in general terms for establishment of a process for a prompt, just, and final solution of the refugee problem as related to 1948 refugees.

We did not feel that the language was sufficiently precise to express the deep conviction we have on the importance of solving the

issue of 1948 refugees and therefore the President and I have since spoken of the need to resolve this issue promptly and fully.

I will not try to go into other detailed aspects of the general framework. I just have one more point: Obviously, not all the points that we would like are included, but it does provide a framework which will lead to a solution of fundamental problems during the five-year period. Thus we believe we have made a measured step on the road to a just and comprehensive peace.

With respect to the other agreement, once having established the general framework, we set out to lay the basis for solution of the Sinai problem. This was done without great difficulty and is self-explanatory.

We will be following up the implementation of two agreements in the very near future. There will be a meeting October 12 in Washington, which we will chair. The meeting is designed to work out the details of a peace treaty on the Sinai.

On the general framework, we have already started consultations with others who might have a role in a future solution.

I perhaps have taken a great deal of time—too much, perhaps—but I thought you would like to know the background in detail.

Foreign Minister Huang Hua: I have read the part of Your Excellency's speech at the General Assembly on Camp David and the Middle East issue,² and I listened to the comments of foreign ministers and representatives of some Arab countries. I get the impression that some Arab friends still feel that there are other things also that are not published, and they want to find out about them.

Secretary Vance: (Interrupts) Absolutely untrue. (Laughter)

Foreign Minister Huang Hua: They want to find out about them.

Secretary Vance: This is absolutely untrue. There are no other documents and everything has been published but the exchange of letters on the West Bank agreements. I have also heard about these rumors, but I can assure you it is not true. (Laughter)

Foreign Minister Huang Hua: In my speech at the General Assembly, I touched on the Middle East issue and made clear our basic views on it.³ We feel that unless the U.S. exercises effective pressure on Israel to meet the just demands of Arab countries and the Palestinian people, the problem cannot be resolved. Of course, it does not mean that there are no positive elements in the Camp David talks, but we feel

² For Vance's address to the UN General Assembly on September 29, see Department of State *Bulletin*, November 1978, pp. 45–50.

³ In his address, Hua focused on Soviet hegemony. ("China Attacks Soviets at U.N.," *The Washington Post*, September 29, 1978, p. A23)

that the Soviet Union now has more scope to maneuver and that troubles lie ahead. So we will reserve judgment in the matter.

Secretary Vance: Perhaps I could (Huang stares at Vance) . . . excuse me!

Foreign Minister Huang Hua: We think that there is one question that merits our attention. The Middle East is the flank of Europe, the region the Soviet Union is doing its best to contend for. If the Middle East issue is not properly resolved and the just demands of the Palestinian and Arab peoples are not resolved, the Soviet Union will step up its efforts and push forward to outflank and encircle Europe. If this eventuates and it comes to a crisis, the West will find itself, even if it wants to resist the Soviet Union, unable to do so.

Secretary Vance: Let me comment. The Middle East not only is the flank of Europe but also has resources for Europe, Japan, and the world and it therefore has strategic importance of great if not incalculable value.

Foreign Minister Huang Hua: That is correct.

Secretary Vance: . . . and we also calculate that by 1985 the Soviet Union will feel the pinch and need to rely on outside sources for oil, and their eyes will turn more and more toward the Middle East. Therefore, our relations with countries there, particularly the Arabs, are of great strategic importance.

Obviously there is no question that the Soviet Union is very unhappy with the results of Camp David. The Soviet Union feels that Camp David is a major step forward and they have no part to play. They feel that, even if the Arabs do not agree with all aspects, it is a step forward which renders the Soviets even more sensitive to the fact that they had no part to play.

We are going to continue to work with the Arab countries of the region in direct bilateral discussions. In addition, we are preparing TV and radio programs addressed to the peoples of the region which we believe will help them realize the benefits of the agreements to the Arab peoples.

There are two other points I might mention. We are determined to continue to play an active part in implementation of the Camp David agreements, in order to make sure that the benefits for the Arab people will be realized.

Second, we recognize that the problem of the Middle East is not just the Arab-Israeli dispute but that it has broader dimensions. So we are working hard to strengthen those in the Middle East who can help bring stability. Thus we are working with Saudi Arabia to help North Yemen. This is helpful for stability in the region. We believe that it is

clearly necessary to counter the capability which the Soviet Union has been providing to South Yemen.

In addition, we have been watching with interest and working closely with the Shah in connection with recent developments in Iran. We believe Iran is a very important factor in the Middle East and will continue to work closely with the Shah to help him meet his military needs.

In addition, as you know we are working closely with Turkey because of the role it plays and the position it holds. We have lifted our arms embargo and are helping them economically. This will strengthen our relations with Turkey and their position in the region.

Finally, with respect to Pakistan, we have indicated to Pakistan that we have cleared up the problem for providing economic and military assistance. We have cleared the obstacles to economic and military assistance, and pipelines are opened up, and we are prepared now to discuss with them providing additional economic and military assistance.

Of course you know that our relationship is very close to Saudi Arabia and we are working closely with them to strengthen their capabilities. Thus we are trying to help strengthen the whole area and are working closely with our friends to impede the incursion of others into the area.

South Asia

Foreign Minister Huang Hua: Our friends in Pakistan feel that your military aid is slow and scanty.

Secretary Vance: Sometimes appetites are insatiable.

Foreign Minister Huang Hua: Regarding Pakistan, we said in the past that your policies of attaching importance to India and not to Pakistan is unfavorable strategically.

Secretary Vance: I think both have roles to play strategically, both can play roles in the area. The Shah puts great weight on relations with India, and this carries weight with us. We do think it wrong for India to buy aircraft that can penetrate deeply into Pakistan and have refused our permission for the Swedes to sell the Viggen aircraft. This caused much unhappiness with the Swedes, but we think it was the right decision.

SALT

Secretary Vance: I do not know whether or not you want me to talk about our recent discussions with the Soviet Union about SALT.

Foreign Minister Huang Hua: I would like to listen.

Secretary Vance: We had three sessions with the Soviet Union during the past week on SALT negotiations. As a result of these discus-

sions, the remaining differences have been narrowed further. We do not have final agreement on remaining issues, but the gap has been narrowed. I think that the Treaty, which we are getting close to concluding, is sound and that it will advance the interests of the U.S. and its allies as well.

If one examines the situation in the post-Treaty period as opposed to no treaty at all, I think it will be clear that the Treaties are clearly to our advantage and to the advantage of our European allies. To summarize very briefly: As a result of the Treaty, the Soviet Union will have to destroy or dismantle 300 of their strategic systems, and the U.S. will have to destroy none; secondly, the Treaty will provide for constraints on modernization of new missile systems, and this is beneficial to the U.S. and allies because the Soviets already have several systems in the stage of predeployment and tests. Further, the Treaty will provide for restrictions on the number of warheads on existing and new missiles. This is positive, because it will not constrain us from anything we planned but will constrain the Soviet's use of multiple warheads on SS-18 missiles. Further, the SALT agreement will not constrain us in any way in building our planned systems, including our new ICBM system which we refer to as the MX. Also, it will permit us to go forward with the development and deployment of cruise missiles, which we feel will be an important part of our strategic force in the future.

In short, we can say that the Treaty will in no way constrain us from going forward with what we have planned, but will constrain the Soviets and force them to reduce their systems.

Obviously, the SALT agreement does not affect other nuclear powers. Indeed, it enhances their security by cutting back on Soviet capability.

NATO

Regarding NATO, we agreed since I last saw you to increase NATO's capabilities as a result of meeting in Washington. They will be given new and modernized equipment, which will be useful for the future. In addition, all NATO allies have agreed to increase their contributions by three percent per annum for the next five years. This is three percent real growth.

Foreign Minister Huang Hua: Do you mean growth in their military budget?

Secretary Vance: Yes. Thus there is a commitment by all NATO members to accept these goals and to provide the wherewithal to meet these goals.

U.S. Economy

On the economic side, we are having problems with the dollar in international markets. This results from a number of factors: psycho-

logical, large amounts of spending on foreign oil, and the fact that we have allowed our export promotion programs to decline. The President is attacking each deficiency: increasing gold sales, the Federal Reserve system is now acting to curb inflation, the President has taken steps to increase exports, and fourth, and perhaps most important from the psychological standpoint, is the energy program. It looks like we will get four to four and a half of our five programs by the time Congress adjourns. The one thing we will have taken care of is the crude oil equalization tax. If Congress has not acted by January, then the President is prepared to act unilaterally despite the Congress.

Turning now to other parts of the world—or perhaps you would like to comment.

SALT and NATO

Foreign Minister Huang Hua: Yes. Regarding your SALT talks with the Soviet Union, we should take the year 1963 with the partial test ban treaty as the starting point. More than ten years, 15 years have elapsed since then. Experience has shown that if the Soviet Union could not gain from an agreement, it would not go along with one. The Soviet Union has made use of this period to strengthen greatly its conventional capability and strengthen its strategic capability. Now, the conventional capability of the Soviet Union has surpassed that of Western Europe and the U.S. In the strategic arms area, there is more or less parity. (The Secretary nods.) You also agree with this. But whether you agree or not, the arms race is bound to continue.

Secretary Vance: I would answer by saying that by a new SALT agreement, we will have put a cap on strategic arms, thus limiting the race on building further strategic arms. Regarding conventional arms, we will build and equip our forces with modern arms so long as the Soviet Union continues on the course it is following.

Foreign Minister Huang Hua: Regarding the increase of the NATO military budgets by three percent, will it start this year or next? What is the condition of participation.

Secretary Vance: All are taking steps to include this in their current budget. I believe all but one country, one of the three Benelux countries, has done so. That is the best of my recollection.

Foreign Minister Huang Hua: Luxembourg?

Secretary Vance: No, I believe it is Belgium. They have a difficult situation, a divided government. They cannot put their act together right now.

Foreign Minister Huang Hua: I have no other comments right now.

Southern Africa

Secretary Vance: Perhaps we might shift to southern Africa, in which I know you have a great interest. Insofar as Namibia is concerned, we have approved the resolution in the Security Council containing the proposal of the Western five and have approved the report of the Secretary-General. So far, South Africa has responded in a negative fashion. We of the Western five are determined to see the Security Council steps carried out. We are prepared to go to South Africa to get them to reverse their position. If not, then we will have to consider what other actions, including sanctions, must be taken by the U.N. We feel this is very important in its own right, but also in its effect on others, including on the Rhodesian situation.

In Rhodesia, the situation continues to worsen in terms of fighting. We still believe the basis for solution can be found in the Anglo-American proposals. We have urged an all-parties meeting to try to find common ground to proceed to elections in six months and move toward selection by majority rule. But I must say that at this point things look bad.

The front line states have all endorsed the Anglo-American plan as a basis for settlement. Quite frankly, we are concerned by the prospects of the increasing Soviet and Cuban involvement in Rhodesia if it is not solved promptly. Indeed, in the last few days there are indications that some 400 additional Cubans had been introduced into Mozambique, and I am afraid there will be more if we do not find a solution to the problem.

As you know, as far as Zambia is concerned, President Kaunda has fought against the Soviet and Cuban advisors in the area, but if there is no solution, he will be under increasing pressure to turn to that source for help as long as Rhodesian troops attack across the border into Zambia. I would simply note that it is incumbent for all of us to help President Kaunda if we wish to avoid this alternative, which none of us wishes to see.

Moving to Zaire, I think the situation has improved substantially since you were there and we last talked, due in large measures to assistance that all of us have given to cope with not only the military problems but the economic and political problems as well.

Northern Africa

The problem in the west Sahara is unresolved, as we all know, and the situation is dangerous and difficult, as we all know. We are watching it carefully and will provide help as appropriate.

As to Chad, the situation has been turned around, due to the action of the French who turned back the Libyan forces moving from the

north. The situation is better than six months ago. As you know, the Libyans have now withdrawn their forces or are in the process of completing the withdrawal from the northern portion of Chad.

West Africa

Moving to Ethiopia, I have little to add to what is already known. The Eritrean situation has not been solved, and the Ethiopians are running into increasing difficulty in Eritrea. The number of Cuban forces is being reduced. As to the conflict between the Ethiopians and the Eritreans, we see no early resolution of that issue.

Insofar as Somalia and the Ogaden are concerned, the fighting continues at a low point in the Ogaden area in an indecisive way.

Moving down to Kenya, the British and we are in close touch with the Kenyans, and we are giving them new assistance to strengthen their capabilities.

In Djibouti, the situation remains fluid with no firm solution in sight. We all must watch and see what happens. The French intend to keep their ground forces there and a naval presence in the area.

A final word about Ethiopia—our information is that there are strains between the Ethiopian leadership and the Soviet Union from what the Ethiopians feel is undue interference in their economic and political life and the slow deliveries of economic and military assistance. But the evaluation of our intelligence people is that there are still strong and close relations between the Soviets and the Ethiopians.

Southern Africa

On South Africa, to complete the African scene, I doubt there is very much I can add since I am sure you are completely familiar with the situation. Much depends on how they react to our proposals on Namibia. Our further relations will depend on this, and I think that is also so with European nations. Insofar as other African nations are concerned, it is quite clear that unless there is a satisfactory South African response to the Namibian situation, their reaction will be strong.

Europe

Coming back and touching on Europe for a moment, I will say a word about the economic situation. Although there is some upturn, there are still deep underlying structural problems, particularly unemployment. I think this is of concern not only to political leaders but also to economic specialists as well. It is hard to predict what six months to a year will bring in respect to the economic situation in Europe.

Finally, tariff barriers and protectionism are major problems. And the success or failure of the multilateral trade negotiations will be very important so everybody is looking with interest and some trepidation

toward the conclusion of these negotiations which will be some time by the end of 1978.

East and Southeast Asia

I hesitate to comment on Southeast Asia, because you are so much more familiar than we are with that area. So I will be very happy to hear your comments.

Foreign Minister Huang Hua: I would like to hear your views first.

Secretary Vance: First let me say with respect to Japan that our relations are excellent. We have ever closer relations with Japan. Our exchanges of opinion between ministers are very very frequent, and I think our relations are excellent. There are some differences on specific economic issues, but we have been able to work them through and to progress. The main issue is the multilateral trade negotiations, but that is affected not only by our bilateral relations but also by what happens in the multilateral community.

Japan remains an extremely important factor in our policy in the Pacific, and of course you know of the important role it plays in world economic problems.

Regarding the Southeast Asian area, relations with our ASEAN friends are good and getting better, bilaterally and as a group. We had a good meeting in Washington with the ASEAN countries, and we feel ASEAN countries are a positive and constructive feature in the world picture and in the Southeast Asian area.

In Asia, we see a stable system of nation states. Let me say, before saying a word or two on Vietnam, how pleased we are about the conclusion of the Treaty between Japan and the People's Republic of China. This is a major positive step. Insofar as the Korean Peninsula is concerned, we hope and expect that the situation there will remain stable. As you know, our relations are close and good with South Korea. We will continue to work closely with them on economic matters, and we stand fully behind our Mutual Security Treaty with them.

As to the Philippines, we now are entering the final stage of negotiations with the Government of the Philippines with respect to bases at Subic Bay and Clark and hope to come to a resolution of remaining issues in the months ahead.

Regarding Vietnam, we have informed your Liaison Office in Washington of the two recent meetings which Mr. Holbrooke has had with the Vietnamese.⁴ I am sure you are up to date on the status of our

⁴Memoranda of conversation of Holbrooke's September 22 and September 27 meetings with Vietnamese Deputy Foreign Minister Nguyen Co Thach are in the Carter

discussions with Vietnam. I would appreciate your views as to how you feel about the question of normalization of our relations with Vietnam, which as you know they are now suggesting without preconditions.

Latin America

The only thing I have left out is relations between our country and Latin America. Our relations with the countries in this hemisphere have improved in the last year. The conclusion of the Panama Canal Treaty had a major beneficial effect on our relations with Latin American countries.

We have had a difficult and thorny problem in Nicaragua recently, and the U.S. has taken the lead in the mediation of that problem. Both Somoza and the opposing groups now have agreed to talk starting tomorrow or the day after. This is an important but difficult issue to resolve. If it is not resolved, it will provide an opening which the Cubans might exploit to the detriment of stability in the area.

That in general is the picture how we see the world situation, Mr. Minister.

Soviet Strategy

Foreign Minister Huang Hua: Thank you very much Mr. Vance for your brief remarks on extensive topics. First of all, I would like to talk briefly on our views on the international situation.

Starting from Angola, the Soviet Union made use of Cuban military forces to interfere in African internal affairs, then used them for military control of Angola and long-term military occupation. From this period to the coup in Afghanistan and in South Yemen, there emerged some new features in Soviet strategy that I would draw to your attention.

In Europe, there are amassed a large number of troops and military equipment. The two sides are in military confrontation. Because the Soviet Union has not yet completed its strategic deployment, the Soviets have avoided a military clash in Europe.

We still hold that the focus of Soviet-U.S. contention for world hegemony is still Europe, but now the Soviet Union is stepping up efforts of contention and exploitation on the periphery and the flanks. Its effort is to control the areas of importance and to control the sea lanes to Europe. It wants to gain strategic superiority in these areas to fulfill its design to encircle and outflank Europe. So, from Angola to the two inva-

sions of Zaire and the wars in Somalia and Ethiopia and the military coup in Afghanistan and South Yemen—these are not isolated but are part of the overall plan to push for strategic superiority.

And the development of the situation in Indochina is of the same nature. The Soviet Union has drawn lessons from failure in Egypt and Somalia, and it more and more resorts to the use of mercenaries to carry out direct intervention and control, to insure safeguarding the areas of strategic importance. This on the one hand poses a threat to the independence and sovereignty of countries in this region, and it in turn further reveals the true face of Soviet social imperialism and gives rise to strong reaction.

For instance, at the fourteenth and fifteenth summits of the OAU, there were two resolutions passed, and many leaders strongly opposed the Soviet Union's use of Cuban troops to interfere in Africa and strongly demanded that all foreign troops withdraw.

At the Belgrade meeting of the non-aligned movement last July, many countries had come to see more clearly the aggressive and expansionist design of the Soviet Union and Cuba, and the Soviet and Cuban effort to change the nature of the non-aligned movement was frustrated.

We believe it necessary to support the peoples of different countries to oppose Soviet expansion and aggression by using Cuban mercenaries. Other countries are pushing to strengthen their strategic position.

The other special feature in this period is that in order to push for expansion of its strategic position, the Soviet Union has had a more truculent attitude in carrying out the coups in South Yemen and Afghanistan. These were the result of the direct meddling of the Soviet Union.

From the expansive and aggressive activities of the Soviet Union since Angola, we can see its design—stepping up its aggression, contending for world hegemony, first aiming at the strategic flanks of Europe.

So these expansionist and aggressive activities of the Soviet Union in these regions should not be regarded as separate events; they are important steps in the overall Soviet strategic plan. Thus we still hold—as Chinese leaders have on many occasions stressed to American friends—that the capabilities of friends must be strengthened to prompt the Soviet Union to give a second thought before starting war and to enable other countries to carry out tit for tat actions and to undermine the Soviet's push for strategic push.

Still another point is that we must oppose any appeasement of the Soviet Union because we think this will only whet the appetite of Soviet ambition for aggression and expansion.

Japan PFT

As to the Far East, the signing of the Sino-Japanese Peace and Friendship Treaty has furthered the friendly relations and cooperation between our countries and peoples to a new stage, and it has won the warm support of the peoples of the two countries, and it has been warmly supported by others also.

Southern Africa

I would like to deal with the situation in southern Africa. The Namibian problem and racism in South Africa has been the focal point of the struggles of people of southern Africa and of the whole of Africa. We hold that it is necessary to exert strong pressure on South Africa so that it will change its attitude and adopt a rational policy so that the Namibian problem will be solved, and the Namibian people will achieve independence on the basis of national integrity and unity.

In Rhodesia, majority rule must be realized. If the question is not settled in good time, then it is obvious that the possibility of armed struggle will be greatly strengthened, and the front line states will not have the patience to wait for a solution along the lines of the Anglo-American proposal. The Soviet Union is trying in every way to exploit the situation in Rhodesia and Namibia to expand and enhance its position. China's position on the question of Namibia and Rhodesia is clear cut. In our speeches in the Security Council and General Assembly, we have made this clear. The five Western countries should not vacillate on this question, or it will give the Soviet Union opportunities to expand in this part of the world.

If the Soviet Union's design for expansion in this region succeeds, Soviet positions in the area will be contiguous. The Soviet capacity to encircle Europe will be strengthened here, and this will be most unfavorable and dangerous to the U.S. and Europe.

Asia

In the Far East, trade and economic cooperation has further developed. The signing of the Peace and Friendship Treaty between China and Japan was welcomed by all countries in the Pacific region and won the support of most countries of the world. Only the Soviet Union and a few of its followers are not happy. The signing of this Treaty dealt them a serious blow politically and diplomatically. That is why the Soviet Union tried in every way to prevent the signing of this Treaty, but ultimately their efforts failed.

Our attitude to ASEAN has always been clear and consistent. We have supported ASEAN to strengthen its cooperation and to develop the economies in the region. We also supported its neutrality, we think this is favorable to stability in the region, and it helped stem Soviet

expansionism. We highly appreciate ASEAN countries' anti-Soviet vigilance.

Except for Indonesia and Singapore, with which we have no diplomatic relations, we have normal diplomatic relations with the other three countries. Our exchanges with them are increasing, and our friendship and cooperation are also developing.

With Singapore, we have always maintained good relations. Their leader has recently visited us, and our trade is developing. As to the question of restoring diplomatic relations, the Indonesians have domestic difficulties but we have started to have trade contacts.

The Indian Foreign Minister plans to visit China beginning October 30. Exchange of visits with India have already started, and our trade is expanding. China takes a positive attitude about our relations with India. As to the problems left over by history, we believe a peaceful resolution through observation of the five principles is possible over time. Even if a solution cannot be found now, this should not impede development of relations between our two countries.

In the latter half of this month, Vice Premier Teng Hsiao-p'ing will pay a visit to Japan to exchange the instruments of ratification of the Peace and Friendship Treaty and in addition he will be paying a state visit. Next month, Vice Premier Teng will visit Thailand, Malaysia, and Singapore.

Vietnam

As to Vietnam, the U.S. wants to improve relations and establish diplomatic relations between the two countries. This is a matter strictly for your two countries. But (pu-kuo) if we are interested, what we are interested in is the impact of diplomatic relations between the U.S. and Vietnam on the strategic policy of the U.S. in the Far East.

China has given aid to Vietnam worth more than \$20 billion, but China did not succeed in holding back Vietnam. Its objective is regional hegemony, and it has hired itself out to the Soviet Union, while the Soviet Union has exploited the ambitions of Vietnam to realize its aggression. Now Vietnam controls Laos. It is launching a war of aggression against Cambodia. It pursues policies against China.

The Soviet Union has made Vietnam dependent on the Soviet Union, and it exploits the dependency of Vietnam upon it to turn Vietnam into a military base in Southeast Asia for Soviet expansion in its contention for hegemony in the Indian Ocean and the Pacific.

In Vietnam, there already are naval and air bases constructed by you. The Soviet Union will go out to use these bases. Actually, the Soviet Union's Pacific forces can push south 4000 kilometers from Vladivostok to use Cam Ranh Bay as its base. The Soviet Union obviously has gained a new favorable strategic position.

So we hope that the problems between Vietnam and China and between Vietnam and Cambodia cannot merely be considered as their problems with China and Cambodia but must be viewed from the perspective of the Soviet overall strategic plan.

Korea

As to the situation on the Korean Peninsula, we have always maintained that the Korean people should solve their problems through peaceful and independent means, free from external interference. We hold that the U.N. Command should be abolished and that the U.S. should withdraw forces as early as possible. The U.S. policy of strengthening the forces of South Korea is not conducive to the peaceful reunification of Korea.

Sino-U.S.

Now I would like to talk about bilateral relations.

(Foreign Minister Huang Hua begins to read from prepared text.)

With regard to the normalization of relations between China and the U.S., the two sides already held four rounds of talks in Peking. I am not prepared to deal with the details of these talks. I wish only to make a brief review and state our basic views.

In 1972, our two countries signed the historic Shanghai Communique. In recent years, particularly of late, professional exchanges between China and the U.S. have increased. This is a positive development welcomed by the Chinese and American peoples. However, the normalization of relations has long been stalemated as a result of the prolonged U.S. failure to make up its mind.

As Chinese leaders have pointed out to American friends on many occasions, there is a difference between normalized relations and the lack of normalized relations. Ultimately some issues can be resolved, and our bilateral relations can develop in an all-around way only with the early normalization of relations between our two countries.

In August of last year, the U.S. side presented a formula on the question of normalization which receded from its previous position. On that occasion, the Chinese side rejected the formula in explicit terms and stated its own views.

During his visit to China in May of this year, Dr. Brzezinski stated on behalf of President Carter that the U.S. side had accepted the three conditions—namely, severance of diplomatic relations with China, and he proposed that the two sides start negotiations in Peking.

We welcomed his statement and gave a positive response to the proposal for holding negotiations, and the two sides started negotiations. The Chinese side had expected that after study and consideration over a long period, the U.S. side would come up with a workable new

formula which would demonstrate that it had really made up its mind to take measures to fulfill the three conditions for normalization of relations between our two countries.

But the real situation is disappointing. In the talks in Peking, the U.S. side all along was reluctant to make a clear statement on the crucial issues as to when and what concrete measures the U.S. side would take to implement the severance of diplomatic relations, the withdrawal of troops, and the abrogation of the Defense Treaty.

Although the U.S. side was very vague about its own ideas, what it has already put forward has led us to believe that by evading the crucial issues, the U.S. side intends to reproduce in a new form the formula already rejected by the Chinese side. Such an attitude of the U.S. side is certainly of no help to promoting fruitful negotiations.

What needs to be pointed out also is that, while engaged in negotiations on the question of normalization, the U.S. has sold large quantities of arms to the Chiang Clique and even seen fit to state that it will continue to provide military equipment to the Chiang Clique after normalization. Your insistence on such a policy of contravening the spirit of the Shanghai Communique and of interfering in China's internal affairs only shows that you have not yet made up your mind to normalize Sino-U.S. relations.

The issue of Taiwan is a question crucial to the realization of the normalization of relations between China and the U.S. The position of China on this issue has been consistent and clear cut. The U.S. should clearly understand that this is a question concerning China's sovereignty and territorial integrity and that it is an important matter of principle. The Chinese side has always been firm and unshakeable on matters of principle. Chinese leaders have stated explicitly and openly on many occasions that there can be no "relaxation" or "flexibility" of the Chinese position with respect to the Taiwan issue. We are firmly opposed to any form of "two Chinas," "one China—one Taiwan," "one China—two governments," and so on.

The Chinese people are determined to liberate Taiwan and fulfill the great task of reunifying the country, and no force on earth can stop them. As to when and in what way Taiwan will be liberated, it is entirely China's internal affair which brooks no interference by other countries.

To settle the question of the normalization of relations between China and the U.S. according to the Japanese Formula is the highest concession and the greatest allowance we can make to the U.S. side. It is our hope that the U.S. side will no longer indulge in unrealistic thinking.

Last year, I conveyed a message from Premier Hua Kuo-feng to President Carter through you: To normalize relations between China

and the U.S. is the common desire of both the Chinese and American peoples.⁵ And it has great significance for our common efforts to cope with the Polar Bear. The only workable way is for farsighted American statesmen to tackle the question of the relations between our two countries from a political and strategic perspective. Only thus will it be possible to realize the normalization of relations between the two countries at an early date.

(End of the prepared text)

With regard to the negotiations between our two countries in Peking, I only wish to state our basic views and position.

Secretary Vance: Thank you very much Mr. Minister for your instructive analysis of the international strategic position and the Chinese views of the world situation. I find a good deal of commonality between our views with respect to international strategic problems and to the prospects for the future.

Turning to the question of bilateral relations, I did not wish to comment in detail on the negotiations—discussions—which are going on in Peking between Ambassador Woodcock and Your Excellency.

I would, however, like to make brief reference to the important conversation between the President and Ambassador Ch'ai in the recent few days.⁶ The President said that it was his belief that this can be a very important year for relations between our two countries. He further said that if the talks are successful he is prepared to normalize relations without further delay. He went on to point out that these mutual efforts are not undertaken for brief or transient reasons but rather in the long-term historical interest of our two peoples.

He further stated that we, the U.S. will be willing to honor your three points. He said, he added, he stated clearly that the government of the People's Republic of China needed to be ready to honor the need of the U.S. to demonstrate its dependability, credibility, integrity, and resolve as we change our relations with Taiwan and with the People's Republic of China.

He then went on to review specific items relating to the three points. I will not review or restate that here because I know you have a very careful record of what was said by him in those very carefully chosen words.

I will ask, Mr. Minister, that you would review very carefully what the President had to say in the conversation with Ambassador Ch'ai.

Finally, Mr. Woodcock will be meeting with you again to continue his discussions after his return to Peking.

⁵ See footnote 7, Document 111.

⁶ See Document 135.

Foreign Minister Huang Hua: We have taken note of the conversation between your President and Ambassador Ch'ai. Generally speaking, the normalization of relations between China and the U.S. must be based on equality—both of our countries are equal—and respect for sovereignty and territorial integrity, noninterference in the internal affairs of the other country, and mutual nonaggression. Only under these conditions can talks be fruitful.

As to other matters of primary concern in the normalization of relations, the Chinese side has repeatedly made clear its attitude, and I do not wish to go into detail here.⁷

(The Foreign Minister then led the Secretary to dinner.)

(Most of the dinner conversation was small talk. Following were the only substantive discussions.)

Vietnam

At dinner, Foreign Minister Hua abruptly raised the subject of Vietnam again, noting that he had discussed the Vietnam question in Peking with Foreign Minister Sonoda. Huang had pointed out that Vietnam had internal difficulties and the Soviet Union did not have the economic strength to give adequate assistance, so Vietnam asked for aid from all sources. Huang said that while the Soviet Union was strengthening military control over Vietnam, if others help Vietnam economically this would be a help to the Soviet Union. Huang said that he had told Minister Sonoda that China had spent \$20 billion worth of assistance on Vietnam and China could not control it, so how could Japan “pull back” Vietnam with a few hundred million dollars? Huang went on to say that the Chinese think it is better to let the Soviet Union shoulder the Vietnam burden, because by this means Vietnam can learn a lesson because the differences between Vietnam and the Soviet Union would emerge earlier the less assistance Vietnam receives from others. In other words, Huang said, giving economic aid to Vietnam means supporting the Soviet Union. He concluded by saying that Vietnam had “gone quite far in hiring itself out to the Soviet Union.”

Secretary Vance asked how many troops Vietnam had in Cambodia; was it a large number or not?

⁷ Oksenberg excerpted the normalization section of this memorandum of conversation and, in a covering memorandum to Brzezinski, wrote, “These are negative remarks, tough and not promising. But they should not deter us from pursuing the course on which we are already set—namely to make our three presentations (one still remains to be made) and to table the draft communiqué, at which point we will find out whether stiff Chinese rhetoric will begin to yield under the situation of actual negotiations over a specific text.” (Memorandum from Oksenberg to Brzezinski, October 5; Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 51, Chron: 10/1–7/78)

Foreign Minister Hua replied that Vietnam had 50,000 troops moving toward the Cambodian border. He said there are about two divisions fighting in other areas. Along the border there are 15 divisions of troops. Huang said that Vietnam is engaged in propaganda, charging that China is moving troops to the Vietnam border, with Hanoi saying that Vietnam is threatened with invasion. That is “nothing but complete lies,” Huang said. Vietnam’s purpose is to divert attention and to cover up its invasion of Cambodia when the dry season begins at the end of October or in early November.

Mr. Holbrooke noted that, as mentioned in our discussions with the PRC Liaison Office in Washington, we have said in all our discussions with Vietnam that the United States is not in a position even to consider aid to Vietnam. He said also that we had made clear our concern over any action that would contribute to instability in the region.

Regarding the Vietnamese attitude toward the Soviet Union, Mr. Holbrooke offered his personal view, on the basis of his discussions with the Vietnamese in New York and previously in Paris, that the Vietnamese leaders, in all their conversations, express a “great fear” of the Soviet Union.

Foreign Minister Hua responded that it will take time for the Vietnamese to draw the proper lessons from their relationship with the Soviet Union. He noted that the two parties are now on their honeymoon.

Mr. Holbrooke commented that if this was a honeymoon, then it didn’t presage a very good marriage. He added that the ASEAN countries have also stressed that they do not want Soviet-Vietnamese relations to impair stability in the region. (In the course of this discussion PRC Permanent Representative Ambassador Chen revealed that he was not even aware of the name of the new SRV Ambassador to the U.N., and it developed that none of his staff knew the name either.)

Horn of Africa

Foreign Minister Hua commented that there were 3,000 South Yemen troops now in Ethiopia. When the Secretary asked if the Eritreans were beginning to counter-attack the Ethiopian Government forces, Huang said that the Eritreans had lost the main cities and were now engaged in guerilla warfare in the countryside, with small units acting mainly to cut off communication lines, especially highways.

Iran

Foreign Minister Hua asked the Secretary about Iran. The Secretary said that the Shah had cracked down hard on the dissidents. He said that the religious groups had been taken over by what the Iranians now believe to be Soviet agents. The Shah was much concerned that these agents had changed the nature of the opposition but the Shah

feels now that the situation is getting under control. There is no doubt that the Shah faces a number of problems, including protest by religious groups, but the real concern arises from the way these protesters were used. The Secretary noted that Huang visited Iran recently and asked for his reaction. Huang said that the Shah thought that he must liberalize the country, but liberalization leads to many problems.

Secretary Vance mentioned that he had met with the Iranian Foreign Minister that afternoon and had discussed internal events.

Afghanistan

Foreign Minister Hua volunteered that the Iranians were very much concerned about Afghanistan, particularly their infiltration into Bachustan. The Secretary said that the situation in Afghanistan has become much clearer in the last few weeks, and there was no longer much doubt about the direction in which the new government is moving. Huang said that in talks with the Shah it was noted that Peter the Great had made clear the Soviet's determination to find a path to the Indian Ocean.

The Secretary asked Huang how the Shah had seemed to the Chinese during their visit. Was his spirit good?

Foreign Minister Hua replied that Chairman Hua had asked if the Shah rested at noontime. The Shah had answered that he lay down but that he was not able to fall asleep.

Romania/Yugoslavia

When the Secretary raised this topic, Huang said that the Chinese had the impression that Romania's and Yugoslavia's geography placed them in an unfavorable situation, under direct threat from the Soviet Union. However, these countries had great resolve to defend their independence and sovereignty; so if other countries give appropriate support their position can be strengthened. He added that Ministerial groups had been established to organize expansion of trade between China and Yugoslavia and China and Romania. Huang said there would be a "fixed volume" but he couldn't remember the figures. Huang noted that the Soviet Union was very unhappy about Chairman Hua's visit to those two countries; the Soviet Union had attacked them but these attacks were refuted by the Balkan governments.

Foreign Minister Hua told the Secretary that President Tito had said that Yugoslavia was a sovereign state and that the Soviet Union, in criticizing Chairman Hua's visit, was practicing hegemony. Huang said that Tito was in very good health at 86 but that he sometimes uses a walking stick. He mentioned that Tito uses an electric cart, for instance, apparently like a golf cart.

Mr. Holbrooke told Huang that President Tito had told the United States that he was very pleased with Chairman Hua's trip. Huang, recalling Chairman Mao's theory on the "single line" running east, south, and west of China, pointed out that the three countries Chairman Hua had visited were all along this line.⁸ He said that this was the reason why the Soviet Union was so angered by the Chairman's trip.

Toasts

Neither Huang nor the Secretary attempted any formal toast, limiting themselves to a very few low-key, polite words.

Press Handling

As the dinner ended, it was agreed that we would characterize the talks as "useful" and as having covered both global and bilateral subjects of common interest.

⁸ See footnote 7, Document 5.

139. Memorandum From John Renner and Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, October 6, 1978

SUBJECT

PRC on US–China Trade

As you know from evening reports, we have been exploring the feasibility of expanding trade with China and negotiating a US–China trade agreement. Preliminary analysis suggests that there are no unsurmountable technical obstacles. Thus, it is worthwhile to examine whether it is in our national interest to move in this direction and to assess the probable strategic consequences.

To begin preparing for a PRC review of this question, we have written the outline at Tab A to serve as the basis for drafting the paper

¹ Source: Carter Library, National Security Council, NSC Institutional Files (H-Files), Box 42, PRM–24 [1]. Secret. Sent for action.

to be considered at the PRC meeting.² We plan to call together a small group from interested agencies and assign drafting responsibilities.

It is not our intention to reopen PRM 24, Part 3, on dual purpose items.³

Negotiating a trade agreement with China would enable us to put the question of orderly marketing in a larger context. In fact, the Trade Act of 1974 requires it.

While settlement of the financial claims issue is not a prerequisite for a trade agreement, the Johnson Debt Default Act makes it illegal for any American institution or person to make a loan to any foreign government in default of its financial obligations to the United States. As a practical matter, we should try to move the trade and claims negotiations along on parallel tracks.

Recommendation

That you approve this approach.⁴

² A draft outline, October 5, on "US–China Trade" for the Policy Review Committee is attached but not printed.

³ See Document 67.

⁴ Brzezinski checked the Approve option. Underneath is written, "10–10–78."

140. Intelligence Assessment Prepared in the National Foreign Assessment Center, Central Intelligence Agency¹

RP 78–10392

Washington, October 1978

Collective Leadership and Policymaking in Post-Mao China

Key Judgments

Despite periodic efforts to project an image of unity under collective leadership, significant differences over the distribution of power and policy continue to divide the post-Mao leadership in China.

The Maoist legacy of the Cultural Revolution—radicalism and factional struggle—continues to produce tension and conflict in the new

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 49, Mondale 8/79 China Trip: Briefing Material: 3/78–8/79. Secret; [handling restriction not declassified].

leadership. The catalyst has been the abrasive, vindictive, hard-driving personality of Teng Hsiao-p'ing, intent both on righting past wrongs and on achieving the rapid modernization of China. As an angry, aging man-in-a-hurry, it is Teng, not his nominal superior Hua Kuo-feng, who appears to pose the greatest threat to the smooth functioning of a collective leadership system in post-Mao China.

The dominant pattern of Chinese politics over the past two years has been one of a series of challenges by Teng to the collective leadership (challenges that in each case have initiated a period of tension and conflict) followed by a series of responses by Hua as the head of that leadership (responses that in each case have resulted in a period of truce and compromise). This cyclical pattern of challenge and response was revealed:

- First, in a dispute over the terms of Teng's rehabilitation.
- Next, in an attempt by Teng to settle accounts with those in the new leadership who had benefited at his expense during the Cultural Revolution.
- And finally, in a debate over China's modernization policy.

Teng's differences with the collective leadership led by Hua are currently manifested in a continuing dispute over what role Maoist theory (Mao Tsetung Thought) should play in the solution of China's problems. At issue is how much and by whom Mao's ideological legacy is to be revised to take into account the needs of China's forced-draft effort to achieve modernization.

What his opponents most fear is that Teng, having first denounced the Cultural Revolution, will then go on to denounce its beneficiaries—especially those Politburo members who rose to prominence as a result of the Cultural Revolution. It was to allay this fear that Teng, as a condition for his return to power, agreed to observe the principle of tenure for those members of the Politburo already there when he rejoined it. So far, although grudgingly, Teng has complied with the terms of the agreement. And this in turn has preserved the rough equilibrium of power that appears to be a prerequisite for the functioning of a collective leadership system.

This equilibrium may be breaking down. Most notably, Hua has recently shifted to the right to endorse a number of Teng's pragmatic programs designed to accelerate China's modernization. Another indication is the declining influence of the aged military leader, Yeh Chien-ying, who throughout the post-Mao era has consistently defended the concept of the Cultural Revolution, the Maoist legacy, and Hua Kuo-feng as the principal beneficiary of that legacy. Deprived of Yeh's strong support, it appears that Hua in the face of Teng's growing power has had no choice but to conduct a negotiated withdrawal from previous positions.

Will Teng Hsiao-p'ing, acting increasingly as if he were party chairman and given to bold and far-reaching moves, now try once again to gain revenge against those members of the Politburo who both contributed to and profited from his fall during the Cultural Revolution? Will Teng be tempted, as his power grows, to act more and more in the manner of an authoritarian, autocratic leader and thus threaten the still-fragile institution of collective leadership in post-Mao China?

These are difficult questions to answer. It is logical to conclude that the reform-minded Teng would want to avoid a public split in the leadership that would imperil his modernization programs. This argument is strengthened by the fact that Teng in recent months appears to be having his own way in a number of dramatic policy decisions:

- To reform the education system radically.
- To send thousands of students abroad for scientific and technical training.
- To shift toward a modernized, professional army.
- To expand cooperation with foreign countries in the exploitation of China's natural resources.
- To rely increasingly on foreign credit to finance the importation of Western technology.

The experience of the past two years has shown, however, that Teng is also intent upon settling accounts with those in the present leadership who helped bring disgrace and humiliation upon himself and tens of thousands of old party veterans during the Cultural Revolution. And indeed there is good evidence that Teng is continuing to maneuver against his principal antagonists on the Politburo.

We are left with a paradox. As Teng's influence and authority grow, so do the scope and vigor of China's efforts to promote modernization by acquiring capital and technology from the West. But so also does the possibility that Teng will use his expanding power to attack his still-powerful opponents on the Politburo and, in the process, undermine the unity and stability of China's top leadership that are essential if China is to achieve its ambitious modernization goals. How Teng uses this power—for purposes of reform and of revenge—will largely determine the success of both collective leadership and modernization in the months ahead in China.

[Omitted here is the body of the report.]

141. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 11, 1978

SUBJECT

Talking Points for Your Meeting with Ambassador Leonard Woodcock on October 11 at 1:15 p.m.

Ambassador Leonard Woodcock will call on you primarily to talk about the China policy, although he may wish to discuss U.S. domestic politics as well.² I know, for example, that he has had discussions with Don Fraser, of the United Auto Workers, about the UAW's views of our Administration.

Concerning China policy, Woodcock, as you know, has had four sessions in Peking,³ attended Cy's meeting with Huang Hua at the

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 44, Meetings: 10/7–31/78. Top Secret; Sensitive; Eyes Only; Alpha; Outside the System. Sent for action. The date is handwritten.

² On October 11, Carter met with Brzezinski and Woodcock from 1:15 until 1:28 p.m., at which time they were joined by Mrs. Woodcock for 7 minutes of conversation. (Carter Library, Presidential Materials, President's Daily Diary) No record of the meeting has been found, although Oksenberg references a memorandum of conversation in Document 327. In his memoirs, Brzezinski noted that the President reached "two important decisions" during the meeting: "he told Woodcock that we would not move on Vietnam, which I had prompted Woodcock to bring up with the President, and a few days later the President accepted Oksenberg's and my suggestion that we submit a draft communiqué on normalization to the Chinese as a way of establishing the seriousness of our intent." (*Power and Principle*, p. 229)

³ For Woodcock's first two meetings, see footnotes 2 and 3, Document 127. When Brzezinski gave Carter Woodcock's report on his third meeting with Huang Hua on August 11, Brzezinski wrote, "Initial Chinese reaction, much as expected: tough but not foreclosing." In reply, Carter wrote, "Tell Leonard & others to hang tough—not to be in any hurry. We must protect US interests & integrity." In his report, Woodcock had commented that Huang "was in a somewhat truculent mood, although not really unfriendly." Woodcock noted that despite disagreements during the meeting, "It is at least moderately encouraging that in his long list of things that the U.S. must renounce, Huang avoided any explicit reference to arms sales. While official military ties [with Taiwan] must come to an end, he may be indicating a loophole for some form of access to U.S. arms." (Backchannel message 189 from Beijing, August 11; Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Normalization, 6–12/78) After Woodcock's fourth meeting with Huang, he wrote, "Clearly the arms sales issue will be a difficult one to surmount, but for the moment the Chinese do not seem to be slamming the normalization door in our face over this issue, even while sketching out a position that is substantially at odds with our own." (Backchannel message 199 from Beijing, September 15; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 44, Meetings: 9/1–16/78)

UNGA on October 3, and has read the memcon of your meeting with Ambassador Ch'ai Tse-min.⁴

He would like to discuss at least these three issues with you:

—Whether you desire a specific and explicit Chinese assurance that we can continue arms sales to Taiwan after normalization, or whether an implicit agreement to this effect will suffice.⁵

—Whether Leonard should table a draft communique by the end of this month or early next month, the purpose of which would be to engage the Chinese in a concrete discussion on the modalities of normalization and thereby to remove the discussions from their currently somewhat abstract realm.⁶

—Whether you prefer to end the Defense Treaty with Taiwan through a Presidential announcement that it automatically lapses with recognition of the PRC, or whether you prefer to terminate the Treaty through its own provisions by giving the ROC a one year notice.⁷

My own position on these issues is:

—That an implicit agreement on arms sales should suffice, providing the Chinese clearly understand that you will be informing the American people at the time of normalization that we will be continuing our arms sales to Taiwan, that the PRC clearly understands this, and that they are still willing to establish full diplomatic relations with us. We recognize that it will be impossible to obtain an explicit Chinese approval of these arms sales.

—You should approve a draft communique which he and the Chinese can then begin to negotiate. If he has some recommended language, you would welcome receiving it before his departure for China.

—I have no recommendation on the best way for terminating the Defense Treaty. I personally defer to Cy's judgment on this issue, and I understand that he is currently inclined toward terminating the Treaty through its own provisions.

Talking Points

In addition to the specific items above, you might wish to make the following additional points:

—You remain committed to the idea of normalization, though you are prepared to be patient and are in no particular hurry. You still see advantage in normalizing relations with China in this term, but you

⁴ For Vance's meeting with Huang Hua, see Document 138. For Carter's meeting with Chai, see Document 135.

⁵ Carter wrote at the end of this paragraph, "implicit."

⁶ Carter wrote at the end of this paragraph, "yes."

⁷ Carter wrote at the end of this paragraph, "own provisions."

would only do so if the terms are acceptable and the Chinese indicate a willingness to take into account our needs.

—You appreciate the excellent job which Leonard has been doing in conducting the negotiations. Does he have anything in particular which he desires to report to you about those negotiations?

—Are there any actions in the consultative or bilateral realms which he believes we should undertake in the months ahead?

—What are his views on the arms sales, the draft communique, and the Treaty termination issues?

142. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

: Washington, October 13, 1978

SUBJECT

Communique to be Tabled by Ambassador Leonard Woodcock

At Tab A is a Draft Communique which Leonard proposes to table during his next meeting with Foreign Minister Huang Hua.

The Draft draws upon language in the Shanghai Communique, upon statements Cy, Leonard, and I have made, and upon statements by Mao Tse-tung, Chou En-lai, and Teng Hsiao-p'ing to us.

Leonard would present the Communique toward the end of his presentation on our post-normalization, commercial, and cultural relations with Taiwan. (We will submit that presentation, which contains no thorny issues for us, for your approval on Monday, October 16.)

He will introduce the Communique by saying, "In the expectation that your response to the three issues we have raised thus far will be acceptable and pending your response, the President has instructed me to table a draft recognition communique so that our discussion may focus upon the concrete issues of the timing and modalities of normalization."

Leonard would repeat that at the time of normalization we would be issuing a separate statement which we expect the Chinese not to con-

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 51, Chron: 10/8–21/78. Top Secret; Sensitive; Eyes Only; Alpha; Outside the System. Sent for action.

tradict. In that statement, we would state that at an appropriate time our diplomatic relations with Taiwan would end and that the Mutual Defense Treaty with Taiwan would be ending, with the Treaty to be terminated in a manner to be determined by the United States.

It is our view that at this point, if we are going to give this document to the PRC, we must also complete the presentation of all relevant aspects of our presentation, specifically we must also tell them whether we will terminate the Treaty with Taiwan by a Presidential proclamation that it has lapsed or by its own one-year notification provision. We recommend the latter alternative.² Furthermore, if we are going to do this, we must first inform at a minimum, Senator Byrd.³ We believe that Byrd will maintain the confidentiality of the information. Not to tell him would run counter to the sense of the Senate resolution which passed 94–0 in August,⁴ and would also antagonize Byrd deeply.

Issues for Decision:

1. *Terminating the Treaty:* How do we propose to terminate the Treaty? Cy is prepared to give the argument for termination through its provisions.⁵ Perhaps we should first consult Byrd.

2. *Timing.* Do we give a tentative date for the Communique to indicate the time frame in which we are thinking? Since you have already indicated that you are prepared to normalize immediately and since we wish to place the ball firmly in the Chinese court, conveying our sense of timing seems appropriate.⁶ Unlike Nixon or Ford, we are not saying we unilaterally would like to normalize. Rather, we are saying that if they honor our needs, we are prepared to move expeditiously.

3. *Approach.* Do you approve the overall approach in the Communique: (a) an introductory section (3–5) which repeats the Shanghai Communique language on our shared approach to international affairs; (b) a repetition of the Shanghai Communique on the PRC views about Taiwan (6); (c) introduction of language drawn from diverse PRC statements concerning the PRC's hope for a peaceful resolution of the Taiwan issue (7–10). This section will be hard for Peking to swallow. It is worth trying to get them to state it.⁷ One question is whether we should include sentence No. 9, which Peking has uttered but may

² Carter underlined, "latter alternative" and in the left margin, wrote, "I agree."

³ Carter underlined, "inform" and "Senator Byrd."

⁴ Senate Resolution 536 of August 25 expressed the sense of the Senate that the President seek the advice of the Senate Committee on Foreign Relations in determining whether an international agreement should be submitted as a treaty.

⁵ Brzezinski wrote at the end of this paragraph, "Perhaps we should first consult Byrd." In the left margin, Carter wrote, "I agree."

⁶ In the left margin, Carter wrote, "1/1/79" and "ok."

⁷ In the left margin near this sentence, Carter wrote, "It's ok."

refuse to repeat in the Communique; (d) a repetition of the U.S. view expressed in the Shanghai Communique concerning the status of Taiwan (12); (e) a statement of our interest in and expectation of a peaceful settlement of the Taiwan issue (13–14); (f) our intent to continue cultural, commercial, and other unofficial relations with Taiwan (15–16).

Recommendation:

This is Leonard's draft, which he recommends you approve as is. Cy and I concur.

That you approve the Draft Communique at Tab A.⁸

Tab A

Washington, October 12, 1978

DRAFT COMMUNIQUE ANNOUNCING
ESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN THE
PEOPLE'S REPUBLIC OF CHINA AND THE UNITED STATES
JANUARY 15, 1979

1. The United States of America and the People's Republic of China have agreed to mutual recognition of each other as the sole legal governments of their countries and to the establishment of diplomatic relations. 2. Their respective Liaison Offices will be raised to Embassy status on _____.⁹

3. Both sides believe that normalization of relations is not only in the interest of the Chinese and American peoples but also contributes to the relaxation of tension in Asia and the world.

4. The two sides reaffirm the principles of the Shanghai Communique concerning international conduct. 5. International disputes should be settled without resorting to the use or the threat of force.

6. The People's Republic reaffirmed the view it stated in the Shanghai Communique:

The Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all

⁸ Carter checked the Approve option and initialed "J."

⁹ Woodcock would indicate that we would prefer to exchange ambassadors promptly, soon after the communiqué has been issued and during that brief interim period when the United States and Taiwan would be in the process of ending their Mutual Defense Treaty, removing military installations, and terminating their official, governmental representation on each other's territory. [Footnote in the original.]

U.S. forces and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of "one China, one Taiwan," "one China, two governments," "two Chinas," and "independent Taiwan" or advocate that "the status of Taiwan remains to be determined."

7. The Government of the People's Republic also notes that the means and timing of the reunification of China are matters for the Chinese people themselves to settle. 8. The people and government of the People's Republic of China are patient. 9. The People's Republic of China has never been opposed to discussion of peaceful reunification with the authorities on Taiwan. 10. The People's Republic of China hopes that the reunification of the Chinese people will be completed peacefully and will take into account the actual situation on Taiwan in settling this issue.

12. Bearing in mind the above stated Chinese view, the United States reaffirms the view it expressed in the Shanghai Communiqué: "The United States acknowledges the Chinese position that there is but one China and Taiwan is part of China. The United States does not challenge that position."

13. The Government of the United States reaffirms its interest in reducing tension in the area and promoting stability in the region. 14. It also reaffirms its interest expressed in the Shanghai Communiqué in a peaceful settlement of the Taiwan issue by the Chinese themselves, and it is confident that such a settlement eventually can be achieved.

15. The people of the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan. 16. The Executive Branch of the Government of the United States will propose special legislation to the Legislative Branch for this purpose.

17. The United States and the People's Republic of China believe the step they are taking is in the interest of all countries and will lead to a broader and deeper relationship between the American and Chinese peoples.

143. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 13, 1978

SUBJECT

NSC Weekly Report #75

1. *Opinion**Our Asian Policy—Or the Makings of a Carter Doctrine*

This has been a monumental year in East Asia—and it has far-reaching implications for your global strategy. Trends which have been maturing for some time have come sharply into focus. As a result, many issues which it had seemed possible to postpone are now emerging, and most are connected with our China policy. In addition, both the Soviet Union and Vietnam are intent on making China an issue in our relations with them, and this factor will grow rather than diminish with time.

1. *Major Trends*

Our policies must take into account the following trends:

The emergence of China as an active diplomatic player. Though not a sudden departure, Chinese diplomatic activity has become more intense since my discussions with the Chinese leaders, and it can be presumed that the Chinese see their activities as complementary to our long-term interests in offsetting Soviet domination of the southern arc countries: the littoral countries on the shores of the China Sea and the Indian Ocean, from Indochina to Southern Africa.

The Sino-Japanese Peace and Friendship Treaty, which links Japan (already linked with the United States) with China. The immediate effects of the PFT has been to focus Japanese economic interest on China, while diminishing the Japanese interest in the USSR. Gromyko's comments to you were quite revealing.

Deepening of the Sino-Soviet dispute, which means that the Soviets can no longer delude themselves that the situation will improve in the post-Mao era.

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Reports [to the President], 71–81: 9/78–12/78. Top Secret; Contains Codeword. A handwritten "C" at the top of the page indicates that Carter saw the memorandum. This memorandum repeats passages used in an October 6 memorandum from Oksenberg to Brzezinski on "East Asian Developments and China Issues." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 39, East Asia, 3/77–10/78)

The continuing Indochinese crisis, which now involves Communist states. An early improvement in Sino-Vietnamese hostility is unlikely, and North Korea appears to be leaning toward China on this issue.

Socio-Economic growth in South Korea, Taiwan, Singapore and Hong Kong has created a cluster of increasingly successful states. China, in its drive for technology, will probably try to develop closer relations with some of these.

2. Key Issues

We confront now the opportunity to create a genuinely stable relationship with an Asia which shares a common interest in avoiding Soviet domination and in maintaining military stability. In effect, *twenty-five years after the creation of relative stability in Europe, we now face for the first time the prospect of attaining similar stability in the Far East*. To make this possible, we have to be very deliberate about the following issues:

(1) *Timing of normalization with China*. Clearly the only window open to us is between December and January. After that, we will probably have to let the matter slip until the fall of 1979. If we were to normalize late this year or early next year, you could have a summit meeting with Hua, possibly in the wake of your meeting with Brezhnev. Do you wish me to use some informal setting to tell the Chinese ambassador, whom I see from time to time, that the Chinese ought to realize that if we cannot normalize within the above mentioned time frame, normalization might slip into late next year? Informal comment like this can be quite helpful and should not be introduced into the formal negotiations in Peking.²

(2) *Timing of Vietnamese normalization*. This is an important issue. I cannot help suspecting that guilt feelings over the Vietnamese war have something to do with the evident desire of Cy and Holbrooke to move on this issue rapidly:³ if we normalize before normalizing with China, we will leave our relations with China anomalous while coupling SALT with recognition of a pro-Soviet state with whom the Chinese currently have bad relations. Thus recognition immediately after normalization with China seems the preferred course.⁴

² In the left margin next to this paragraph, Carter wrote, "don't be too specific, but ok." Brzezinski noted in his memoirs that shortly after he submitted the communiqué to Carter, he "told the Chinese Ambassador that if we missed this opportunity we would have to delay normalization until far into 1979." (*Power and Principle*, p. 229)

³ In the left margin next to this paragraph, Carter wrote, "I don't have guilt feelings & I want to move re VNam."

⁴ Below this paragraph, Carter wrote, "Zbig—You have a tendency to exalt the PRC issue." He also underlined "after normalization with China" and wrote, "ok if PRC doesn't delay."

(3) *China trade issues* will become more complicated in the months ahead. We are developing a review of such matters as credit, MFN, grain deals, and so forth.

(4) *The Chinese factor will also have to be taken into account in our SALT and military posture planning.* If our relationship with China develops, gray area discussions with the Soviets will, in some fashion, have to take into account stability and security in the Far East. This matter will be of concern not only to the Chinese but also to the Japanese. And that, in turn, will add further complexity to an already extraordinarily complicated issue.

In the meantime, we may have to give some subtle encouragement to the West Europeans, whom the Soviets are trying to frighten on the issue of technology transfer to China.

3. *The Longer Dimension*

In effect, the collapse of the world system during World War Two was followed by the creation of a new Atlantic structure which produced stability in the West, to which we subsequently—though somewhat artificially—related Japan. We now have the chance to create a new framework of stability in the Far East, based on our close alliance with Japan, intimate cooperation with ASEAN, and growing collaboration with China.

With our relations with Latin America reaching new maturity, *the areas of likely instability and potential conflict will be Indian Ocean littoral states.* Our ability to deal with this problem constructively will be heightened if we succeed in matching *our cooperative relationship with Western Europe by a newly cooperative relationship with the Far Eastern states (notably Japan and China), and by growing ties with the Persian Gulf region.* In such a context, it should also be somewhat easier to generate a more stable U.S.-Soviet relationship, pointing from SALT II towards SALT III.

[Omitted here is material unrelated to Sino-American relations.]

144. Memorandum From the Chairman of the Policy Review Committee (China S&T) (Press) to President Carter¹

Washington, October 13, 1978

SUBJECT

US–PRC S&T Relationships

You asked that the existing Policy Review Committee, under my chairmanship, review our prospective S&T programs with China. We have developed an action plan area-by-area. All relevant agencies have participated in the review process, as well as in interdepartmental task forces which considered specific projects. All the agencies concur in this action plan.²

Following your instructions that we move ahead in student exchanges, energy, and satellite launching programs, the following actions were taken:

- Jim Schlesinger communicated his desired agenda for his Peking talks scheduled for mid-October and the Chinese have replied. He will discuss in detail programs for US assistance and training for PRC development of energy resources, including coal, oil, and gas; electric power generation (hydroelectric, geothermal, and nuclear); as well as programs for cooperation in the high energy physics area. Special attention has been given to questions of non-proliferation and export controls in the interagency clearance process for this visit (for additional details, see Tab I).³

- Dick Atkinson, head of the National Science Foundation, is now receiving a counterpart Chinese Delegation for the purposes of reaching a government-to-government understanding about student exchanges. We anticipate at least 500 Chinese students here by next fall, and 100 American students in China. The cost will be borne by the sending country. The US government role is to negotiate the framework within which our academic community can develop relationships with the Chinese on their own and to maintain a coordination and information structure. (Further details are at Tab II).

- Bob Frosch, head of NASA, has invited a Chinese Space Delegation to visit the United States in November to discuss the purchase and

¹ Source: Carter Library, National Security Council, NSC Institutional Files (H-Files), Box 21, PD/NSC-43. Secret. Sent through Brzezinski. A handwritten “C” at the top of the page indicates that Carter saw the memorandum.

² The correspondence and agency responses referred to in this memorandum are in Carter Library, NSC Institutional Files (H-Files), Box 42, PRM-24 [1].

³ Tabs I–VIII are *ibid.* Schlesinger visited China October 24–November 4.

reimbursable launch services for a geosynchronous telecommunications satellite. We intend to minimize technology transfer and COCOM problems by offering a relatively low capacity satellite. We also will offer to provide, on a reimbursable basis, a LANDSAT ground station and LANDSAT data use training (Tab III).

We propose to take the following additional actions:

- Bob Bergland during his November visit will discuss information exchange, germ plasm exchange, and cooperation in biological control of insects (Tab IV).

- In medicine and public health, programs will be developed in the fields of research in cancer, infectious and parasitic diseases, medical information, and recombinant DNA molecules. This will be carried out through exchange of delegations and data and training programs. The first initiatives will be a National Cancer Institute invitation to the Chinese Academy of Medicine to receive a group here in October for discussions on cooperation in the cancer field (Tab V).

- The Department of Interior proposes training and joint study in the natural resources area. The Department will be proposing to its Chinese counterparts initial detailed discussions to be held later this year (Tab VI).

- The Department of Commerce will submit a general proposal for further detailed discussions to the PRC. These areas include metrology, oceanology, meteorology, fishery research and management, data center management and data interchange, patents, and scientific and technical information (Tab VII).

We do not propose to move ahead quite as rapidly in several other areas of Chinese interest because (1) we wish to pace developments appropriately and because (2) some of these areas include sensitive topics in the space and aeronautical areas; for example, the design and construction of wind tunnels.

An overview of the foreign policy implications of US–PRC S&T relationships is at Tab VIII. The overview, prepared by State, DOD, OSTP, and NSC, concludes that in implementing scientific and technology relationships with the PRC we should concentrate on less sensitive topics. We should also encourage programs that have long-term implications such as student exchanges, space cooperation, and energy development. Domestic and international reactions to relationships would be monitored throughout the process. Special care would be exercised in relationships with Peking, so that Chinese expectations are not raised for resources that would not be forthcoming, for example, for export controlled items. The program we have developed for your approval is precisely in keeping with these conclusions.

Administration of Program

- *Budgeting*: None of the activities, as currently defined, raises significant budgetary issues, since the PRC has said it will pay all costs associated with activities which benefit them. The US government will pay for activities we initiate and which benefit us, and agencies will carry out agreed programs within current FY 1979 and FY 1980 budget and personnel ceilings. Activities which would result in additional resource requirements in FY 1981 or beyond will be cleared through OMB before any commitments are made to the PRC.

Specifically with regard to all agency programs for exchange of personnel, visiting scholars, etc., the PRC is expected to pay for all travel, food and lodging associated with their participants in the US. The PRC will also reimburse agencies for direct costs and indirect costs associated with their residence in the US when the benefits accrue primarily to the PRC, to the extent that these costs are identifiable and that foreign policy objectives allow. The US or the sponsoring US private organization would pay for the costs of American participants in reciprocal programs in the PRC.

- *Coordination*: During the initial period, activities will be reviewed by State, DOD, OMB, and other pertinent agencies through the existing Policy Review Committee which I chair. All proposals will be fully cleared by the interagency mechanism to ensure that concerns regarding export controls, contested waters and budgetary needs are taken into account.

- *National Security Concerns*: We will continue to review export control issues through the interagency process.

- *Reciprocity*: Implementing agencies have been instructed to seek all reasonable benefits to the United States as they develop programs.

I would summarize our approach as careful and cautious, but forthcoming. If you approve it, I will write to my Chinese counterpart, Fang Yi, Chairman of the National Scientific and Technical Commission, reviewing our understandings of each program. This will include actions underway, what we expect from them, and what remains in the planning stages. Detailed correspondence from each agency head to his Chinese counterpart would follow.

Recommendation

That you approve the above approach and authorize me to write to Fang Yi. All agencies concur.⁴

⁴ Carter checked the Approve option and initialed "J."

145. **Memorandum From the Special Assistant to the President's Assistant for National Security Affairs (Inderfurth) to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, October 16, 1978

SUBJECT

Human Rights and the PRC

I have given David my thoughts on where we should go with our human rights policy.² In this memo I would like to address a single subject—human rights and the PRC.

Several articles on our human rights policy (and not a few politicians) have noted the Administration's silence on human rights violations in the PRC. I believe we must address this issue. If not, both our human rights policy and our efforts *at home* to normalize relations with the PRC will be adversely affected.

I have attached (at Tab A) a thoughtful article on this subject from *Foreign Policy*.³ It appeared about a year ago. Key passages have been highlighted. The author is right in saying that, should we decide to approach the PRC on this subject, we should do it in the context of our *broad* definition of human rights. The PRC will certainly object to a "Western" definition of human rights, hence the need to include social and economic rights (which they will stress). The author is also right in suggesting that, should we fail to address this issue,

The Nationalist government on Taiwan, itself vulnerable to criticism for suppressing dissidents, will encourage its American supporters to use the human rights issue to slow U.S. moves toward recognition of the People's Republic. Friends of Taiwan will continue to point out examples of dissent on the mainland and to publicize instances of Communist repression; they recognize that the lack of democratic institutions in the People's Republic is a useful point for arousing popular sentiment against recognition among Americans.

Human rights in the PRC is, obviously, a *very* sensitive subject. I am not suggesting that we take any action at this time. I am suggesting, however, that as a first step we direct Mike Oksenberg to discuss this

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of), 9–11/78. Confidential.

² Inderfurth is referring to David Aaron.

³ Attached but not printed is a copy of Susan L. Shirk's article, "Human Rights: What about China?" in *Foreign Policy*, No. 29 (Winter, 1977–1978) pp. 109–127.

with his China group and send you a recommendation on how (whether?) and when to raise this with the PRC.

Recommendation

That Mike Oksenberg be directed to look into the issue of human rights and the PRC and forward appropriate recommendations to you.⁴

⁴ Brzezinski checked the Approve option.

146. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 18, 1978

SUBJECT

S&T Exchanges with the PRC

Frank Press provides you a succinct description of our S&T exchange program with Peking.² He has provided me with detailed descriptions of each program, which I am prepared to supply you, should you wish to see them.³

In a nutshell, here is what Frank has done:

—Through the Policy Review Committee, he has established an inter-agency coordinating body to review all programs.

—He has managed to secure total consensus among all agencies concerning the road immediately ahead.

—Hence, no inter-agency disputes require your attention. You only need approve the pace Frank has set.

—The pace is gradual and largely involves reaching a series of agreements to explore ways to cooperate. With the exception of student exchanges, where understandings are imminent, the program is unfolding carefully.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of), 9–11/78. Confidential. Sent for action. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² See Document 144.

³ The supporting documentation is attached but not printed.

—The sequence in which we are addressing areas of cooperation are:

- Students (October)
- Energy—oil, coal, high energy physics, renewable energy, and hydroelectric (late October).
- Agriculture (November)
- Space (possibly November)
- Health (December)

Recommendation:

That you endorse Frank's approach and authorize him to proceed at a measured pace in correspondence with his Chinese counterpart.⁴

⁴ Carter checked the Approve option and initialed "J."

147. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 26, 1978

SUBJECT

Arms Sales to Taiwan

In presenting our response to Taiwan's arms sales requests, State would like to maximize the chance that the Taiwanese will accept our offer. Therefore, in addition to Taiwan's major request for a follow-on aircraft, there are two additional requests which have reached the point for a decision and could be included in our presentation. The State memorandum at Tab A recommends their approval.

Taiwan has requested two types of precision-guided munitions: 500 laser-guided bombs and 400 Maverick air-to-surface missiles. Given the limited range of the F-5, these munitions would not pose a threat to targets in the PRC, but would improve Taiwan's defenses particularly against the numerically superior PRC navy. The Maverick production line closed in April 1978 and no Maverick missiles are cur-

¹ Source: Carter Library, National Security Affairs, Staff Material, Global Issues, Matthews Subject File, Box 3, Arms Sales: Taiwan (Aircraft): 9-11/78. Secret. Sent for action. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

rently available; however, as U.S. inventories are replaced with later models of the Maverick, some missiles may become available for sale but not in the quantity requested by the ROC. All agencies (State, ACDA, DOD, and JCS) support the sale of these munitions to Taiwan.

In addition, Taiwan has requested 15 Harpoon surface-to-surface anti-ship missile launchers and 300 missiles to counter the PRC's 185-ship Styx missile fleet. Although we are not prepared to offer this number, all agencies support our offer of 12 launchers and 72 missiles to outfit the six high-speed patrol boats which the ROC has on order.

Both of these systems are defensive in character and could be approved to meet Taiwan's legitimate security needs without unduly damaging our relations with the PRC.

In describing your aircraft decision to the ROC Government, State would like to couch your decision on the follow-on aircraft in terms that would prevent the Taiwanese from concluding that our support in modernizing their air force was forever after at an end. Accordingly, they would like to say that the U.S. cannot authorize the purchase of F-4 or F-16/18 aircraft but that "the USG has not made a decision to authorize creation of a follow-on aircraft to the F-5E." State also proposes that we indicate our willingness to extend the F-5E coproduction agreement beyond the 48 aircraft currently under consideration if requested by the ROC.

My own view is somewhat different:

1. I believe the F-5Es should be offered or, as you previously indicated, Taiwan could go for the Kfir.

2. It might make sense to include the 500 laser-guided bombs and 400 Maverick air-to-surface missiles, since both items are connected with the air package.

3. For the time being, I would prefer to defer the 12 Harpoon launchers and 72 missiles, since I believe we will have to demonstrate later our dedication to Taiwan's defense. Doing it now buys us nothing.

4. I would prefer to avoid the suggested phrase that "the USG has not made a decision to authorize creation of a follow-on aircraft to the F-5E" because it might imply something which I understand we do not intend to do in any case.

Recommendation:

1. Approve the entire package, as recommended by Cy and Harold.²

2. Please check off your specific approval in the choices provided in the attached State memorandum, if you do not approve #1.

² Neither the Approve nor Disapprove option is checked.

3. Please indicate whether the phrase “the USG has not made a decision to authorize creation of a follow-on aircraft to the F-5E”.³

Tab A

Memorandum From Acting Secretary of State Newsom to President Carter⁴

Washington, October 20, 1978

SUBJECT

Request for Decisions on Conventional Arms Transfer Cases

I am recommending that you approve the following Foreign Military Sales (FMS) cases for the Republic of China: co-production of an additional 48 F-5E aircraft, sales of 72 Harpoon missiles and 12 launchers, 400 laser guided bomb kits, and 500 Maverick missiles. These cases fall within the current policy guidelines and should have no significant adverse effect on normalization. The Department of Defense and the Arms Control and Disarmament Agency concur in this recommendation.

The ROC has asked for co-production of an additional 48 F-5E aircraft and co-production in the future of 50 of a proposed follow-on aircraft, the F-5G. In approving the 48 additional F-5E's, I believe we should agree to the ROC request that this be done by extending the present co-production/co-assembly arrangement now due to expire in Spring 1981. Approving the sale of the F-5E's and, particularly, keeping the production line open, will provide concrete assurance to Congress, as well as to the ROC, that we plan to continue defense ties with Taiwan on into the future, regardless of a change in our relationship with the PRC.

Co-production/co-assembly of the F-5E has gone on since 1974. Last year you agreed to permit added co-production of 20 aircraft. Given the history of this program, we believe it is not contrary to our arms transfer policy and can be tolerated by Peking. Since we are not approving the development of the F-5G, 48 F-5E's will be inadequate for Taiwan's defense needs. We should, therefore, be prepared to inform the ROC that we would consider favorably a request for addi-

³ Carter checked the “should be used” option and initialed “J.”

⁴ Secret; Nodis; Sensitive.

tional F-5E's as well as telling them that we have given our approval for Israeli sales of the Kfir aircraft to the ROC.⁵

Provision to the ROC of the Harpoon missile system and precision-guided munitions (PGM) will serve U.S. interests in enhancing the credibility of the ROC deterrent capability against a PRC seaborne attack. Also, because of expectations fueled by press play and aircraft corporation gossip that a favorable decision had been made to provide Taiwan with the F-5G's, ROC President Chiang Ching-kuo will find our response on aircraft a bitter pill. A favorable response on the Harpoon and the PGM will soften the impact and demonstrate to the ROC and Congress that we are responsive to legitimate ROC defense needs.

The total value of these four cases is \$199 million and can be accommodated in the FY 79 worldwide ceiling on arms transfers. Subject to your approval we will report them as required by law to Congress when it reconvenes in January.

The attachment describes the four cases, including means of payment, and provides a space for you to indicate your decision on each case.

Attachment

<u>Type Case</u>	<u>Country</u>	<u>Value (\$M)</u>	<u>Description</u>
FMS	Republic of China	107.0 (Cash)	Continued co-production of 48 F-5 aircraft

In 1972 the USG approved a program which would permit the ROC to co-produce F-5 aircraft. This case will add to the 20 aircraft you approved last year and will extend the agreement to increase the co-production to a total of 248 aircraft.

Decision:⁶

<u>Type Case</u>	<u>Country</u>	<u>Value (\$M)</u>	<u>Description</u>
FMS	Republic of China	55.0 (Cash)	72 Harpoon Missiles and 12 Launchers

These surface-to-surface Harpoon anti-ship missiles and associated launchers are to be used to outfit six high-speed patrol boats,

⁵ In the margin, Carter wrote, "ok."

⁶ Carter checked the Approve option and initialed "J."

which the ROC has on order from Tacoma Boat. Acquisition of this system will provide the ROC Navy with a modest and necessary anti-ship capability to enhance their naval defenses and specifically to counter the threat of the PRC Styx missile fleet of 185 ships.

Decision:⁷

<u>Type Case</u>	<u>Country</u>	<u>Value (\$M)</u>	<u>Description</u>
FMS	Republic of China	20.5 (Cash)	500 Maverick Missiles (AGM65A), 48 modification kits, and 100 launchers

The Maverick is a relatively small, television guided-missile designed for use against small concentrated targets such as armored vehicles, revetements, gun positions, communications vans, etc, and will provide the ROC F-5E aircraft with a limited air-to-ground capability. Given the limited range and number of F-5 series aircraft, ROC acquisition of Maverick would not constitute a significant offensive threat to the PRC but would improve the ROC defensive capability.

Decision:⁸

<u>Type Case</u>	<u>Country</u>	<u>Value (\$M)</u>	<u>Description</u>
FMS	Republic of China	16.5 (Cash)	400 Laser Guided Bomb kits and 29 laser designation kits

The laser guided bomb kit modifies standard bombs so as to provide precision delivery against a wide spectrum of targets. Acquisition of these kits will provide the ROC F-5 aircraft with a limited air-to-ground capability and a limited capability against sea-borne targets, such as invasion barges, etc. Given the limited range and number of F-5 series aircraft, ROC acquisition of these kits would not constitute a significant offensive threat to the PRC but would improve the ROC defensive capability.

Decision:⁸

⁷ Neither the Approve nor Disapprove option is checked and Carter wrote, "defer."

⁸ Carter checked the Approve option and initialed "J."

148. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of State Vance and Secretary of Defense Brown¹

Washington, November 1, 1978

SUBJECT

Arms Sales to Taiwan

The President has decided to approve the request from the Republic of China to co-produce an additional 48 F-5E aircraft, the sale of 500 Maverick Missiles (AGM65A) with 48 modification kits and 100 launchers to the Republic of China, and the sale of 400 laser-guided bomb kits and 29 laser designation kits.

In addition, the President has instructed that when the State Department informs the Republic of China of these decisions, it should also inform the ROC that we would consider favorably a request for additional F-5Es, that we have given our approval for Israeli sale of the Kfir aircraft to the ROC, and that the U.S. Government has not made a decision to authorize creation of a follow-on aircraft to the F-5E.

A copy of David Newsom's memorandum is attached.² Please note the President's decision to defer a decision on item 2.

Dissemination of this decision should be carefully restricted until State informs appropriate Congressmen and conveys the decisions to the Republic of China.

Zbigniew Brzezinski

¹ Source: Carter Library, National Security Affairs, Staff Material, Global Issues, Matthews Subject File, Box 3, Arms Sales: Taiwan (Aircraft): 9-11/78. Secret; Sensitive. The first page is stamped, "JTM has seen."

² Attached; printed as Tab A to Document 147.

149. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, November 2, 1978

SUBJECT

Woodcock's Round Five—A Commentary

Here is my reaction to today's report from Peking:²

The fifth round was the most business-like to date. Chinese rhetoric was at a minimum. None of the negativism of the Vance–Huang UNGA meeting was there.³ The talks have entered a *serious* stage. The Chinese seek more detail on the nature of our post-normalization relations with Taiwan.

The session shows that it has taken longer than I would have guessed for the Chinese accurately to understand how serious we are. They have yet to reveal their quick and agile minds. Either this is part of their negotiating strategy or else they are less clever than we credit them as being. Increasingly I am inclined toward the latter explanation.

Three developments occurred:

—We completed our presentation and tabled our communique.⁴

—We asked for a specific Chinese response to the three issues we have raised.

—The Chinese raised five questions to which they seek a response:

- We have referred to an interim period which would follow the issuance of the recognition communique, during which we would be altering our relations with Taiwan. The Chinese wish to know what is meant by “interim period,” how long it would last, and when it would begin.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Presidential Advisory Board, Box 77, Sensitive X: 1–9/78. Top Secret; Sensitive; Eyes Only; Alpha; Outside the System. Sent for information. Printed from an uninitialed copy.

² In backchannel message 205 from Beijing, November 2, Woodcock described his most recent meeting with Huang Hua: “His questions demonstrated that the Chinese side is paying increasing attention to the details of our presentations. Significantly, too, this is the first session at which Huang avoided a polemical repetition of Chinese positions.” Woodcock concluded, “Overall, the session went very well. The Chinese have heard the main elements of our approach, seem to be treating our intentions with increasing seriousness, and give every evidence of wanting to continue the dialogue.” (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 11/1–2/78)

³ See Document 138.

⁴ Attached to Document 142.

- When we say we will maintain trade, cultural, and other relations with Taiwan, what will be the nature of these relations and what do these relations involve?

- When we say the United States intends to maintain a non-governmental representation on Taiwan, what will be its task, of whom will it be composed, and what will be its relationship to the U.S. Government and the Taiwan authorities?

- When we say legislative adjustments are necessary in order to alter our relations with Taiwan, what are the implications of these adjustments?

- When we say we intend to continue the same access for Taiwan products to the U.S., what does this mean?

Tasks for Round Six:

Teng Hsiao-p'ing and Huang Hua return from their trip to Malaysia, Thailand, and Singapore in mid-November. We should send Leonard's next instructions by COB on Friday, November 10.

We must decide on our basic approach for Round Six. My own inclination is now to lay back, and let the Chinese first respond to our broad questions before responding to their more detailed and somewhat technical questions. Woodcock should not ask for the next meeting but indicate that he is prepared to meet when the Chinese wish it.

But Woodcock's instructions should contain answers to the five questions which the Chinese have raised. Prior to that, State must decide which of two alternatives (private corporation or federally chartered corporation) it recommends as the mode of our non-governmental representation on Taiwan. State, DOD (Brown only?), [less than 1 line not declassified] must help us decide how long an interim period is necessary before all the necessary adjustments—including an *orderly* removal of our remaining military personnel and installations—can be completed.

With Holbrooke out of the country, I propose to meet with Hansell on Friday and work over the weekend to prepare draft instructions for Round Six along the lines outlined above.⁵

⁵ Brzezinski checked the Approve option. Draft instructions for Woodcock's sixth meeting, dated November 10, are in the Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China: Normalization: 6-12/78.

150. Presidential Directive/NSC 43¹

Washington, November 3, 1978

TO

The Vice President
The Secretary of State
The Secretary of Defense
The Secretary of the Interior
The Secretary of Agriculture
The Secretary of Commerce
The Secretary of Health, Education, and Welfare
The Secretary of Energy
The Director, Office of Management and Budget
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence
The Administrator, National Aeronautics and Space Administration
The Director, Office of Science and Technology Policy
The Director, National Science Foundation

SUBJECT

US–China Scientific and Technological Relationships

This directive establishes policy guidance for developing civilian S&T relationships with the People's Republic of China based on Presidential review of policy issues submitted by the Policy Review Committee (China S&T).²

Policy Guidelines

1. *Coordination.* During the initial period of S&T cooperation with China, all activities will be reviewed by the Department of State, the Department of Defense, the Office of Management and Budget, and other pertinent agencies through the existing Policy Review Committee (China S&T).

2. *Program Design.* In developing programs emphasis will be placed on topics which are less sensitive from the standpoint of technology transfer and foreign policy. In addition, relationships with long-term implications are encouraged; for example, in education, space cooperation, and energy development.

3. *Export Controls.* Issues will be reviewed through the interagency process. Special care will be exercised in relationships with Peking, so

¹Source: Carter Library, National Security Council, NSC Institutional Files (H-Files), Box 21, PD/NSC-43. Secret.

²See Document 144.

that Chinese expectations are not raised for equipment and technologies which we would not be willing to supply.

4. *Reciprocity.* Agencies should seek all reasonable benefits to the US within each program. Our aim should be to achieve a mutually beneficial program.

5. *Budgeting.* The PRC has agreed to pay for all resources and benefits to them. We will pay for activities which we initiate for our benefit. Agencies will carry out agreed programs within approved FY 1979 and FY 1980 budget and personnel ceilings. Proposed activities which would result in additional resource requirements in FY 1981 or beyond will be cleared through OMB before any commitments are made to the PRC.

With regard to agency programs for exchange of personnel, visiting scholars, etc., the PRC is expected to pay for all travel, food, and lodging associated with its participants in the US. The PRC will also reimburse agencies for direct costs and indirect costs associated with their residence in the US when the benefits accrue primarily to the PRC, to the extent that these costs are identifiable and that foreign policy objectives allow. The US or the sponsoring US private organization would pay for the costs of American participants in reciprocal programs in the PRC.

S&T Program Plan

The following plan for evolving programs is approved:

1. *Energy.* The US should offer assistance and training for PRC development of energy resources (including coal, oil, and gas), electric power generation (hydroelectric, geothermal, and nuclear), as well as programs for cooperation in the high energy physics area.

2. *Education.* The US should by fall 1979 receive up to 700 Chinese students, researchers, and visiting scholars and send 100 or more American students and scholars to China for study and research in all fields. Each side will use its best efforts to accommodate the other's interest, and the two sides will meet periodically for program evaluation.

3. *Space.* The US can offer to assist in PRC purchase of and provide reimbursable launch services for a geosynchronous telecommunications satellite. Technology transfer and COCOM problems should be minimized by offering a relatively low-capacity satellite. Also the US can offer to provide, on a reimbursable basis, a LANDSAT ground station and LANDSAT data use and training.

4. *Agriculture.* We should seek a broadly cooperative relationship in agriculture. In particular, germ plasm exchange and cooperation in biological control of insects will be developed.

5. *Medicine and Public Health.* Programs should be developed in the fields of research in cancer, infectious and parasitic diseases, medical information, and recombinant DNA.

6. *Geosciences*. Detailed discussions will be initiated regarding training and joint study in the natural resources area.

7. *Commerce*. Proposals for further detailed discussions will be submitted to the PRC. Topics include metrology, oceanology, meteorology, fishery research and management, data center management and data interchange, patents, and S&T information.

Zbigniew Brzezinski

151. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, November 6, 1978, 0917Z

7484. Department also pass CINCPAC. Subject: Démarche to President Chiang re ROC Arms Request. Ref: State 278289.²

1. On Monday, November 6, accompanied by DCM, I called on President Chiang for one hour. Also present were Vice Foreign Minister Fred Ch'ien and the President's Special Assistant James Sung.

2. I read the complete presentation as set forth in Ref A adding/reinforcing a few points in passing:

—With regard to new armaments we would need congressional approval which the administration is now prepared to request.

—The ROC Military Mission (Pat Wen) in Washington might now wish to get in touch with the Defense Security Assistance Agency regarding purchase of Maverick and laser-guided bombs.

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780457–0534. Secret; Immediate; Exdis. Repeated to Beijing.

² Telegram 278289 to Taipei, November 2, instructed the Embassy to meet with Jiang and inform him that "It is and will continue to be the policy of the Carter administration to give careful and sympathetic consideration to ROC requests for defensive military equipment." Although the ROC had asked for highly advanced F-16 or F-18L aircraft, "To do so would introduce into the Taiwan Strait area an entirely new and highly sophisticated level of technology, and thus would be counter to our international arms transfer policy." A ROC request for F-4E fighter-bombers was rejected for similar reasons. Instead, "To meet the ROC's needs for replacement aircraft, therefore, the USG would be prepared to agree to the ROC request to extend the present arrangements for co-production/co-assembly on Taiwan of F-5 aircraft by another 48 units." (National Archives, RG 59, Central Foreign Policy File, D780451–0841)

—I was well aware from past conversations of President Chiang's negative attitude towards the Kfir.³ Our mention of it in this presentation was nevertheless a reminder that the option does exist.

—Based on my conversations in Washington and messages I had subsequently received it was clear that Washington had given extremely careful and sincere consideration to the ROC's weapons requests bearing in mind the security situation in the Taiwan Strait.

3. President Chiang initially queried me as follows:

—Is there a final decision not to design/produce the F-5G or is the issue still open ("Is there still hope")? I answered that the decision was still open.

—Is co-production of the 48 F-5E conditioned upon replacement needs for losses from the existing inventory? I replied that my understanding was that the 48 additional units to be co-produced (which I emphasized would extend the co-production schedule until 1983) stood on their own merits. I took the occasion to reiterate that we were also willing to sell even more F-5E's produced elsewhere and that once the deals were cleared by Congress the ROC would then have F-5E's with considerably improved armament (Maverick & LGB), which could also be applied to the existing inventory.

4. President Chiang then followed with a lengthy summary of the situation as he now sees it coupled with appeals for the reconsideration of the F-5G and the F-16. Specifically:

—The common objective of the USG and GROC is to maintain peace and security in this part of the world. However, a fundamental prerequisite for this is that between the two contending parties, the Communists and the ROC, there must be maintained "parity or equilibrium" in military power. If the other side should gain substantial advantage over the ROC peace would be sabotaged.

—The most important factor at present is air power on which ROC defense mainly depends. The Communists already have a great quantitative advantage over the ROC for whom quality is therefore so important.

—The main elements of ROC air power, the F-100's, P-104's and F-5E's are already in a category which should be replaced with follow-on aircraft. The ROC is now far behind others in this respect. For instance, South Korea has the F-4 and Japan has the F-16. Obviously if the ROC's weakness in this regard increases it will lead to the strategic weakening of the whole Free World.

³ Telegram 278289 to Taipei, November 2, also stated that the U.S. Government had "given its approval to the Israeli Government to offer to the ROC the Kfir jet interceptor which employs US engines and avionics components." (National Archives, RG 59, Central Foreign Policy File, D780451-0841)

—Therefore, the ROC feels it needs the F-5G now. It has waited a long time and “it is a great disappointment to receive this answer.”

—Although the ROC badly needs the F-5G to cover the situation in the next 3–4 years, looking farther down the road it needs the F-16 and “I therefore hope the US Government will continue to consider the F-16.”

—The ROC has sought additional F-104’s from some European countries. Maybe some will be available; if not the ROC cannot meet its present requirements with what it has.

—Although the Kfir is a better aircraft than the F-104, the ROC does not want to go to Israel or any country other than the U.S. for new types of equipment which would lead to maintenance and supply problems. “We want U.S. planes and equipment. Please convey this to the USG and ask President Carter to give personally favorable consideration to the F-5G and thus help us solve our present problems.”

—As for the F-16 “maybe we’re too far ahead of our time in making this request but as current developments in Southeast Asia (particularly recent fighting along SRV’s northern frontier) demonstrate, the situation could suddenly turn unfavorable.

5. Assuring President Chiang that I would convey his views accurately to Washington I made a few observations:

—The USG had made no final decision on producing the F-5G or some other follow-on aircraft to the F-5E. Therefore we could continue to give consideration to his request.

—Our decision on the F-16 was explicitly negative but I would call Washington’s attention to his request.

—On the F-5E we had been positively receptive, not only to continue co-production but also to sell this aircraft produced elsewhere.

—Taken together with the F-5E decision our favorable response on the Maverick and laser guided bombs would now put the ROC in a favorable, even superior position vis-à-vis the PRC today. In this connection, we expected this year again to be visited here in Taipei by a team of experts from the Intelligence Community in Washington which could give a candid, objective overview of the current PRC capabilities in the Taiwan Straits. In the meantime, on the basis of my current information I could state that the experts do not feel that the PRC has deployable equipment superior to or even equal to the F-5E.

6. After stressing the need to plan for the future, bearing in mind also unforeseen unfavorable developments, President Chiang said he wanted to make a personal suggestion: When an ROC arms request had not been resolved it was better not to make too many public announcements or have too much public discussion on the subject because consequent press reporting often distorted the picture and added

fuel to the fires of speculation. In the past the ROC had never made public announcements on such requests and he hoped that henceforth such matters could be handled in a more confidential manner. (For further evidence of his sensitivity on this point see septel.)⁴

7. In reply I agreed that there had been far too much distortion and erroneous press speculation in the past. Promising that I would convey his thoughts on the subject, I said that in this instance now that decisions had been made and I had transmitted our position Washington planned to make a brief press statement to clarify the situation. With that the conversation shifted to other matters.

8. Comment. President Chiang seemed well prepared for my *démarche*. He did not become agitated but his mood was sober and although he was courteous some of the warmth which had always marked our conversations before the September exchange on PDM was lacking.⁵

Unger

⁴No telegram was found regarding Jiang's concern about lack of confidentiality, but telegram 7479 from Taipei, November 6, conveys Jiang's request for changes in the text of the press statement on the U.S. response to ROC arms requests. (National Archives, RG 59, Central Foreign Policy File, D780457-0461)

⁵Telegram 6040 from Taipei, September 8, described Unger's meeting with Jiang in which they discussed the relocation of programmed depot maintenance from Taiwan to South Korea. (National Archives, RG 59, Central Foreign Policy File, D780365-1018)

152. Interagency Intelligence Memorandum¹

NI IIM 78-10024

Washington, November 14, 1978

SINO-SOVIET COOPERATION IN INDOCHINA

Key Judgments

- Indochina today is divided into two camps, with the USSR backing Vietnam and Laos, and China backing Kampuchea (Cam-

¹Source: Central Intelligence Agency, Center for the Study of Intelligence, Master File. Secret. A note at the end of the Key Judgements section reads: "This memorandum was drafted by analysts from the Office of Regional and Political Analysis and the Office of Economic Research of the Central Intelligence Agency. It was coordinated at the working level with representatives of the National Foreign Intelligence Board."

bodia). This development is largely the result of the conflicting national ambitions of China and Vietnam, each of which wishes to exercise paramount influence in the area. This competition, although muted during the Vietnam war, has deep roots and is likely to intensify.

- The immediate cause of the present Sino-Vietnamese confrontation is the escalating border war between Vietnam and Kampuchea. China believes Vietnam is determined to replace the Pol Pot government with one responsive to Hanoi's direction. Although China is unhappy with some of the policies of the present Khmer regime, it considers an independent Kampuchea allied with Peking an essential buffer against the expansion of Vietnamese, and by extension Soviet, influence in the area.

—China hopes to thwart Vietnamese ambitions by providing strong support for Kampuchea while undertaking a diplomatic and propaganda campaign to portray Vietnam as a Soviet cat's-paw and arouse suspicions about Hanoi among non-Communist Southeast Asian states.

—China is the principal source of military and economic aid to Kampuchea. It has several thousand advisers in Kampuchea and has increased military aid since the escalation of the Kampuchean-Vietnamese border war. China's termination of all aid to Vietnam earlier this year will trouble but not cripple the Vietnamese economy because Chinese aid had already been reduced after the end of the Indochina war. China also supplies economic aid to Laos. Northern Laos has been a Chinese sphere of influence for many years as the result of a road-building project in the area.

—China is trying to encourage the Pol Pot government to moderate its domestic and foreign policies in order to improve its international standing.

- Vietnam over the long term would like to establish a special relationship with Kampuchea similar to the one Hanoi has with Laos. Over the short term, however, Vietnam could tolerate a government in Phnom Penh with close ties to China so long as it ceased provocative actions along the Vietnamese border.

—Vietnam is unlikely to launch an all-out invasion of Kampuchea, although it might be tempted to move if there were an open breakdown of political order in Kampuchea. In the event of such a Vietnamese attack, China would have only limited ability to aid the Phnom Penh regime. Despite the excesses of the Pol Pot government, few Khmer would welcome Vietnamese intervention, and Vietnam would probably become bogged down in a guerrilla war.

—Vietnam is more likely to pursue its present policy of trying to secure its borders against Kampuchean attacks while seeking to raise an antigovernment insurgent movement inside Kampuchea.

- The USSR is the most likely to benefit, at least over the short term, from the developing situation in Indochina. The Soviets will take advantage of the opportunity to try to make Vietnam dependent on Moscow, thereby establishing a sphere of influence on China's southern boundary.

—Laos and Vietnam are the only countries in Southeast Asia to allow the Soviets more than a token presence. The Soviets probably hope that their position in Vietnam will aid them in extending their influence elsewhere in the area. If the Southeast Asians believe that Vietnam is acting as a Soviet stalking-horse, however, it will harm rather than help Soviet interests.

—Vietnam has already moved closer to Moscow by signing a friendship and cooperation treaty and joining the Council for Mutual Economic Assistance (CEMA). The Soviets are the major source of aid to Vietnam, but most of it is still economic. Soviet military shipments do not appear to have increased since the confrontation with China, but this may change in the near future. The Soviets will take over some of the formerly Chinese aid projects.

—The USSR may hope eventually to obtain access to Vietnamese military facilities. Vietnam is unlikely to grant the Soviets formal base rights but might permit the Soviets access to air or naval facilities under certain circumstances.

- The non-Communist states of Southeast Asia are concerned about the consequences of intensified Sino-Soviet competition in the area although they draw comfort from the prospect of Communist countries fighting among themselves. Thus far the main impact on the countries in the Association of Southeast Asian Nations (ASEAN) has been an intensive diplomatic campaign to court their favor by all sides. Since September a top official from each of the four major parties to the dispute has visited Southeast Asia.

- Vietnam's deteriorating relations with China have increased Hanoi's interest in establishing diplomatic ties with the United States. Vietnamese leaders believe an American embassy in Hanoi would serve as a symbol of Vietnam's international acceptance. Vietnam is also seeking aid and foreign investment from the West to help balance aid from the Soviet bloc.

[Omitted here is the Discussion section.]

153. **Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)**¹

Washington, November 15, 1978

SUBJECT

Rise in the Chinese Political Temperature and U.S. Policy Implications

Introduction

The Chinese internal political situation has heated rapidly in the past week or two. Pressure is clearly mounting for further changes in the Politburo as well as at lower levels. The political current still seems to be running in Teng's direction, but as always in such fluid situations chances for surprises and sudden reversals exist. Basically, Teng seems intent on eliminating several top leaders who acquiesced in his 1975 tumble and who are foot-dragging on his bold modernization campaign. In so doing he is violating the terms on which he was permitted to return last year.

Nor is this simply a matter of court politics in the Chung Nan-hai, since the struggle has been joined at a moment when Peking faces thorny policy issues in Indochina, Europe, and in its relations with us. The volatility of Chinese politics over the past 25 years has been due to the interplay of policy and personality in an uninstitutionalized setting.

The Internal Scene

Signs of the developing internal struggle have been mounting in the past week:

—Posters are attacking the national security organs for a wide range of "illegal" actions. Politburo Standing Committee member Wang Tung-hsing has had supervisory responsibility for security matters for many years, hence the attack seems directed against him. Wang is the highest-ranking official to come under attack since the fall of the "Gang of Four."

—Attacks on discredited ex-Peking mayor Wu Te are continuing and growing in vituperation despite initial indications that Wu would be allowed to remain nominally a Politburo member. The poster attacks tend to implicate Wang Tung-hsing and Chen Hsi-lien, the Peking Military Region Commander. All three were involved in the suppression of pro-Teng rioters in April 1976.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 9–11/78. Secret. Sent for information. A handwritten note at the top of the page reads, "ZB has seen."

—Growing public and private criticism of the leading ideological journal, *Red Flag*, for failing fully to support Teng's modernization policies. The target is again Wang Tung-hsing, who plays an important role in formulating the journal's editorial policy.

—Posters are now speaking openly of divisions in the Politburo, implying that a minority is resisting current policy. An official recently told the British privately that Wang is isolated on the prestigious five-man Politburo Standing Committee.

—An investigation of the actions of the Peking Party Committee when headed by Wu Te, with ominous implications for Wu and perhaps Chen Hsi-lien, parallels an effort to give the pre-Cultural Revolution Municipal Party Committee a clean bill of political health. This foreshadows the "rehabilitation" of Peng Chen, former Peking party boss, who was the first Politburo-level victim of the Cultural Revolution.

—These developments help explain why Hua Kuo-feng dwelled at such length on his role in toppling the "Gang of Four" in his conversation with Jim Schlesinger.² Hua's remarks will be circulated widely to party cadre and enable him to disassociate himself from the Wang Wu-Chen trio.

In all this Teng Hsiao-p'ing is clearly on the offensive. The odds are that he will prevail, but he is pursuing a high-risk policy that cuts across the desire of a number of his colleagues for leadership unity and stability. Simultaneous attacks on the national security organs and on the commander of troops in the capital area, moreover, require an especially careful effort at bean-counting. The current attacks, of course, also sharpen further the issues of the legitimacy of the Cultural Revolution and of the Maoist legacy.

Bold attacks are characteristic of Teng's political style, but he has overreached himself in the past. In the earlier memorandum to you I pointed out some of his vulnerabilities; they have not yet diminished.³ Teng has many balls in the air at the moment, and it would be dangerous for him to drop any of them.

The struggle could take up to six weeks to resolve.

Policy Implications for U.S.

Since coming to Washington, I have deliberately refrained from making suggestions to you about ways to influence Chinese internal

² Telegram 3603 from Beijing, November 8, transmitted a memorandum of conversation of a meeting between Hua and Schlesinger during which the Chinese Premier discussed the Gang of Four. (National Archives, RG 59, Central Foreign Policy File, P820112-0377)

³ See Document 128.

politics. We are now, however, faced with a situation where the stakes are high and it is important to us that Teng should win. There are a number of minimal steps we can take—and for the most part are taking—in this context:

—*Indochina*. Teng is highly vulnerable on this issue and could be blamed if things get more sour. We should be cautious in our Vietnamese dealings so as not to increase his risks.

—*Western Europe*. We should quietly encourage the European countries to consider seriously China's quest for technology, arms and credit. If the Chinese feel that the door has been slammed in their face, Teng may be on the end of a very exposed limb.

—*Framatome*. If we make a positive decision, we should leak the fact that we were responsible for making the sale possible.⁴

—*Normalization*. With a leadership struggle in a fairly acute phase, the Chinese may find it difficult to take hard decisions.⁵

⁴ Framatome was a company attempting to sell nuclear reactors to the PRC.

⁵ Someone underlined most of this sentence. Below the paragraph, Inderfurth wrote, "ZB, Do you want this included as an alert item in the WR, with a few examples of the struggle itself? Rick." Brzezinski replied, "yes."

154. Memorandum From the Joint Chiefs of Staff to Secretary of Defense Brown¹

JCSM-335-78

Washington, November 20, 1978

SUBJECT

Normalization of Relations With the People's Republic of China

1. During your meeting with the Joint Chiefs of Staff on 26 September 1978, issues related to normalization of relations with the People's Republic of China (PRC) were discussed. You particularly requested views concerning the Mutual Defense Treaty with the Republic of China (ROC). Accordingly, the Joint Chiefs of Staff have examined the basic military considerations and plausible options for

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Normalization: 11/20/78-12/18/78. Secret. A stamped notation reads, "SecDef has seen." A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

dealing with problems which may develop in the normalization process. Based on such examination, they continue to favor normalization. They believe, however, that the process should be carried out in a manner which does not jeopardize the security of the people on Taiwan. US actions should also fully consider past relationships and assurances provided to the ROC by previous administrations.

2. How the United States handles the Taiwan issue during the normalization process will be carefully studied by US allies, the non-aligned states, potential adversaries, and, perhaps more importantly, the people of the United States. At stake is the perceived value of a US alliance and the strength of US resolve to remain a power in Asia. If normalization with the PRC could be accomplished within a framework which adequately assures continued security for the people of Taiwan, it would have a positive, long-term effect on these views. The Joint Chiefs of Staff believe that this can be accomplished by achieving what is understood to be the current administration's position on normalization: establishment of a US trade mission on Taiwan, continued US arms sales to Taiwan, and a PRC commitment not to use force against Taiwan.²

3. The PRC has been reluctant to accept all³ of these conditions. The Joint Chiefs of Staff believe that the United States should use the benefits to the PRC of normalization as a lever in an attempt to obtain PRC acceptance of the administration's position. They further believe that if the PRC can accept a continued special US relationship with Taiwan, including security assistance, and that if the PRC gives adequate assurances of security for the people on Taiwan, the United States could, in exchange, accept the three PRC preconditions for normalization and thus conclude the normalization process. The United States already has agreed that one of its ultimate objectives is the removal of US troops from Taiwan, and the end to diplomatic relations with the ROC can be compensated by a continuation of strong economic and cultural ties to Taiwan. The Joint Chiefs of Staff believe that, by developing adequate provisions for the continuing security of Taiwan, the Mutual Defense Treaty could be terminated. The method by which the treaty is terminated, however, will have a major impact on perceptions, both at home and abroad. The United States should explore alternatives for termination within the terms of the treaty, including possibilities for ROC-initiated termination or termination by mutual agreement.⁴

² Someone wrote, "ok" next to the phrases about the trade mission on Taiwan and U.S. arms sales to Taiwan, and "no" next to the phrase about a PRC commitment not to use force.

³ Someone crossed out "all" and wrote "any" above.

⁴ Someone wrote, "ok" next to the statement about U.S. exploration of alternatives for termination of the treaty and a question mark next to the statement about possibilities for ROC-initiated termination of the treaty.

4. The Joint Chiefs of Staff recognize the benefits of normalization. They are concerned, however, that the way the United States handles the Taiwan issue could erode the benefits to the United States. They believe that adherence to the administration's reported position will have a positive impact on perceptions and will demonstrate US resolve to maintain a substantial and constructive influence in the Pacific. They emphasize the importance of maintaining, as the centerpiece of US policy, a worldwide balance of power with the Soviet Union. As the United States moves toward normalization with the PRC, a fundamental aspect of the developing US–PRC relationship will be the PRC perception of US ability and willingness to maintain that balance.⁵

For the Joint Chiefs of Staff:

David C. Jones,
General, USAF
Chairman, Joint Chiefs of Staff

⁵ Harold Brown responded in a December 2 memorandum that restated many of Jones's conclusions and noted, "I know you recognize that with respect to assurances concerning the security of Taiwan, the PRC leaders have always rejected public and explicit commitments regarding their future handling of a matter they consider a question of sovereignty." (Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Normalization: 11/20/78–12/18/78) A notation indicates Carter saw Brown's response.

155. Memorandum From Director of Central Intelligence Turner to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, November 21, 1978

SUBJECT

Chinese Attitude Towards US-Vietnamese Relations

1. Recent comments by top Chinese officials indicate that Peking's opposition to the normalization or improvement of relations between the US and Vietnam is growing. From the end of the Indochina war until early this year, the Chinese appeared to support US-Vietnamese

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 10–11/78. Secret.

normalization in the hope that it would counter growing Soviet influence in Hanoi. As the dispute between China and Vietnam escalated this summer, however, some Chinese officials began to convey different signals. Since last August, comments on US-Vietnamese normalization have been generally negative. This shift over time in China's position clearly reflects Peking's growing belief that Hanoi had embarked on a course totally opposed to Peking's. Vietnam's entry into CEMA, its military actions in Kampuchea, the dispute over ethnic Chinese in Vietnam and finally the Soviet-Vietnamese treaty of friendship and cooperation are the outstanding benchmarks.² If there had been any doubts in Peking that Vietnam's ties were strengthening with the USSR, the treaty dispelled them. Shortly after the treaty was signed, China's news agency took the unusual step of publishing Li Hsien-nien's attacks on Vietnam during talks with American guests. The citation of Li's comments at this time was probably intended to convey Chinese displeasure over the possibility of normalization. On 3 November, Li had also raised the subject of normalization in a conversation with Secretary Schlesinger.³ He recited in an irritated fashion China's belief that it is no use trying to draw Vietnam economically or politically away from the USSR.

2. Senior Vice Premier Teng Hsiao-ping told [*less than 1 line not declassified*] that US-Vietnamese normalization is "not a big problem at all" and that it is "inevitable" because "it is the right thing to do." Having conceded this point, however, Teng went on to speak forcefully against the argument that US influence in Hanoi might offset Soviet influence there: "It is delusory to think that the establishment of diplomatic relations will extract Vietnam from the influence of the Soviet Union, and it would be impossible for the US to use economic aid to Vietnam to lure Vietnam away from the Soviet Union."

3. Chinese officials in fact have returned to the theme of US economic assistance to Vietnam almost every time they have discussed the question of US-Vietnam normalization. Vice Premier Li Hsien-nien also recently argued vehemently against US economic aid, asserting that it would relieve the Soviet Union of a "great burden" while having no effect on Vietnam's close ties to the USSR.

4. When China's officials speak of economic assistance, they consistently cite their own record of aid to Hanoi and claim that even their "\$20 billion" was not enough to check Hanoi's gravitation to Moscow.

² The Soviet Union and Vietnam signed a 25-year Treaty of Friendship and Cooperation on November 3.

³ The Liaison Office in Beijing reported on Schlesinger's meeting with Li in telegrams 3571, November 4, and 3578, November 6. (National Archives, RG 59, Central Foreign Policy File, P840150-2652 and P840150-2655)

The fact that they link economic assistance with their own experience in Vietnam springs from concern that western economic assistance to Vietnam will be at cross-purposes with China's own termination of aid to Vietnam. The Chinese prefer to let the Vietnamese stew in their Soviet juice. As Teng Hsiao-ping explained [*less than 1 line not declassified*], Chinese policy is to force Vietnam into near-total reliance on the USSR and then trust that—as in the cases of China, Egypt and the Sudan—frictions between Hanoi and Moscow will inevitably develop over the next eight or ten years, after which China will again attempt to build influence in Vietnam. Aid to Vietnam, said Teng, “would be like assisting the Soviet Union in dominating Asia.”

5. Despite Secretary Vance's 3 November press conference announcement that there are some indications Vietnam may drop the economic preconditions to normalization,⁴ Chinese officials continue to associate normalization with aid. The vague fashion in which the Chinese have referred to aid suggests concern that normalization would bring other economic benefits to Vietnam beyond conventional economic assistance, such as increased trade and greater access to technology.

6. In addition to complicating its campaign against Vietnam, Peking also is disturbed that normalized US–Vietnam ties would be viewed as taking sides against Kampuchea. Teng Hsiao-ping and Li Hsien-nien have recently linked the question of US relations with Vietnam to the American attitude toward Kampuchea. Teng said: “During my visit to Japan, I proposed that Japan improve its relations with Kampuchea. The US does not understand the problem. It only looks at Kampuchea's past. I have talked with the Americans, and proposed that the US provide moral support to Kampuchea.” Teng then directly proceeded to discuss the question of US–Vietnamese normalization. Similarly, Li Hsien-nien told an American group last week that he hoped the “US would not continue to make an issue of the so-called human rights question as that would provide a further handicap to Phnom Penh” in its fight against the more powerful Vietnamese.

7. Peking is in no position to attack US–Vietnam normalization in principle and in fact has carefully avoided taking such a position. Outright or formal objection would stand in stark contrast to earlier expressions of support for normal relations between the two countries and would contradict Peking's “principled” support for diplomatic relations among all countries.

8. Disappointment over US normalization with Vietnam at this time could provide ammunition to those in China who might eventu-

⁴ In his November 3 news conference, Vance was asked if Vietnam had “dropped its demand for aid as a precondition for normalization.” He replied, “I would interpret what they are saying now as having dropped that condition.” See the Department of State *Bulletin*, December 1978, p. 20.

ally oppose China's opening to the US. We nevertheless have no evidence that serious opposition to this policy has developed, and in fact China's compelling interest in economic, scientific and technological links to the US would impose limits on any negative Chinese reaction. In short, we believe the bilateral relationship would continue to move ahead. But, US recognition of Vietnam clearly would chill the climate of the relationship and would be seen in Peking as inconsistent with the development of a cooperative, strategic link between China and the US.

9. In this latter regard, the timing of any US move to recognize Vietnam would be instrumental in determining the depth of Chinese displeasure. US–Vietnam normalization in the immediate aftermath of the recently concluded treaty between Vietnam and Moscow, and amidst indications of a new round of Vietnamese military action in Kampuchea would almost certainly be construed by Peking at best as US indifference to fundamental Chinese interests and policies in South-east Asia. In the event that the situation in Indo-China finds its own level and the threat to the Kampuchean regime lessens in Chinese eyes, Peking may find it less difficult to swallow US–Vietnamese normalization. On the other hand, if the situation in Indo-China worsens dramatically in the next months, Peking's opposition to normalized US–Vietnam relations can be expected to intensify.

Stansfield Turner⁵

⁵ Turner signed "Stan" above this typed signature.

156. Letter From Secretary of Agriculture Bergland to President Carter¹

Washington, November 22, 1978

Dear Mr. President:

I have just completed what I regard as a highly successful visit to the People's Republic of China. During the ten days we spent there, from November 4 to 14, I met with Vice Premier Li Hsien-nien; my host, Minister of Agriculture and Forestry, Yang Li-kung; and Minister

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 11/3–30/78. Confidential. A copy was sent to Vance. At the top of the page, Carter wrote, "Very good. J."

of Foreign Trade, Li Chiang. In addition to Peking, we visited the cities of Shanghai, Ch'eng-tu and Canton.

The Chinese are committed to a major effort to modernize their country by the end of the century. With 80 percent of the population primarily engaged in production of food and fiber, the improvement of their agricultural economy is necessarily the foundation of what they refer to as the long march to modernization.

It is due to their realization that the United States has much to offer in the way of technology in agriculture that we were able to score some important breakthroughs in our rapidly developing relationship with China.

Forewarned of the unwillingness of the PRC leadership to enter into formal government-to-government agreement prior to the normalization, we sought no signed agreements. We succeeded, however, in obtaining an exchange of letters between Minister Yang and myself confirming what they described as an "oral understanding" with respect to scientific and educational exchange visits, facilitation of trade contacts in a number of agribusiness and food processing industries of interest to the Chinese, and exchange visits concerned with agricultural statistics and forecasting methodology.

In response to our emphasis on the need for the Chinese to be regular and predictable customers of U.S. agricultural products (if they expected us to be a reliable supplier), Vice Premier Li confided that they expected to buy annually from us some 5–6 million tons of grain and significant quantities of cotton (we agreed not to divulge publicly this figure).²

The Chinese gave us previously unpublished data on planted area, crop production, and livestock inventory for the year 1977. Stressing that they had not given such data to any other country, the Chinese did not object to our publishing the data as our own estimates (i.e., without attribution to them).

What is most significant in all of this is an apparent decision by the leadership of the PRC not to permit the absence of normalization to stand in the way of expanded trade and cooperation in the agricultural area.

Because of the length of the visit and the broad area we were able to cover, my delegation (listing attached)³ was able to form a number of conclusions about the status and prospects for Chinese agriculture:

² Next to this paragraph, Carter wrote, "good."

³ The list of names in Bergland's delegation is in the Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 11/3–30/78.

1. The Chinese appear to have reached a high level of yields per acre per year by intensive use of land, irrigation, and massive labor inputs. They recognize, and we agree, that further growth from these sources is limited.

2. Despite the huge and intensively used labor force, the low level of mechanization limits increase in agricultural output.

3. The application of modern plant and animal breeding can be a significant factor in further increases in agriculture output. Substantial gains also could be achieved by the use of modern chemical fertilizer, pesticides, and herbicides.

4. The scientific base in Chinese agriculture has been severely eroded by inattention and isolation from outside contacts. It will require a large effort in retraining and new training to build an adequate scientific and technical base in agriculture to undergird their development efforts.

5. If the Chinese are to feed their city population increased quantities of meat and poultry products they must turn to U.S. type industrial production of broilers, pigs, and laying hens. This will require mixed feeds and quality control, and will likely have to depend in part on imported feeds.

6. To reach their goal of 400 million metric tons of grain by 1985 will require a sustained growth rate of 4.5 percent compounded. No country has done this for a significant period.

7. The Chinese appear to be awed by the U.S. agricultural productivity and thus may have unrealistic expectations about the value of our technology to their conditions.

Finally, I would note that we were treated with extraordinary friendliness and hospitality. The Chinese Ministers were exceptionally candid about both their aspirations and their many weaknesses. While repeatedly emphasizing their determination to remain self-sufficient and independent, they look to the U.S., almost naively, as holding the key to their objectives for modernizing their agriculture. This faces us with opportunities as well as serious challenges. The Chinese are unleashing forces which involve new freedoms for their people as well as rising expectations of material well-being. Where all of this will take them is difficult to predict. But I believe that it is very important that we establish in our relations with them a record of dependability and reliability; that we not over-promise, but that we deliver on whatever we undertake to do.

Sincerely,

Bob Bergland

157. Memorandum From Secretary of Energy Schlesinger to President Carter¹

Washington, November 27, 1978

SUBJECT

Report on Technical Discussions on Energy Cooperation with China

This memorandum is to inform you of the results of my trip to China relating to future energy cooperation with the PRC.

I. General

During my visit to the PRC, five U.S. technical teams carried out extensive discussions with Chinese counterparts in the following areas: 1) coal, 2) hydroelectric power, 3) renewable energy, 4) oil and gas, and 5) high energy physics, nuclear physics and magnetic fusion. The purpose was to identify PRC interest in cooperative activities in those areas. These technical discussions took place in an atmosphere of enthusiasm and cooperation and resulted in successful definition of joint projects of potential PRC interest.

In discussing a framework for continuing this cooperation, we took the position that it would be necessary to agree upon an explicit mechanism for proceeding, ratified by some sort of signed agreement in those areas where the U.S. Government has primary responsibility (e.g., hydroelectric, R&D) and where the proposed collaboration is significant. The point became particularly important in the high energy physics discussions where the PRC desires a greatly expanded and significant collaborative effort; and it will become more so, if U.S. Government agencies are to proceed further, with some of the major "turn-key" hydroelectric projects the PRC broached to us.

The Chinese continued to adhere to their consistent position that they could not enter into written agreements with the United States pending normalization. The Chinese hope that cooperation can be expanded without general written agreements by dealing on an individual project basis with the relevant agency, e.g., USGS or the Corps of Engineers.² We have not agreed with that view and the issue remains to be resolved.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 8, China (People's Republic of): 9–11/78. Confidential.

² In the margin next to this sentence, Carter wrote, "I don't like this."

II. Specific Technical Discussions

1. *Coal.* The coal discussions focused on two areas: 1) specific projects for U.S. industry participation, and 2) areas of mutual S&T interest with the U.S. Government. The specific projects involved are included as Appendix A.³ To follow-up these discussions, it was orally agreed that a U.S. coal industry delegation should visit China, and that a PRC coal technology mission should visit the U.S., both “as soon as possible.” It was orally agreed that the subject of specific formal agreements, with appropriate organizations and staffing, could be pursued during the PRC visit to the U.S.

2. *Hydroelectric Power.* The PRC raised the possibility of a wide-range of cooperative projects including developing the high dam in the Yangtze Gorge, site investigation and foundation work for a new dam on the Yellow River, and planning/design for high voltage transmission lines leading to an interconnected national network after 1985. It was orally agreed to begin with a number of smaller training projects which the PRC is anxious to implement. A more detailed list of the types of cooperation envisioned is enclosed as Appendix B.⁴

3. *Renewable Energy.* Contrary to expectations, the PRC expressed a high degree of interest in the full range of renewable resource technologies. They clearly are at an early stage in this area. Preliminary agreement on specific areas of cooperation in solar, geothermal and MHD was reached easily and quickly. These are set out in Appendix C.⁵

4. *Oil and Gas.* While the Chinese expressed interest in the presentations made by the U.S. delegation concerning U.S. capabilities (particularly in oil and gas resource appraisal) this group was unique in that the PRC expressed no interest in pursuing specific areas of potential cooperation with the Department of Energy. The PRC does have some interest in limited cooperative activities with USGS and DOE Energy Technology Centers, but a distinct preference was expressed for pursuing these on an *ad hoc* basis as the occasion required.⁶

The PRC side stated that, while the PRC is interested in greatly expanding cooperation in oil and gas with the U.S., they expected that the necessary contacts would remain at the “people-to-people” level, e.g., with U.S. private industry, which the PRC hoped the U.S. Government would continue to support and facilitate.

³ Someone crossed out “Appendix A.” Appendix A was not found.

⁴ Carter made a checkmark in the right margin next to this and the previous paragraph. Someone crossed out “Appendix B.” Appendix B was not found.

⁵ Carter made a checkmark in the right margin next to this paragraph. Appendix C was not found.

⁶ Carter made a checkmark in the right margin next to this paragraph.

5. *High Energy Physics, Nuclear Physics and Magnetically Confined Fusion.* The PRC is clearly very anxious to embark now on major cooperative projects in high energy physics, nuclear physics, and magnetic fusion. The Chinese presented their proposal for a greatly expanded program of cooperation involving exchanges of scientists and technicians which would require major involvement by the U.S. The chief focus of the exchanges would be assistance to the Chinese in the design and fabrication of large, modern experimental facilities. Both sides agreed that the way to implement the interaction is by means of committees from each side, working jointly. While there was agreement on the specific activities and close but not complete agreement on mechanisms to implement the cooperation, no agreement could be reached on the instrument that would be used to formalize the cooperation. A list of contemplated exchanges is contained in Appendix D.⁷

6. *Nuclear Energy.* Side discussions were held with the PRC on nuclear energy. The PRC side stated their plan is to have one reactor operating by 1985 and 20 by 2000, although more uncertainty was expressed about the latter goal. They expressed a willingness to buy the 1985 reactor from any country and refused to accept safeguards.⁸ Finally, they expressed an interest in exchanging delegations on nuclear energy research and development. While the response to this last item requires careful consideration, DOE feels it should be positively pursued.

III. Conclusion

- The Chinese used these technical discussions to present a large number of energy projects that will provide potentially lucrative commercial opportunities for U.S. industry and the basis for expanded S&T cooperation with various parts of the U.S. Government.
- The number and scope of these projects is so great that the Chinese will have difficulty pursuing all of them.
- We will proceed to develop these opportunities. To ensure an effective and responsible follow-up, DOE has established a central point to coordinate cooperative activities in energy science and technology with the PRC and we will coordinate these activities in accordance with the NSC directives.

⁷ Someone crossed out "Appendix D." Appendix D was not found.

⁸ Carter underlined "refused to accept safeguards" and wrote a question mark in the right margin.

158. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, November 30, 1978

SUBJECT

The Chinese Internal Situation: Further Developments

Two days ago I sent you a memorandum reviewing the fast-moving Chinese internal scene,² concluding with four possible outcomes: (1) a major Teng victory; (2) a limited Teng victory; (3) stalemate; (4) a Teng setback. The Party Central Work Conference now seems to be winding up, and may in fact be just over. Subsequent [*less than 1 line not declassified*], improved reporting from USLO in Peking have given us a firmer fix on the nature and range of the leadership meetings, as well as a sense of its general outcome.

It appears that Teng has emerged somewhere between one and two, with a strong but not total victory. Teng should be able to maintain momentum in pushing ahead with his policies, he has enhanced his personal status through an astute handling of foreign journalists and of public opinion, but he has not gotten everything he wanted in the personnel field.

The Agenda of the Meeting and Decisions Taken

At this point we can be fairly certain that the following subjects have been under review in the past few weeks:

—*The Modernization Program*. This topic obviously got top billing, and several issues were probably discussed—for example, sending students abroad, concluding several major whole plant purchases, and borrowing money from abroad. We see no evidence that major divisions exist on these issues. Teng himself asserted this in a message aimed at the bureaucracy as well as the foreign audience.

—Rehabilitation of former officials and righting of past political wrongs. This clearly was a major topic. A number of important rehabilitations were almost certainly approved at the meeting, the most spectacular being that of P'eng Te-huai, who opposed Mao on both the

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 10–11/78. Top Secret; Codeword; Outside the System. Sent for information. A handwritten note at the top of the page reads, "ZB has seen."

² Dated November 28. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 39, Deng Xiaoping Series: 8–11/78)

Great Leap Forward and the break with the USSR. The April 1976 resolution condemning Teng will also be rescinded. Additional rehabilitations are apparently in the offing at a later date.

—*Politburo shake-up*. No removals from the Politburo appear imminent, although an adjustment of Politburo ranking is likely. We may be witnessing a return to pre-Cultural Revolution practice, when defeated leaders ostensibly remained on the Politburo while being deprived of responsibility and power. The meeting may have concluded that Moscow would welcome signs of renewed leadership disarray and would create doubts among Western investors about Chinese stability.

—*Demaioification*. Here the decision was to go slow, with continuing dismantling of Mao's policies (and endorsement of the corollary assumption that his word was not holy), but no direct, public assault on Mao's image.

—*The role of Hua Kuo-feng*. Hua's formal position has been reaffirmed and Hua's favorite theme of "stability and unity" strongly stressed. Hua won the argument that public exposure of leadership divisions would harm the modernization program. Nonetheless, Teng retains the initiative and has left the door ajar for taking over the premiership. The evidence that he will actually do so, however, is at best ambiguous.

—*Normalization*. Teng's statements on this subject, particularly his extended remarks to Japanese visitors yesterday (Tab A) could not be personal, off-the-cuff remarks.³ They reveal an eagerness to move ahead rapidly and a desire to visit the United States, hopefully ahead of Brezhnev.

—*Cambodia–Vietnam*. We have no direct evidence this issue was discussed, but it is very hard to believe that it could have been avoided. Silence on this topic itself speaks eloquently of the difficult choices China faces in Indochina.

The Road Ahead

Now that the Work Conference is ending, the next step is a Central Committee Plenum, which will convene after December 10. At its conclusion, a communique will be issued, covering in some form each of the topics noted above with the possible exception of the Indochina question. Further efforts in the modernization drive and in the campaign to rehabilitate former officials should soon be evident. Leader-

³ Tab A, a copy of telegram 3524 from Beijing, November 30, is attached but not printed. According to a Japanese transcript, Deng said "There is another wish I have, to go to Washington. I am not sure whether it will be realized or not." Later in the conversation, Deng said, "I have told you before that it would only take one second to complete the Japanese Peace and Friendship Treaty. If we expend the same effort it would only take two seconds for Sino-US normalization. This is our hope."

ship tensions have not been wholly removed, and should persist under the surface, at least until the next party congress. The intellectual dissent revealed in the wallposters is likely to continue, but no spontaneous and uncontrollable social movement seems in the offing. Indeed, the ferment of last weekend already seems to be dwindling. In the last day or two posters have begun to show unmistakable signs of leadership control and manipulation.

Implications for Us

We may have derived the best possible outcome, since a total Teng victory would have tied us too closely to his personal fate. But Teng is sufficiently in control to provide genuine leadership at the top. He now seems to have the capacity to undertake difficult decisions.

His remarks to Takeiri on normalization (Tab A) are directed to us. He went out of his way to broach Sino-American relations with Takeiri when the Japanese politician had not raised the issue on his own. Several aspects of his remarks deserve particular attention:

—He believes normalization can be achieved quickly.

—He now likens reaching agreement on normalization to the process leading to the Japanese PFT, where the Chinese yielded in substance at the last minute in exchange for Japanese yielding on form.

—Teng stated if the preconditions are met, the minor details are easy to discuss and he seemed relaxed about our position on the Defense Treaty.

—Finally, he revealed a strong desire to come to Washington; recognition is the most important item on his agenda.

159. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 4, 1978, 1330Z

216. Subject: Sixth Session: December 4 Meeting With Han Nien-lung. Ref: A. Peking 214, B. Peking 215, C. WH81517.²

1. Summary. In my meeting with PRC Vice Foreign Minister Han Nien-lung December 4, I made the presentation contained in my instructions (Ref C), as amended. In conclusion, I stated that before proceeding further we considered it important for the Chinese side to respond. Following a ten minute break, Han began by welcoming U.S. statements on one China and our willingness to normalize relations on the basis of the three Chinese conditions. He then presented Chinese views in seven major points, whose gist follows. First, the U.S. owes China a debt on Taiwan and must itself untie the knot it has tied. Second, President Carter's expression of willingness to meet the three Chinese conditions is important and should be given explicit expression in the normalization communiqué. Third, the Chinese agree to issuing a joint communiqué on January 1, 1979; they also understand the U.S. need for time to solve related problems but cannot agree to an indefinite interim period; Ambassadors can only be exchanged and Embassies established once the three conditions are met within a set time limit. Fourth, non-governmental agencies can be maintained on Taiwan but all official and semi-official links must be severed and all official agreements declared null and void;³ normalization will improve U.S. credibility. Fifth, the Chinese have stated their emphatic objection to arms sales to Taiwan after normalization; the U.S. should not let Taiwan acquire atomic weapons, but if it does, this is not a matter for the

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 12/78. Top Secret; Sensitive; Eyes Only; Via Voyager Channels. A handwritten "C" at the top of the page indicates that Carter saw this cable.

² Backchannel message 214 from Beijing to the White House, December 4, concerns Woodcock's sixth meeting with the Chinese. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 46, China, Normalization: 6–12/78) Backchannel message 215 from Beijing to the White House, December 4, transmitted the Chinese draft of the normalization communiqué tabled during this meeting. (Ibid.) Backchannel message WH81517 from the White House to Beijing, November 14, provided Woodcock with instructions for the meeting. (Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 8, Backchannel Messages: Peking: 9–11/78)

³ In the right margin, Carter wrote, "one year delay on treaty." Below, he wrote, "Wording of Communiqué must not be difficult or embarrassing to either nation. Private agreements can supplement Communiqué."

U.S. to worry about. Sixth, a Chinese commitment on peaceful liberation is not only impossible but would not serve the U.S. interest in a peaceful solution; the Chinese can refrain from objecting to a U.S. expression of hope for a peaceful solution but will issue their own statement calling this an internal Chinese affair;⁴ the formulation of this statement already represents a Chinese concession to U.S. needs. Seventh, Sino-U.S. relations are not a diplomatic but a political and strategic question. Han then gave me a Chinese draft of a normalization communiqué and indicated that Vice Premier Teng wished to see me shortly.⁵ End summary.

2. Foreign Minister Huang Hua being ill, First Vice Minister Han Nien-lung received me at 3:30 P.M. on December 4 in the Liaoning Room of the Great Hall of the People. He was accompanied by Vice Minister Wang Hai-jung, American and Oceanian Department Deputy Director Tang Wen-sheng (Nancy Tang), U.S. Affairs Division Director Ting Yuan-hung, and U.S. Affairs Division Deputy Director Chao Chi-hua. Lien Cheng-pao was the notetaker, and Shih Yen-hua did the interpreting. The meeting lasted an hour and a half.

3. Han began by noting that Huang Hua had come down with flu which had turned into pneumonia. He was gradually getting better now but the doctors would not let him leave the hospital. He then offered me the floor.

4. I made the presentation contained in my instructions. When I paused after indicating I was prepared to hear the Chinese response to my earlier presentations, Han indicated I should continue. At the end of my prepared remarks, I added the following: Your Excellency, in our preceding sessions, we have laid out in considerable detail the views of the U.S. Government on a number of the basic issues involved in the normalization of our relations. We have also answered various questions raised by the Chinese side and tabled a draft normalization communiqué.⁶ Before proceeding further, we consider it important for the Chinese side to provide us with a considered response so that we can ascertain whether a basis now exists to negotiate a joint communiqué and to discuss concretely the timing and final details of establishing full diplomatic relations.

5. At the end of my remarks, Han said: You have just answered the five questions raised by Foreign Minister Huang Hua. We have listened carefully to your answers. He then suggested a ten minute break, fol-

⁴ Carter drew a vertical line next to this phrase and wrote, "ok."

⁵ Carter drew a vertical line next to this phrase.

⁶ See Tab A to Document 142. That draft has the date of January 15. Brzezinski recalled that "the President on his own advanced it to January 1." (*Power and Principle*, p. 229)

lowing which he would present Chinese views. During the break, all the Chinese participants left the room.

6. On his return, Han said: Since July 5, we have had five sessions on the question of the normalization of relations between China and the United States. We have noted that the U.S. Government reaffirms that there is only one China in the world and that Taiwan province is a part of the People's Republic of China,⁷ and it pledges that it will never create any variations of two Chinas or one China one Taiwan. On this premise, it has indicated that it is prepared promptly to normalize the relations between our two countries on the basis of the three conditions put forward by the Chinese side, namely: Severance of diplomatic relations, withdrawal of troops and abrogation of the Mutual Defense Treaty with Taiwan. The Chinese Government welcomes this attitude of the U.S. side. As is pointed out in the 1972 Shanghai Communiqué issued by China and the United States, the normalization of relations between the two countries is not only in the interest of the Chinese and American peoples but also contributes to the relaxation of tension in Asia and the world. The Chinese side is ready to work with the U.S. side for the early normalization of relations between the two countries on the basis of the Shanghai Communiqué.

7. Motivated by this desire, we have carefully studied the statements made by the U.S. side during the negotiations, the draft communiqué on the establishment of diplomatic relations tabled on November 2, and the record of President Carter's conversation with Chai Tse-min, Chief of the PRC Liaison Office, on September 19.⁸ Now we would like to state the views of the Chinese side with respect to the establishment of diplomatic relations between China and the U.S.

8. First, as is known to all, the Taiwan question is the crucial issue obstructing the normalization of relations between China and the U.S. This question is caused by the U.S. Government's occupation with troops of China's territory of Taiwan province and its interference in China's internal affairs. In this sense it is the United States that owes a debt to China⁹ and not vice versa. Clarity on this background is undoubtedly necessary for the solution of the Taiwan issue. As the Chinese saying goes: It is for the one who tied the knot to untie it.

9. The second point: The 1972 Shanghai Communiqué opened a new page in the annals of Sino-U.S. relations. Both sides stated in the

⁷ Carter underlined, "Taiwan province is a part of the People's Republic of China," and in the margin wrote, "We have not—stick to Shanghai language." For the five previous sessions, see footnotes 2 and 3, Document 127; footnote 3, Document 141; and Document 149.

⁸ See Document 135.

⁹ Carter underlined, "owes a debt to China" and wrote a question mark in the margin.

Communiqué that they would conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, non-aggression against other states, noninterference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence. The U.S. side also acknowledged in the Communiqué that there is but one China and that Taiwan is a part of China. Therefore, there is reason to believe that it should not be difficult to solve the problem of normalization provided both sides truly act in accordance with these basic principles of the Shanghai Communiqué. In the spirit of the Shanghai Communiqué, the Chinese Government has stated on many occasions that in order to normalize relations between the two countries, the U.S. must sever its so-called diplomatic relations with the Chiang clique, withdraw all its forces and military installations from Taiwan and the Taiwan Straits region, and abrogate its Mutual Defense Treaty with Taiwan. This is the least the People's Republic of China could insist on to uphold its sovereignty and territorial integrity. We welcome President Carter's statement in his meeting with Chai Tse-min, Chief of the PRC Liaison Office, on September 19 that the U.S. Government is prepared to carry out the three conditions of the Chinese Government, and we hold that this important statement of the U.S. President should, as a matter of course, be given explicit expression in the joint communiqué on establishment of diplomatic relations between China and the United States.

10. The third point: Chinese leaders have made it clear on more than one occasion to U.S. representatives. We hope that in normalizing Sino-U.S. relations you will accomplish a neat package solution and not do it in a messy way. We agree to issuing a joint communiqué on January 1, 1979 announcing the establishment of diplomatic relations between our two countries. We also understand that following the establishment of U.S.–China diplomatic relations the U.S. side will need some time to solve related problems. However, we do not agree to a so-called interim period.¹⁰ The U.S. side should clearly set a time limit for settling the matters you have mentioned and should not drag on indefinitely. Moreover, ambassadors can be exchanged and embassies set up only after the U.S. side has fulfilled the three conditions within the time limit.¹¹ The Chinese Government has long made it clear that it would never tolerate a situation of two Chinas or one China one Taiwan. The U.S. side has, on its part, repeatedly stated in the negotiations that its government would never create any variation of two Chinas or one China one Taiwan. If these words were said in earnest, they should be carried out in action.

¹⁰ Someone, probably Carter, underlined most of this sentence.

¹¹ Someone, probably Carter, underlined most of this sentence.

11. Point four: Taking into consideration the realities in Taiwan and the needs of the U.S. side, we have stated repeatedly that after normalization the United States may follow the Japanese formula in handling its contacts with Taiwan. In other words, it may continue people-to-people contacts with Taiwan, and Americans may maintain nongovernmental agencies there. But all official and semiofficial links between the United States and the Chiang clique must be severed and all the so-called official agreements concluded with them, which are illegal in the first place, must be declared null and void. The U.S. side should realize that the Japanese formula is the maximum concession the Chinese Government can make, and the farthest it can go in accommodating the needs of the U.S. side. President Carter expressed the hope that consideration could be given to the U.S. need to show reliability, credibility, faithfulness and determination while altering its relations with Taiwan. We believe that it will only help improve the credibility of the United States among the Chinese people and the world at large if the U.S. stops its interference in China's internal affairs and terminates its occupation of Chinese territory and infringement on China's sovereignty so as to bring about normalization which both the Chinese and American peoples so keenly desire.

12. Point five: We have clearly stated our emphatic objection to the U.S. expressed intention of continuing its arms sales to Taiwan after normalization. Such sales would only convince the Chinese people that the U.S. Government is still using armed force to support the Chiang clique's actions against them and is still interfering in China's internal affairs.¹² Since the U.S. side is going to establish diplomatic relations with China and change its former China policy, why must it continue to arm the Chiang clique which has long been spurned by the 800 million Chinese people? As regards the U.S. assertion that such a move is meant to prevent the Chiang clique from obtaining atomic weapons, we must point out first that the U.S. side should stand by its own promise and refrain from letting the Chiang clique make or acquire such weapons. Second, if the Chiang clique should possess such weapons, it is not something for the U.S. to worry about. We know how to deal with it.

13. Point six: The Chinese Government has stated more than once that when and how the Chinese people would liberate Taiwan is China's internal affair in which no other country has the right to interfere, and that it is not a point for discussion between China and the United States. We have noted that the U.S. side also acknowledges that this is a matter of domestic sovereignty. However, we have to point out

¹² Next to the first half of this paragraph, someone, perhaps Brzezinski, wrote, "Curious formula. Acceptance de facto?"

that in its statements and its draft communiqué announcing the establishment of diplomatic relations the U.S. side has failed to quote in full the remarks of Chinese leaders on the question of Taiwan. What is more important, it neglects the fact that in making these remarks Chinese leaders invariably stress that this is China's internal affair. The U.S. side has always sought to make us somehow commit ourselves to the peaceful liberation of Taiwan. I would like to make it clear to the U.S. side once again that this cannot be done because it amounts to asking the Chinese side to forego its sovereignty. Furthermore, in terms of the consequences, if China should really make such a commitment, it would only feed the arrogance of the Chiang clique in Taiwan so that its tail would stick up 10,000 meters high, so to speak, thus destroying any possibility of restoring Taiwan to the Motherland by peaceful means. And hegemonists would possibly be encouraged in their designs on Taiwan. All this would inevitably lead to the use of force in liberating Taiwan. Clearly your demand contradicts and runs counter to your own wishes. This is a matter of vital importance on which the Chinese position has always been clear-cut. We hope the U.S. side will study the matter carefully. We are willing to understand your need to say something to the people of the United States. We can refrain from raising objections to statements by U.S. Government leaders expressing their hope to see a peaceful solution of the Taiwan issue.¹³ But in that event the Chinese side will issue a statement declaring that the way of bringing Taiwan back to the embrace of the Motherland and reunifying the country is wholly a Chinese internal affair. The U.S. side should know that a statement so formulated is already a great Chinese concession to meeting the need of the U.S. side.¹⁴

14. Point seven: In his verbal message to President Carter last year, Premier Hua Kuo-feng said that the relations between China and the United States are not a diplomatic question but a political one and that it is necessary to approach them from the standpoint of long-term political and strategic interests.¹⁵ The Chinese side has been acting exactly in this spirit, and we hope that the U.S. side will do the same.

15. Han then said: In order to facilitate our negotiations so as to normalize the relations between our two countries at an early date, we have prepared a draft of a joint communiqué on the establishment of diplomatic relations between China and the United States. Our draft has incorporated all elements of the U.S. draft that are positive and acceptable. It is our sincere hope that the U.S. side will seriously study the Chinese draft as well as what I have just said and make a positive re-

¹³ Carter underlined, "we can refrain from raising," and wrote, "ok" in the margin.

¹⁴ Carter wrote, "ok" next to this paragraph.

¹⁵ See footnote 7, Document 111.

sponse so that our negotiations may achieve positive results. We wait for a reply from your side. In order to save time, I do not think it is necessary for me to go over this draft communiqué. I am now giving you the draft communiqué for your study both in Chinese and English versions. I have finished.

16. I thanked Han for the draft and said we would communicate his remarks and the communiqué to Washington. I added that we would certainly give it very serious study and at some future date would indicate our response.

17. As I was getting ready to leave, Han said: Finally, I would like to tell you that Vice Premier Teng Hsiao-ping would like to meet you at an early date. We will let you know the definite time.¹⁶

18. I asked Han to convey to the Foreign Minister my best wishes for a quick and complete recovery.

¹⁶ Carter underlined most of this sentence.

160. Briefing Memorandum From the Acting Director of the Bureau of Intelligence and Research (Mark) to Secretary of State Vance¹

Washington, December 4, 1978

SUBJECT

Teng's Desire to Normalize US–China Relations Soon

Teng Hsiao-p'ing now appears intent on achieving prompt normalization of relations with the US. He is attaching his prestige in part to normalization, and is clearly now the person with whom the US needs to deal directly concerning the issues between us.

Within the past six months, Peking, under his aegis, has adopted an approach intended to encourage rapid US movement toward normalization and help build support in the US for such movement. The key element in this approach has been a gradual return to Chou En-lai's 1972–73 line that reunification with Taiwan is not urgent and may be

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: Cables and Memos, 12/15/78–1/24/79. Secret; Nodis. Drafted by Hamrin.

accomplished peacefully leaving a significant level of autonomy for the island. It is hoped this will reduce concern over Taiwan's future and assuage demands for an explicit promise not to use force, a promise which the Chinese will not make.

Other moves which Peking has made, partially for other reasons, are probably also intended to aid these goals. These include:

—expanded trade and exchanges with the US which previously were to have awaited normalization;

—conclusion of the long-stalled Peace and Friendship Treaty with Japan in a manner intended to show that Peking's interests coincide with those of the US and its primary Asian ally; and

—statements of intent to improve the climate for human rights in China, perhaps partly out of a desire to defuse the issue in bilateral relations.

The evidence suggests that Vice Premier Teng Hsiao-p'ing has been the key actor in these efforts and that he has made steady progress in convincing more cautious colleagues to follow his lead.

Teng's Perspective. Teng has more reason than others in the leadership to want to achieve normalization within the next year or so rather than set it aside once again. At 74, Teng knows he has a limited time in which to assure that China's security and progress toward modernization will last beyond his tenure and thus secure his place in history. He believes diplomatic relations with the US are central to thwarting Soviet and Vietnamese pressures on China. They are also important in gaining easier access to the capital, expertise, and technology of the US and its allies. Evidence suggests Teng hopes for significant achievements by next October's thirtieth anniversary celebrations. Much of Teng's urgency probably is shared by Vice Chairman Yeh Chien-ying, 80, who has long been closely associated with efforts to improve relations with the US.

During his October visit to Tokyo, Teng projected a strong desire to achieve normalization as soon as possible. He expressed concern to Fukuda that the US preoccupation with other matters would interfere with its determination to normalize. To encourage the US to initiate negotiations, he has said China would "help" the US once it began to make the necessary efforts and that he expects a resolution could be "quick and easy." In late November, Teng gave Japanese visitors the strong impression that normalization is one of his primary goals before his death; he even offered to visit the US after normalization. (This recalls his offer to visit Tokyo to sign the Peace and Friendship Treaty with Japan if negotiations proved successful.)

Increasing Consensus Behind Teng's Approach. Others in Peking, feeling less compulsion than Teng, have tended to be more cautious, perhaps preferring to hold off on negotiations until the US is ready to

meet China's conditions fully. Until very recently, they had not repeated Teng's more encouraging statements. Recent evidence suggests, however, that Teng's views are gaining stronger backing. Although in July Vice Premier Li Hsien-nien appeared to have undercut Teng's suggestion to Congressman Wolff that China might once again "cooperate" with the Nationalists, and stressed the probability that force would have to be used against Taiwan, by mid-November he had moved nearer to Teng's position. He stressed to Senator Muskie China's own concern about a peaceful future for Taiwan. He made statements, similar to Teng's, which suggest that Peking is willing to see the "Japanese formula" (allowing post-normalization US-Taiwan economic relations) stretched to include promise of a significant degree of autonomy for Taiwan after reunification.

Implications for Negotiating Normalization. In all, evidence suggests that serious negotiations on normalization would have the greatest chance for success if they were initiated directly with Teng Hsiao-p'ing rather than at lower levels or with other leaders. In dealing with Teng, however, we must also recognize that he must be able to characterize any normalization arrangement as a step toward, rather than away from eventual reunification.

It would be easier for Teng to interpret the future US relationship with Taiwan in a positive light if the US-Taiwan relationship were only vaguely defined during the normalization process. Supporting this proposition, Teng in his public and private comments on the subject has carefully avoided rejecting various future US-Taiwan ties. Most recently, when Senator Muskie's group directly asked a Chinese official about the post-normalization sale of arms to Taiwan, he replied only that as long as China's three conditions were met, the US "will be able to handle the problem."

161. Editorial Note

On December 1, 1978, the Ministry of Foreign Affairs of the People's Republic of China informed the Liaison Office in Beijing that "As from January 1, 1979, the Chinese Phonetic Scheme will be adopted as the standard in Romanizing names of Chinese persons and places in the translation of diplomatic documents." The Foreign Ministry added that the validity of past diplomatic documents would not be affected by this change and that "The United States Liaison Office is hereby requested to take note of this reform and render the necessary coopera-

tion.” (Translation of note from the Chinese Foreign Ministry to the Liaison Office; Department of State, American Embassy Beijing 1978 Subject Files: Lot 81 F 197, Pol 1, General Policy Background, 1978)

Telegram 4009 from Beijing, December 7, reported this Chinese announcement to the Department of State: “This change in Romanization was rumored about three years ago, but was then postponed for reasons which are not clear. The fact that it has now been ordered by the State Council (the PRC’s Cabinet), however, implies that it is not likely to be reversed.” The Liaison Office recommended that although the transition from Wade-Giles, the previous system, to Hanyu pinyin, the new system, would produce annoyance and confusion, “Our present inclination is that, rather than postponing the inevitable, we should adopt the Pinyin system as of January 1 for Romanization of PRC personal names,” but that the new words should be supplemented for a few months after the conversion by the addition of the Wade-Giles equivalent in parentheses. The telegram also recommended that the spelling of well-known PRC place names (e.g., Canton, Peking, Amoy), many of which were based on Southern Chinese dialects rather than Wade-Giles or Pinyin, should be retained. (National Archives, RG 59, Central Foreign Policy File, D780506–0608)

The Department of State responded in telegram 2621 to Beijing, January 5, announcing that the Department of State “has decided to follow the Chinese lead and adopt the Pinyin system after January 1, both for official publications and internal communications.” It added, “we will continue to use Wade-Giles and conventional forms for materials related to Taiwan.” Despite possible misunderstandings, the Department declared, “we feel that it will create fewer problems in the long run to keep our system consistent with that of the Chinese.” (National Archives, RG 59, Central Foreign Policy File, D790006–0733)

At about the same time, the Embassy in Taipei “decided, effective immediately, to refer to the governmental authorities on Taiwan, formerly referred to as the Government of the Republic of China (GROC), in all internal and public documents as the ‘Government on Taiwan (GONT)’ or Taiwan Government.” The Embassy noted, “This term was selected after a review of several alternatives as being the most exact and least pejorative locally.” In addition, the Embassy urged addressees “to avoid use of terms such as ‘Taiwanese authorities’ which are offensive to Peking as well as Taipei.” (Telegram 31 from Taipei, January 3, 1979; National Archives, RG 59, Central Foreign Policy File, D790002–1274)

162. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, December 5, 1978

SUBJECT

Leonard's December 4th Meeting

Leonard had a fruitful meeting with Acting Foreign Minister Han Nien-lung on December 4th.² (Foreign Minister Huang Hua has pneumonia.)

We received the Chinese response on the three issues of concern to us:

—*On our separate non-contradictory statements at the time of normalization:* "We can refrain from raising objections to statements by U.S. government leaders expressing their hope to see a peaceful resolution of the Taiwan issue. But in that event the Chinese side will issue a statement declaring that the way of bringing Taiwan back to the embrace of the motherland and reunifying the country is wholly a Chinese internal affair." In short, the Chinese promise not to contradict our statement and theirs will not refer to forceful recovery.³

—*On maintenance of commercial and cultural ties with Taiwan through non-governmental means:* The Chinese appear to realize this issue is now settled, but they have now asked that "all the so-called official agreements⁴ concluded with (Taiwan) must be declared null and void." Additional negotiations are necessary to establish an understanding on how our agreements with Taiwan will be maintained in altered form.

—*On arms sales to Taiwan:* "We have stated our emphatic objection to the U.S. expressed intention of continuing its arms sales to Taiwan after normalization. . . . Since the U.S. is going to establish diplomatic relations with China and change its former China policy, why must it continue to arm the Chiang clique?" The wording strongly implies a Chinese acknowledgement that arms sales will continue; the Chinese "object" but will not let the fact prevent normalization. We will propose a way by which Leonard can test whether this inference is accurate.⁵

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 51, Chron: 12/6–13/78. Top Secret; Sensitive; Eyes Only. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² Carter underlined "fruitful meeting." For Woodcock's meeting with Han, see Document 159.

³ Carter wrote, "ok" next to this paragraph.

⁴ Carter underlined "official agreements" and wrote a question mark in the margin.

⁵ Carter wrote, "ok" next to this paragraph.

On the whole, these responses are encouraging. While complete agreement on the three issues has not yet been reached, agreement now exists on the basic dimensions of the normalization formula. Two other positive developments occurred:

—The Chinese tabled a joint communique.⁶ Hard negotiations on that document now commence. The Chinese accepted the January 1st target date for announcement of recognition.

—Teng Hsiao-ping has asked Leonard to call on him soon.

Issues for Decision:

We are in striking distance of normalization and the Chinese seem prepared to move swiftly in negotiations.

The immediate issues for us to decide concern Leonard's meeting with Teng:

—Should Leonard request that his meeting with Teng be kept *private* or be made *public*? A publicly announced meeting will signal that normalization may be at hand.⁷

—What instructions should be given to Leonard concerning points he should make with Teng. This is an opportunity not to be lost. We are inclined to recommend talking points for your approval which would summarize the areas of agreement and tag the remaining areas to be worked out: 1) How we alter the U.S. agreements now in force with Taiwan; 2) The date upon which embassies will be established; 3) What the text of the communique will actually be; 4) What precisely each side will say upon issuance of the communique.⁸

—Should Leonard be prepared to table a revised, short and business like communique for Teng's consideration, should the opportunity present itself?⁹

—Should Leonard raise the possibility of Teng visiting the United States at the time the joint communique is issued or soon thereafter—encouraging the Chinese to drop their rigid posture that they will not visit here until their embassy actually opens?

We will have a paper for you on these issues tomorrow morning,¹⁰ since we believe Leonard's meeting with Teng will occur soon. Mean-

⁶ The Chinese draft of the joint normalization communiqué was transmitted in backchannel message 215; see footnote 2, Document 159.

⁷ In the right margin, Carter wrote, "my present thoughts," and then drew an arrow to the words "private better," which he wrote next to this paragraph about whether the meeting with Deng should be kept private.

⁸ In the right margin, Carter wrote, "ok" next to this paragraph.

⁹ In the right margin, Carter wrote, "yes" next to this and the next paragraph.

¹⁰ No such paper has been found.

while, we must now begin to plan for the Congressional consultations, consultations with Taiwan and Japan, and the public campaign. And State must get cracking to make sure all the legal fine points are ready to go in one month's time.

163. Memorandum of Conversation¹

Washington, December 11, 1978, 3:57–4:47 p.m.

SUBJECT

Summary of Dr. Brzezinski's Meeting with Ambassador Ch'ai Tse-min

PARTICIPANTS

Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Michel Oksenberg, Staff Member, NSC

Ambassador Ch'ai Tse-min, Director of the People's Republic of China Liaison
Office

Hsu Shang-wei, Third Secretary and Interpreter, PRC Liaison Office
Tsao Kuei-shang, Political Counselor, PRC Liaison Office

Dr. Brzezinski: (Greeting the Ambassador in his foyer. Noting that the Ambassador was wearing a Western suit) Mr. Ambassador. Good to see you. I don't recognize you!

Ambassador Ch'ai: (Laughs heartily) Yes. I am becoming Westernized.

Dr. Brzezinski: Well, come on in and let's talk. I thought it would be useful for us to touch base again. I have several items to bring up. Regretfully, our time together is not long, but if we met frequently, it makes up for the shortness of each of our separate conversations.

Ambassador Ch'ai: Yes. That is good.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Events–Aggregate Documentation: 8–12/78. Top Secret; Sensitive; Eyes Only; Alpha. The meeting took place in the White House. Oksenberg sent Brzezinski a copy of this memorandum on December 13 under a covering memorandum that stated, "For your information, this meeting ended at 21:57 Zulu time on December 11, or about 5 AM Peking time on December 12. The Woodcock meeting with Teng Hsiao-p'ing was set 18 hours later, just before 15:25 Zulu time on December 12, or about 7:00 p.m. Peking time. In short, Peking probably received the memcon near the opening of business on December 12 and decided to schedule the Teng meeting later in the day." (Ibid.)

Dr. Brzezinski: First, I wish you to know that we are making a major effort to reach an agreement in the Mid East by December 17. Secretary Vance has received a good reception in Egypt, and his first talk with Sadat has had good results.

We are working on a format which would permit withdrawal of Israeli forces from the Sinai almost simultaneously with elections in the West Bank, which would then be followed by the exchange of Ambassadors.

We are not entirely certain that Sadat will accept this approach, although the first signs are positive. If so, tomorrow Vance will go to see Begin, and if progress is made, then he will return to see Sadat. We still hope for a settlement by December 17.

(At this point in the session, Mr. Oksenberg studied Ambassador Ch'ai's face. The Ambassador appeared to be listening intently, but he also looked more tired than usual and not as animated. He had just returned from a trip to California.)

Dr. Brzezinski (continues): Second, I was in touch during the weekend on three occasions with Tehran authorities. I am reasonably optimistic that the immediate crisis will be surmounted, which will give us time to work on a long-term solution to the internal difficulties in Iran. These difficulties could be of benefit to other powers. We have made it clear to other powers that interference in Iranian internal affairs would be considered of utmost gravity by the U.S.

Third, it looks likely though not yet certain that we will resolve the remaining differences in our SALT talks and reach an agreement with the Soviet Union later this month. I want to emphasize that this is not certain since some difficulties remain, but I hope we can make progress this week so as to permit a Vance–Gromyko meeting in the third week of the month. In this regard, the articles about SALT in the newspaper are substantially correct.

If at that Vance–Gromyko meeting the remaining issues are resolved, we would plan a meeting between President Carter and Chairman Brezhnev in mid-January. This would be in keeping with our past practice of having a Summit meeting at which a SALT agreement was signed. The signing of SALT I took place in Moscow, and this time it is appropriate for it to be signed in Washington. These are the three things that I wish to discuss with you concerning our consultative relations. I also would like to discuss two things with you about bilateral matters, but before going into them, do you have anything to tell me or ask me?

Ambassador Ch'ai: At this point, the Iranian issue is the one that is most talked about and worried about. How do you plan to approach and resolve the issue or can it be resolved, these are the questions. How will you act?

Dr. Brzezinski: We will do whatever is necessary to keep outside interference from occurring, so that the Iranians can address their internal problems. But we cannot solve their internal problems for them. We will provide security and political encouragement. This will provide a favorable condition for an outcome which both we and you prefer, namely continuity and stability and not a fragmentation that could only be of benefit to Iran's neighbors.

Ambassador Ch'ai: But will the internal problems be settled through internal means?

Dr. Brzezinski: That is difficult. Can internal assistance be provided and if so in what form? What is your view?

Ambassador Ch'ai: Who are the main opponents in leading the anti-Shah forces? Extreme rightists, students, or the People's Party?

Dr. Brzezinski: I think it is a combination of rightist reactionaries and Soviet radicals.

Ambassador Ch'ai: Which organization does the Soviet Union control? As far as I know, the Iranian Communist Party is not strong. What organization does the Soviet Union use to control the mob?

Dr. Brzezinski: I suppose a combination of the Tudeh Party, KGB agents, and Iranians with traditional Soviet connections.

I might say that our Ambassador has encouraged the Iranian leadership to act firmly. (Dr. Brzezinski turns to his globe to point to Iran.) Iran is surrounded by a weak Pakistan, the Soviet Union, Iraq, and Yemen.

(Mr. Oksenberg interjects: "Afghanistan.")

You can also encourage the leaders of Iran to act firmly. And you surround Afghanistan. You can encourage the Iranian leaders to be firm. (Dr. Brzezinski makes a fist.)

Now let me comment on two bilateral matters in the time remaining, unless you wish to bring something else up.

We are pleased with the visits of Frank Press, Secretary Schlesinger, and Secretary Bergland. We are pleased with the effect that these visits have had on our relations. We are even more pleased with my visit! (Laughs)

Ambassador Ch'ai: You were the trailblazer!

Dr. Brzezinski: I would like to consider with you the possibility of an additional visit jointly by Secretary Blumenthal and Secretary Kreps. If this idea is attractive to you, I would appreciate alternative dates so we could work on a mutually agreeable schedule.

Ambassador Ch'ai: In fact, I have already secured an agreement from my government for both Secretary Kreps and Michael Blumenthal to visit China, although I have not yet conveyed this information to Secretary Blumenthal.

Dr. Brzezinski: Oh. Well, we are thinking of the two possibly going together, such as in February. Such visits have to be worked out in this office.

Ambassador Ch'ai: To make the planning more efficient, may I suggest that you provide suggested dates to us and we will confirm them.

Dr. Brzezinski: Fine. We will give you three dates. (Dr. Brzezinski tells Mr. Oksenberg to work on this matter.) Now the most important subject: in the next few days, Ambassador Woodcock will be seeing Vice Premier Teng Hsiao-p'ing. At that time, he will be prepared to review where we agree on matters in our negotiations and he will review where we disagree and hence what remains to be worked out.

The time is short to resolve the issues if we are to meet the target date we have both set for ourselves: January 1. We would like to make that target date. We think it is in our mutual interest.

We have also taken note of the public statement by Vice Premier Teng concerning his feelings of a possible visit by him. If the target date is met, there will no longer be any obstacle to a visit since clarification arrangements will have been taken care of. An altogether new situation will have been created on the date of mutual recognition.

Accordingly, Mr. Woodcock will be authorized to invite a top-level visit to the U.S. by a top-level Chinese leader, if agreeable to you, by Vice Premier Teng or Chairman Hua in the month of January. Naturally, if January is too early, we would consider a later date.

Dr. Brzezinski: Now, I wish to speak personally to you and express my own views. If we can meet our January 1 deadline, we will be embarking on a matter of long-term historical and strategic significance. We will want our relations to unfold well from the beginning.

I must emphasize that I am speaking personally. The Ambassador must recognize that normalization will be a contentious issue. A high-level visit would dramatize the relationship and make it easier to minimize and overcome difficulties.

Second, I suspect that if there is a SALT Summit, there will be an attempt by the other side to give it special worldwide bilateral significance, which may be of special interest to the other side. (The Chinese sought clarification of this sentence, and none was given. But it was repeated to them so they could write it down correctly.)

In any case, it is very desirable for you and our top leaders to have a comprehensive review of world affairs. We would be pleased to have such a visit here and later to reciprocate it. It would open a new chapter in Sino-American relations. That is all I want to tell you today.

Ambassador Ch'ai: Is there any link between the Teng visit and SALT?

Dr. Brzezinski: No. None at all.

Ambassador Ch'ai: When you referred to the "other side," does it refer to the Soviet Union?

Dr. Brzezinski: Who else?

Ambassador Ch'ai: Well, will Brezhnev also come in January?

Dr. Brzezinski: I am not sure. It is a possibility. But our invitation to the Chinese is completely independent of a Brezhnev visit. At the same time, we both know that the Soviet side likes to give these meetings global and worldwide significance.

Ambassador Ch'ai: Yes. Because they are a global hegemonist.

Dr. Brzezinski: They would be, but they are not yet.

Ambassador Ch'ai: So, do you think our January 1 target can be met?

Dr. Brzezinski: Yes.

Ambassador Ch'ai: I think so too. Our gap is not that big.

Dr. Brzezinski: Yes. Meeting the target and then giving it a personal touch is important, though, because in U.S. politics, the personal dimension is very important.

Ambassador Ch'ai: But my personal view is that the Chiang Embassy would still be here.

Dr. Brzezinski: No. If a communique is issued on January 1, then our diplomatic relations with Taiwan would be terminated, and there would be no Ambassador here. There may be personnel here, but they would not be recognized and they would be private.

I think the time has come to think politically and not formalistically.

I hope that Vice Premier Teng can see Woodcock soon and work on the issues. If you have anything to say, please call me.

Ambassador Ch'ai: Fine.

Dr. Brzezinski: If we are lucky, we are only three weeks away from a truly historical beginning.

Ambassador Ch'ai: Yes. We will all be happy to realize normalization. But I see that I have gone beyond the time that we had allotted. (rising) I always take more time.

Dr. Brzezinski: It is always important. I am always glad to see you.

Ambassador Ch'ai: One other thing. I also have authority to invite Califano to visit China.

Dr. Brzezinski: That is good. But we would prefer first for a Blumenthal/Kreps visit, since it is important that we begin to work on our financial and trade issues.

Ambassador Ch'ai: I understand.

Dr. Brzezinski: Let me see you to your car.

(On Dr. Brzezinski's instructions, Mr. Oksenberg told Ambassador Ch'ai as he left in the car that the last portion of the meeting was a personal expression of Dr. Brzezinski's views and they were not to be entered into the negotiating record.)

164. Summary of Conclusions of a Policy Review Committee Meeting¹

Washington, December 12, 1978, 4–5:30 p.m.

SUBJECT

S&T Relationships with the PRC

PARTICIPANTS

OSTP

Dr. Frank Press—Chairman, Director, OSTP

Anne Keatley—Senior Policy Analyst

DOT

Harold Handerson—Chief of International Transportation Division

State

Lucy Benson—Under Secretary for Security, Science and Technology

Tom Pickering—Asst Sec—Bureau of Oceans & Int'l Environmental Scientific Affairs

OSD

Gerald Dinneen—Principal Dep Under Secretary for Research & Engineering

Ellen Frost—Dep Asst Sec for Int'l Economic Affairs, OASD/ISA

Interior

Gordon Law—Asst to the Secretary for Science and Technology

Agriculture

Anson Bertrand—Director, Science and Education Division

Commerce

Jordan Baruch—Asst Sec—Science & Technology

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Reds), 400.112. Confidential. Sent to Secretary Brown under a December 19 covering memorandum from Dodson. (Ibid.) The meeting took place in Room 305 of the Old Executive Office Building. A December 11 memorandum from Huberman and Oksenberg to Brzezinski informed him of the date and time of the meeting. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/6–12/78)

Energy

John Deutch—Director of Energy Research

JCS

William Smith

HEW

Peter Bell—Special Asst to the Secretary

NASA

Robert Frosch—Administrator

David Williamson—Asst for Special Projects

ICA

John Reinhardt

Mort Smith—Director, East Asia and Pacific Area

EPA

Barbara Blum

NSF

George Pimentel—Acting Director

Harvey Averech—Asst Dir for Scientific, Technology and Int'l Affairs

CIA

Robert Bowie

John Thomas—Nat'l Intelligence Officer for Special Studies

White House

David Aaron—Deputy Asst for National Security Affairs

OMB

Randy Janye—Associate Director for National Security and International Affairs

NSC

Ben Huberman—Staff Member

Mike Oksenberg—Staff Member

Office of Trade Negotiations

John Renner—Counselor and Special Envoy

SUMMARY OF CONCLUSIONS

The chairman reviewed the policy guidance in PD 43² for developing civilian S&T relationships with the People's Republic of China based on Presidential review of policy issues submitted by the policy review committee.

The chairman stated the main purposes of the meeting:

—to review recommendations to the President for revising and upgrading our offer to sell a communications satellite to the People's Republic of China

—to review the results of recent meetings with Chinese representatives on student exchanges, energy, and agriculture, and plans for follow on steps

² See Document 150. Press was the Chairman of this PRC meeting.

Chinese Requests for Space Technology—Discussion and Conclusions

There was a general agreement that the U.S. would offer reimbursable manufacture and launch of at least one operational satellite combining two-way telephony (C-band), one-way voice broadcast (Ku-band), and one-way TV broadcast (Ku-band). Regarding the Chinese request for an “experimental” two-way Ku-band capability (probably for mobile services), there was agreement that this technology would not be provided without Chinese assurance and agreement on verification procedures of its civil operational use.

There was general agreement that the satellite would be provided on a “turnkey in orbit” basis, with only limited Chinese access to satellite manufacture. In addition, there was general agreement that a degree of flexibility should be maintained on the issue of access to manufacture. A small working group is to be established to consider this point.

Regarding the U.S. position on provision of ground stations there was agreement that U.S. provision of ground stations should be tied to the satellite sale. A point would be made to the Chinese that the U.S. cannot fully guarantee satellite performance without also providing the accompanying ground stations. It was agreed that the provision of the satellite would not be absolutely conditional on provision of ground stations, but that coupling of the two purchases would be a strong U.S. position.

It was agreed that a generally negative position on other aspects of advanced technology transfer would be maintained, recognizing that the Chinese probably will continue to probe on specific items such as purchase of satellite components and for assistance on upper stage technology. We would consider such cases on their merits as required.

It was agreed that the Chinese space delegation currently touring in the United States would be informed of these decisions.

Reports of Other Recent Meetings With Chinese Representatives

Reports were presented by Departments of Energy and Agriculture, and the National Science Foundation and the International Communications Agency regarding their respective programs in energy, agriculture, and student exchanges. Several issues were raised:

—DOE expressed concern that the Chinese would approach agencies on a piece meal basis creating coordination problems as well as limiting the effectiveness of U.S. technology and assistance

—Regarding possible overlap between departments and agencies, it was agreed that problems be worked out between agencies

—ICA alerted the Policy Review Committee to the problem of funding for American students to China for the academic year 79–80

—It was agreed that the speed with which China is pursuing foreign technology acquisition could result in serious problems. The

chairman directed that a working group on management and education issues be established to consider this issue.

Next Steps

The PRC working group on scientific and technological relationships with the PRC will consider special issues, as well as new programs with U.S. government agencies not yet involved in these relationships.

165. Report of a Policy Review Committee Meeting¹

Washington, undated

PRC on China Science and Technology

Yesterday's PRC on China surveyed our entire S&T relationship, but decisions were necessary only on the communications satellite. There was unanimous interagency agreement to slightly upgrade the quality of the satellite we are prepared to offer Peking.² Agreement was also reached to tie in our willingness to provide and launch the satellite with Chinese agreement to purchase ground stations from us rather than would-be Western European or Japanese competitors. Decisions were also reached to continue to minimize the technology to be transferred in the sale.

The total package of two satellites, launching, and ground stations is on the order of half a billion dollars and would be extremely important to U.S. industry.³ The meeting also touched on the evolving S&T exchange program involving ICA, NSF, Energy, and Agriculture, all of which are moving according to the plan you have previously approved.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/6–12/78. Secret. Inderfurth sent this report to Oksenberg and Huberman under a December 13 covering memorandum that stated, "Attached is the report which Zbig gave the President yesterday on the above meeting. Please note the President's 'OK' and follow up." The Summary of Conclusions of the December 12 PRC meeting is Document 164.

² Carter made a checkmark in the margin next to this paragraph.

³ Carter wrote what appears to be "ok" in the margin next to this paragraph.

166. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 13, 1978, 1028Z

224. Subject: My Meeting With Teng Hsiao-ping December 13. Ref: WH81595, Peking 223.²

1. Summary. My session with Teng December 13, during which I made the full presentation contained in my instructions, revealed the following:

A. Joint communiqué: Teng accepted our draft but proposed the inclusion of an anti-hegemony clause. Alternatively, anti-hegemony phraseology could be included in the separate statements to be made by each side when the communiqué is issued. Teng agreed the communiqué should be issued on January 1, 1979.

B. Visit by Chinese leader. Teng accepted the President's invitation and said he would lead the Chinese delegation to Washington in January.³

C. Troop withdrawals. Teng said the U.S. proposal to remove troops and military installations within four months is acceptable. Teng clarified that this four month period was unrelated to the U.S. position on sales of defensive arms to Taiwan.

D. Mutual Defense Treaty. Teng asked that we make no reference to Article 10 in announcing our intention to terminate the Treaty.⁴ After clarifying that the Treaty would technically remain in effect for one

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Incoming Cables: 12/78. Top Secret; Sensitive; Eyes Only; Via Voyager Channels. Carter underlined numerous passages in this telegram and, at the top of the first page, wrote, "Zbig. J." Brzezinski recalled that the cable arrived the morning of December 13 and he "immediately" went to the President's office and told him the news. (*Power and Principle*, p. 230)

² Backchannel message WH81595 from the White House to Beijing, December 12, transmitted instructions for Woodcock's meeting with Deng. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Outgoing Cables: 12/78) Backchannel message 223 from Beijing to the White House, December 12, conveyed Woodcock's report that he would be meeting Deng the next day in the morning. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 51, Negotiations: 12/78)

³ In the right margin next to this paragraph, Carter drew an arrow to it and wrote, "Late in January."

⁴ Article 10 of the U.S.–ROC Mutual Defense Treaty reads: "This Treaty shall remain in force indefinitely. Either Party may terminate it one year after notice has been given to the other party."

year, he asked that the U.S. make no sales of defensive weapons to Taiwan during this period.

E. Period for adjusting relations with Taiwan. Teng clarified that this period would extend until December 31, 1979 and raised no objections to this time frame. In addition, Teng proposed we exchange the texts of our respective unilateral statements beforehand. He indicated the Chinese statement would be very brief. He proposed that I work out remaining details with Vice Ministers Han and Chang, following which he would like to meet with me again. He agreed our meeting should be given no publicity.

2. Vice Premier Teng Hsiao-ping received me in the Kiangsu Hall of the Great Hall of the People at 10:00 A.M. on Wednesday, December 13. He was accompanied by Vice Foreign Minister Han Nien-lung (still Acting Minister) and Vice Foreign Minister Chang Wen-chin. Lien Cheng-pao was the notetaker and Shih Yen-hua handled the interpreting. The meeting lasted approximately an hour and twenty-five minutes.

3. After some opening pleasantries, Teng said: On December 11 Dr. Brzezinski met with Ch'ai Tse-min, the Chief of the PRC Liaison Office, and mentioned that you would tell us the ideas of the U.S. Government (on normalization).⁵ So I am ready to listen.

4. I then made the full presentation contained in my instructions (reftel), including the optional language at the end of sentence 31.⁶ In conclusion, I noted once again that I was prepared to table a new draft of a joint normalization communiqué. I then handed Teng four copies of the draft communiqué, which Teng asked the interpreter to translate into Chinese.⁷ As she did so, he asked her to repeat certain phrases. Our exchanges then continued as follows:

5. Teng: In the first part of the presentation you explained U.S. views on the question of normalization of relations between our two countries. First you said that the people of the U.S. and people of Taiwan will maintain unofficial non-governmental relations. But then you said that you would maintain cultural, commercial and other non-official relations. Why should these two points be stated separately?

⁵ See Document 163.

⁶ The optional language for Woodcock's presentation reads, "Thus, as of January 1, we would cease to have an Embassy in Taipei and the U.S. would no longer recognize a Taiwan Embassy in Washington."

⁷ Backchannel message WH81579 from the White House to Beijing, December 7, contains the draft joint communiqué for Woodcock to present. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Outgoing Cables: 12/78)

Why didn't you put them in the one sentence? (*Note: Teng here was referring to sentences 10 and 11 in my instructions.*)⁸

6. Woodcock: They follow together. I could have read them together. They are together in our paper. (Teng asked if they were in one paragraph. I answered that they were in two paragraphs but could just as well have been in one.)

7. Teng: I would suggest that you follow the pattern in the communiqué and put them in one sentence. That is, the people of The United States will maintain cultural, commercial and other unofficial relations with the people of Taiwan. (Discussion among the Chinese.) There is one other point I could like to ask you to clarify. You said that the U.S. was prepared to withdraw its military presence from Taiwan before Dec. 31, 1979 and suggested that our two sides exchange Ambassadors and establish Embassies by March 1, 1979. Although we do not know clearly the logistical process of the United States, when you have already severed your diplomatic relations with Taiwan as from Jan. 1, 1979 and notified Taiwan that you would terminate your Defense Treaty with it, since the Treaty is already terminated as well as your relations with Taiwan, why should it take one year to withdraw your military presence from Taiwan?

8. Woodcock: Mr. Vice Premier, we are proposing that we break diplomatic relations as of Jan. 1, 1979. We would at the same time give notice of termination of the Treaty. That notice runs for one year. But we would propose to withdraw all troops and military installations within four months. That would not run for a year. The year reference relates to the steps the U.S. side would take as internal arrangements to create the necessary mechanisms to maintain normal trade relations on a people-to-people basis; it would have nothing to do with troops or military installations.

9. Teng: Your proposal to withdraw all of your troops and military installations in less than four months is acceptable to us, but I would like to clarify another question. Does it have anything to do with the proposal of the U.S. side, as presented in the last meeting,⁹ to supply Taiwan with defensive weapons? What is the linkage between the two?

10. Woodcock: Those are two separate matters.

⁸ In the instructions in telegram WH81595 to Beijing, sentences 10 and 11 read: "Third, the American and Taiwan people will maintain relations without official governmental representation and without diplomatic relations. Fourth, normalization will not preclude the American people from maintaining all the commercial, cultural, and other unofficial relations with the people of Taiwan which I described to Acting Foreign Minister Han on December 4."

⁹ See Document 159. During that meeting, the Chinese also tabled a draft communiqué.

11. Teng: Fine. It is acceptable. First about the draft communiqué. I think there is one difference between your draft and our draft. In your draft the wording refers briefly to the principles of the Shanghai Communiqué, while in our draft we have stated clearly the anti-hegemony clause. This is the one difference. Otherwise I think the U.S. draft is basically acceptable to the Chinese side. If our two sides can restate the anti-hegemony clause in our joint communiqué, I think it would add weight to the impact of the communiqué, which would have greater significance to the world. So I am proposing this for the consideration of the U.S. Government. To repeat and state it more clearly: Your draft is acceptable to the Chinese side. But if we can add this paragraph on the anti-hegemony clause and make a clear statement to this effect, it would be more beneficial, so we hope you will consider this point.¹⁰

12. Woodcock: We will certainly transmit that to Washington and to the President and make very clear the seriousness the Vice Premier attaches to this question.

13. Teng: Of course, to reflect the anti-hegemony clause in the communiqué is one way. There is also another way. In the separate statements of the two governments we can express the principle of fighting against hegemonism. In that event, the Chinese side would make a corresponding statement whose main content, as you were told last time by Acting Foreign Minister Han, would be that the way of bringing Taiwan into the embrace of the Motherland and reunifying the country is wholly a Chinese internal affair. The other point would be our opposition to hegemonism. Because if the statement of the U.S. President, and I believe that your statement would be made by your President, makes no mention of this point, this point of anti-hegemony, then world public opinion would speculate that there may be differences between our two sides on this point. So I think that if this point is reflected in our joint communiqué, then it need not be mentioned in the statements of our two sides.

14. Woodcock: I understand. I will communicate your views to the President.

15. Teng: I hope I have made my point clear. That is, this draft is acceptable to the Chinese side, but it would be best to include an anti-hegemony clause in the communiqué.¹¹ If this cannot be done, then we can include this common point in our separate statements. So much for the joint communiqué. The communiqué and the statements will be issued at the same time I believe, but I hope that our two sides

¹⁰ Brzezinski drew a line in the margin next to this sentence and wrote, "We could say we believe in a world of diversity." Carter drew an arrow to this sentence and wrote, "I'm doubtful on this if it patently aggravates the Soviets."

¹¹ Carter drew an arrow to this sentence and wrote, "no."

will exchange our separate statements beforehand.¹² Our statement will be very brief. It includes two main points. Of course we will not include what has already been said in the communiqué. We may say it in other words. By that I mainly refer to our assessment of the significance of the establishment of relations between our two countries in our two statements. On this point we can consult each other and reach agreement. Because the statements and communiqué are interrelated, they are one question. Secondly, we agree to the time of the issuance of the communiqué and the statements, that is, January 1, 1979.¹³ I think it is a very good date. Thirdly, in our statement we will say that I personally have accepted the invitation of the U.S. Government to lead a delegation of the Chinese Government to Washington in January. I believe that in your President's statement you will say that you have invited a high-level Chinese leader to Washington. So we will say in our statement that we have accepted the invitation of the U.S. Government to visit Washington; to be specific, I will go there.

16. Woodcock: We are delighted.

17. Teng: Dr. Breezinski invited either Premier Hua Kuo-feng or the Vice Premier, and we have decided that I will go there. Of course there will be others on the delegation, including Foreign Minister Huang Hua and others, but we have not worked out the list yet. As for your proposal that you will terminate your diplomatic relations with Taiwan and notify Taiwan that you will terminate your Defense Treaty with it as from Jan. 1, 1979, and in less than four months you will withdraw your troops and military installations from the island, we agree to that, and we can reach agreement on that point. But we suggest that you make no mention of Article 10 of that treaty.¹⁴

18. Woodcock: In what way? I don't understand.

19. Teng: Because according to that article you have to notify the other side a year before it is terminated, so in other words, if you mention this Article 10 of the Defense Treaty it means that the Treaty will remain valid for one year more.

20. Woodcock: It would have a technical validity but no more. We intend to terminate it in accordance with its terms because of internal considerations in the United States. It is clear that the President has the right to terminate the Treaty in accordance with its terms, but if we

¹² Carter underlined, "at the same time" and wrote, "a problem because of inevitable U.S. leaks."

¹³ Carter wrote, "1/1/79 ok," and drew a line to the word "communiqué," which he circled. He also wrote, "I prefer as early as possible," and drew a line to "statements," which he circled. He underlined, "that is, January 1, 1979."

¹⁴ Carter wrote, "In communiqué? If so, ok," and drew an arrow to this last sentence.

went into other matters, that could involve other branches of the U.S. Government which we want to avoid.

21. Teng: I wonder whether it is possible for you not to quote Article 10 of the Defense Treaty either in your statement or in any other manner.¹⁵ You can handle this matter internally. Because otherwise it could easily lead to misunderstanding that the Treaty is abrogated in name but still exists in reality.

22. Woodcock: This of course is a legal question as far as the American side is concerned, and I am not a lawyer. But it is my understanding that in giving notice the article would have to be cited which would then, in the course of time, bring the Treaty to an end, although the action itself, as far as the American public are concerned, would be considered as having taken place.

23. Teng: I think you could study this question to see if it is possible for you not to quote this article but just go ahead. The reason is, as I have said just now, that you will cause some misunderstanding if the Treaty is abrogated only in name but exists in reality. If you make no mention of this article, we can evade this point even if it will take about one year to complete the legal processes. It doesn't matter to us.

24. Vice Minister Chang: I think you have already fully understood what the Vice Premier is putting to you, that lawyers may be able to solve this problem.

25. Woodcock: We will ask them to take a look at it. (I then briefly reviewed some of the domestic considerations in the United States that make our handling of the Treaty a sensitive matter.)

26. Teng: We understand your point, but we hope that during this period of one year the U.S. will refrain from selling weapons to Taiwan because it would cause a lot of trouble.¹⁶ Because this is a most sensitive issue, I hope you will communicate this point to your President.

27. Woodcock: I will.

28. Teng: If such an understanding is reached we can agree to your word "terminate." One other point concerns agreement on the text of the communiqué and exchange of our separate statements. It is necessary for us to discuss the modalities of issuing the communiqué, because there is not much time left now. When agreement is reached on the text of the communiqué, then the question arises who will sign this communiqué. If the U.S. Government authorizes you to put your signature on the communiqué in Peking, it will be quite all right. On the Chi-

¹⁵ Carter wrote, "ok," and drew an arrow to this sentence.

¹⁶ Carter underlined, "that during this period of one year" and in the margin wrote, "Let's make plans to try to accommodate this."

nese side, our Foreign Minister will sign this document. If the U.S. has other ideas, we can discuss them.

29. Woodcock: I wish to be absolutely clear as to what the Vice Premier is saying on the question of termination and sale of arms. Could the Premier restate the Chinese position? Is it that the Chinese side will accept the word “terminate” if it were accompanied by an agreement on the U.S. side not to sell arms? This is what I’m not clear on.

30. Teng: This is exactly the point we want to put to you because it will take one year legally to terminate this Treaty, and if during this period you continue to sell arms to Taiwan, it will mean that the U.S. is continuing to carry out the Treaty provisions.

31. Woodcock: Now it is clear to me.

32. Teng: I believe that we agree with each other on all other points.

33. Woodcock: We will communicate the problems that we still have and attempt to get an answer as quickly as possible. Because time is short. January 1 is a good date, but it may be a little ambitious since there is still much to be done.

34. Teng: For specific matters, as you know, Foreign Minister Huang Hua is still hospitalized. We will let him take a good rest. We’ll ask Vice Minister Han and Vice Minister Chang to discuss with you specific matters concerning the communiqué, and if there are new questions for clarification on either side we can discuss them and work them out. We can make the decisions in Peking, but you need instruction from Washington. So when everything is settled, including the modalities of signing the communiqué, which present no difficulties from the Chinese side, I will wish to meet with you once again. (Exchange between Teng and Chang in Chinese on Article 10.)

35. Teng (continuing): I would like to make one point clear to you. That is when we say that we agree to the word “terminate” with respect to the Treaty, we mean that it is on the condition that you will not sell arms to Taiwan during this period and also that you will not quote Article 10 in the statement on the Treaty. We hope that you will avoid this point.¹⁷

36. Woodcock: I understand.

37. Teng: It would be best to include the anti-hegemony clause in the communiqué.¹⁸

38. Woodcock: We understand your position.

¹⁷ In the right margin next to this sentence, Carter wrote, “In our public explanations we cannot avoid this. Make this clear. We can omit exact statement from communiqué & maybe from the officially exchanged statements.”

¹⁸ Carter drew an arrow to “anti-hegemony” and wrote, “I think not, unless Shanghai Communiqué language is followed exactly.”

39. Teng: Here I wish to express our gratitude to President Carter, Dr. Brzezinski and Secretary Cyrus Vance for their very active attitude on this matter so that the process of normalization is accelerated. And I also wish you to convey the regards of Premier Hua Kuo-feng and myself to them on this matter. I hope that our two sides will reach agreement or understanding on the remaining details. I hope that our wish will come true on the best date, that is January first. Perhaps on that date, in your country, it will still be during the night, while here in Peking it will be morning. (Discussion among the Chinese on the time difference between Washington and Peking.) That means that we'll issue the communiqué at nine in the evening here and you will do so at eight in the morning in Washington. So you issue your statement at eight in the morning and we at nine in the evening on the same day. But the whole process has to be completed before eight in the morning Washington time. And of course we hope it can be completed by the day before, on the eve of New Year's Day. But the details you can discuss with the Vice Foreign Ministers.

40. Woodcock: Your Excellency. One final point. Because of our internal political problems, the President has instructed me to request that there be no public reference to this meeting, because if it is known that Vice Premier Teng Hsiao-ping met the Chief of the Liaison Office, many people will be jumping to conclusions in Washington.

41. Teng: There will be publicity about this meeting.¹⁹ As I have said, it is easier to keep a secret in China than in the United States. But if this great problem is solved during Your Excellency's tenure, I believe that our two peoples will be grateful to you.

42. Woodcock: I would consider it an honor in history for that to happen, for I truly believe that friendship and normalization between our two nations is necessary for the peace of this world.

43. Teng: I believe that it (normalization) will have greater importance than the Sino-Japanese Treaty of Peace and Friendship. Dr. Brzezinski said to Ambassador Chai that this is a political question, and I think that he has put this point very well. When you have received instructions from Washington, contact the Vice Minister. When you have come to the end of your discussion, I will meet you again.

44. The meeting ended at 11:25 A.M.

¹⁹ Carter underlined, "There will be publicity about" and wrote "'no?'" in the right margin to indicate that this sentence should read, "There will be no publicity about." In his diary entry for December 13, Carter recorded that when he told Senator Byrd about Deng's acceptance of the U.S. draft communiqué, Byrd "said that anytime I brief senators it wouldn't be a secret more than five minutes." (*White House Diary*, p. 263)

167. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 13, 1978, 1145Z

225. Subject: Comment on Meeting with Teng. Ref: Peking 224.²

1. My session with Vice Premier Teng Hsiao-ping on December 13 has launched us into a new and potentially decisive phase of the normalization process—a phase fraught with both opportunities and pitfalls for both sides. It quickly became evident from Teng's approach that he was determined to pin down a normalization agreement at an early date. In the process, many seemingly troublesome issues were brushed aside. He did not challenge my flat statement that we could not declare our agreements with Taiwan to be null and void. He gave a clear signal that he would not let our position on arms sales to Taiwan block normalization, although he returned to this issue in another context. He agreed we could open Embassies and exchange Ambassadors even before our troops have been fully withdrawn from Taiwan and after I had made clear that the formal process of terminating the Treaty would take a year. He did not raise questions about the language in the communiqué on the status of Taiwan. In short, on a wide range of issues, many of considerable substantive importance, Teng opted for movement rather than legalistic quibbling over details. In doing so, he has clearly committed his personal prestige to accomplishing normalization within a near-term time frame on terms that could easily be interpreted in China and abroad as compromising long-held Chinese positions. Now that we are at the brink, the risks of hesitating are self-evident.

2. Nevertheless, if the session produced major progress on a wide range of issues, we are still faced with a number of difficult choices. The first relates to the anti-hegemony clause, which I shall return to later. The second involves Teng's request that we forego mention of Article 10 of the US–ROC Mutual Defense Treaty and that we withhold sales of offensive arms to Taiwan during the one year period before the Treaty loses effect.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 12/78. Top Secret; Sensitive; Eyes Only; Via Voyager Channels. A handwritten "C" at the top of the page indicates that Carter saw the telegram, and he underlined numerous passages in it.

² See Document 166.

3. On this latter issue, as the transcript will show, there seemed to be some shift in Teng's position as the discussion progressed. Initially, the Chinese objection to any mention of Article 10 seemed to be based on their assumption that by mentioning this article, we would be confirming that the Treaty would remain in effect for a year. Teng clearly wanted us to act as though the Treaty would end as of January 1, 1979, a view he seemed to equate with the Chinese concept of "abrogation." As our discussion continued, however, Teng seemed to grasp the point that we needed for domestic reasons to terminate the Treaty in accordance with its provisions, and that this meant technically that the Treaty would not lose effect for a year. This faced him with a potentially difficult domestic problem of his own—i.e. establishing diplomatic relations while the Treaty was still in effect. He responded in typically pragmatic fashion by seeking a U.S. commitment that would lessen his own domestic exposure—i.e. an understanding that we would not sell arms to Taiwan during this period. Teng's language indicated that a major concern was that arms sales would call attention to the continuing validity of the Treaty at a time when diplomatic relations with the U.S. would already have been established.

4. Teng was quite explicit in indicating that he was talking about a one year period. But he did not explicitly confirm that we could resume arms sales once the Treaty had formally lost effect. Accordingly, even leaving aside the question of whether we can afford to suspend arms sales to Taiwan during such a critical year for Taipei, we cannot blithely assume that the Chinese have given us a green light for arms sales from 1980 on. Nevertheless, this was the distinct implication of Teng's comments, both when discussing the Treaty and when he sought clarification as to whether our position on arms sales was linked to our time frame for withdrawing troops.

5. On the Article 10 question, my impression is that the main Chinese concern is that we not include a reference to this article in our statement at the time of normalization. If this reading is correct, as I believe it is, we should be able to handle this problem by simply noting in our public statement that we are taking action to terminate the Treaty in accordance with its provisions, which is the language we have used with the Chinese before. At the same time, Teng did not challenge our right to act in accordance with the provisions of Article 10 as required by our domestic needs.

6. One point was not adequately clarified during our discussion. Teng did not apparently grasp the distinction between sentence 9 and sentence 10 of my instructions (paragraph 5 of reftel).³ The first, of

³ Woodcock is presumably referring to sentences 10 and 11; see footnote 8, Document 166.

course, dealt with the nature of our post-normalization representation on Taiwan, while the latter dealt with the nature of our post-normalization relations with the island. We had moved to other issues before I fully appreciated the problem that he had addressed. From my last session with Acting Foreign Minister Han, it is evident that the Chinese are not challenging us on our representation formula, but it may be desirable for me to clarify the significance of this distinction at my next session.

7. The hegemony clause has a hoary history of its own. For a number of reasons, I do not believe we should let normalization be delayed over this issue. First, an anti-hegemony clause is part of the Shanghai Communiqué, which we have accepted as the basis for our policy. Second, we encouraged the Japanese to agree to inclusion of an anti-hegemony clause in the Sino-Japanese PFT and are thus poorly placed to take a principled stand against such a clause. Thirdly, we are indeed opposed to hegemony, and despite the significance attached by the Russians to this term, should not let this fact dictate our policy. As in the case of Japan, inclusion of such a clause will not prevent us from dealing with both Moscow and Peking in a balanced manner that best serves our own interests.

8. Accordingly, I do not believe we should stake out a position opposing such a clause. I also believe such a clause can be handled better in the communiqué itself than in our separate statements, where its inclusion would be more personalized. Nevertheless, we may wish to consider ways of lessening the impact of an anti-hegemony clause. One method would be to model our handling of the clause after the Shanghai Communiqué, where it is included with a number of other statements that retain their relevance today. Paragraph three of the joint communiqué might then read as follows:

The United States of America and the People's Republic of China reaffirm the principles of international conduct expressed in the Shanghai Communiqué and emphasize once again that:

—Both wish to reduce the danger of international military conflict;
—Neither should seek hegemony in the Asia-Pacific region or in any other region in the world, and each is opposed to efforts by any other country or group of countries to establish such hegemony;

—Neither is prepared to negotiate on behalf of any third party or to enter into agreements or understandings with the other directed at third states; and

—Both believe that normalization of Sino-American relations is not only in the interest of the Chinese and American peoples but also contributes to the cause of peace in Asia and the world.⁴

⁴ Carter drew a line in the margin next to this paragraph and wrote, "good."

9. On the arms sales issue itself, I have little advice to offer from this end. As noted above, I believe Teng is reflecting valid political concerns in asking for a moratorium on arms sales during the period when he will be most vulnerable to charges that he has sold out Chinese principles on Taiwan. But acknowledging this does not resolve the dilemma posed by the fact that our respective needs on this issue are contradictory. One possibility, however, does suggest itself. Assuming that we proceed with the January 1 deadline, unless impending arms sales to Taiwan are in an advanced stage, it is doubtful that they could be concluded before we have broken relations with Taiwan and begun the process of placing our relations with the island on an unofficial basis. As part of this process, we will have to modify our procedures for concluding arms sales in order to reduce overt governmental involvement. During this period, we could be engaged in working out the terms of future arms sales to Taiwan but defer the sales themselves until the new non-governmental procedures are in effect, which could well take until the end of the year. In short, a one year moratorium may be forced on us by the realities of shifting to a non-governmental relationship during this period. Conceivably, too, Taiwan interest in the Kfir could revive under the new circumstances facing the island.

10. In looking to the future, I will need prompt guidance on:

A. The text of our proposed unilateral statement at the time of normalization. I assume this statement will be based as closely as possible on the statements we have already made to the Chinese on this subject.

B. Our position on inclusion of an anti-hegemony clause in the joint communiqué.

If instructions are forthcoming, I could begin discussion of these two issues with Acting Minister Han and Vice Minister Chang without waiting for a final determination of how we should respond to the Chinese on arms sales.

11. We should also give attention to the modalities of issuing the joint normalization communiqué. I would be happy to sign the communiqué myself, but given the historic significance of this action, I can see advantage in having a high level U.S. leader come here for this purpose.⁵

12. The question of briefing Congress, leaders on Taiwan, and our allies (above all Japan) on our intentions should also now be given urgent attention. Once we begin this process, of course, it will be difficult to avoid leaks, but it would be unthinkable not to provide some ad-

⁵ A handwritten note by Carter in the margin next to paragraphs 10 and 11 is illegible. Presumably it concerned whether Woodcock would sign the communiqué.

vance warning to our friends whose interests will be most directly affected.

13. The advantages of dealing at Teng's level were repeatedly evident during our meeting. Unlike Huang Hua, Teng seemed clearly to have the power of decision in his own hands. With normalization almost in his grasp, he seemed to relish the prospect of his long-awaited visit to Washington.

14. I could not help noticing the absence of Wang Hai-jung and Nancy Tang. The difference was obvious. Wang has yet to say a word in any of our sessions, while Chang Wen-chin and Han Nien-lung both engaged in frequent exchanges with Teng. Chang in particular seemed concerned about the substance of the issue under discussion. Both men seemed to enjoy Teng's full confidence.

168. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 14, 1978, 1822Z

229. Ref: WH81605, WH81602.²

1. My meeting with Vice Premier Teng went extremely well. He did not challenge my presentation, and we reached agreement on the text of the joint communiqué with only minor wording changes.³ He said he had no objection to the text of our unilateral statement. He gave me the text of the Chinese unilateral statement, which is transmitted below. I plan to meet with Vice Minister Chang Wen-chin morning, December 15, to go over the Chinese and English texts of the joint communiqué and our respective statements. The Chinese are interested in our

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Incoming Cables: 12/78. Top Secret; Immediate; Sensitive; Eyes Only; Via Voyager Channels. At the top of the page, Carter wrote, "Very good. J."

² Backchannel message WH81605 from the White House to Beijing, December 14, modified Woodcock's negotiating instructions. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/13/78) Backchannel message WH81602, December 14, provided those instructions. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/14–17/78)

³ Carter underlined the latter part of this sentence beginning with "we reached."

views on handling the formal exchange of communiqués on January 1.⁴ Teng was clearly elated by the outcome of our session, called this a most important matter, and asked that his personal thanks be conveyed to the President, Secretary Vance and Dr. Brzezinski.

2. I arrived a few minutes late for my 9 P.M. session with Teng since the changes in my instructions arrived at the last minute. I made the full presentation contained in my talking points, pausing at the appropriate points to read the texts of our revised draft joint communiqué and of our proposed unilateral statement (both modified as instructed by WH81605). I provided copies of both documents to the Chinese side (which included Acting Foreign Minister Han Nien-lung and Vice Minister Chang Wen-chin, with Lien Cheng-pao the notetaker and Shih Yen-hua the interpreter).

3. Following my presentation, Teng said that he could agree to the text of our proposed joint communiqué with the change of one word. He suggested that in the fourth tick of paragraph three, which contains our acknowledgement of the Chinese view on Taiwan, the word “view” be changed to “position.” Vice Minister Chang explained that this was more in accord with the language used in other communiqués; he mentioned the British and Spanish in this regard. I agreed to this change.⁵

4. Vice Minister Chang then proposed that in the first sentence of paragraph three of the communiqué we substitute the phrase “agreed on by the two sides” for the word “expressed.” The sentence would then read: “The United States of America and the People’s Republic of China reaffirm the principles agreed on by the two sides in the Shanghai Communiqué and emphasize once again that: . . .” He explained that the purpose of this change was to emphasize that these were principles agreed on by the two sides as distinct from the portions of the Shanghai Communiqué that contained separate statements of the views of each side. After considering this change, and checking the language of the Shanghai Communiqué. I accepted this revised wording.⁶

5. Lastly, the Chinese suggested that in the final paragraph of the communiqué the words “the United States” be expanded to read “the United States of America.” I accepted this change as well.⁷

⁴ Carter underlined “on handling the formal exchange of communiqués.”

⁵ Carter underlined “I agreed to this change” and, in the margin, made a checkmark and wrote, “ok.”

⁶ Carter underlined “I accepted this revised” and, in the margin, made a checkmark and wrote, “ok.”

⁷ Carter made a checkmark next to this paragraph.

6. For clarity, I shall transmit the full text of the joint communiqué as agreed on in my meeting with Teng by an immediately following cable.⁸

7. Teng then agreed to the wording of our proposed unilateral statement without change and read me the text of the proposed Chinese unilateral statement, which conformed to our earlier understanding. I said that their statement was satisfactory.⁹

8. The full text of the Chinese statement follows:

Statement of the Government of the People's Republic of China

(Draft)

The People's Republic of China and the United States of America have agreed to recognize each other and establish diplomatic relations as from today, thereby ending the prolonged abnormal relationship between them. This is a historic event in Sino-U.S. relations.

As is known to all, the People's Republic of China is the sole legal government of China and Taiwan is a part of China. The question of Taiwan used to be the crucial issue obstructing the normalization of relations between China and the United States. It has now been resolved between the two countries in the spirit of the Shanghai Communiqué and through their joint efforts, thus enabling the normalization of relations so ardently desired by the people of the two countries. As for the way of bringing Taiwan back to the embrace of the Motherland and reunifying the country, it is entirely China's internal affair.

At the invitation of the U.S. Government, Teng Hsiao-ping, Vice-Premier of the State Council of the People's Republic of China, will pay an official visit to the United States in January 1979, for the purpose of further promoting friendly relations and cooperation between our two countries.

9. Teng raised one additional point relating to arms sales, which was based on an apparent misinterpretation of my presentation. Referring to my statement, he said I had indicated that in response to questions the President would state that during 1979 the United States would not sell any weapons or military equipment to Taiwan. He said he had no objection to the following statement that this shall not affect the delivery of those previously committed or in the process of delivery, but he asked that the reference to 1979 in our response be

⁸ Backchannel message 230 from Beijing to the White House, December 14, transmitted the agreed text of the joint communiqué. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/14–17/78)

⁹ Carter underlined both "without change" and "I said that their statement was satisfactory."

dropped since its inclusion carried an implication concerning what would happen in the years following 1979.¹⁰

10. I clarified this point in detail, noting that in my statement I was addressing two separate questions that he had raised on December 13. The first concerned Article 10 of the Treaty. In my statement I had noted that we would avoid specific reference to Article 10 but would respond to questions by noting that “in accordance with the provisions of the Treaty” meant one year’s notice. My statement that during 1979 we would not sell arms to Taiwan was not intended for use in response to questions but represented our response to his request on December 13 that the United States refrain from arms sales to Taiwan for the one year period during which the Treaty was being terminated.¹¹ This point was made clearly, and both Han and Chang nodded their heads indicating that they understood the distinction I was making. Teng then said that he accepted my explanation. There is no doubt in my mind that we have clearly put on the record our position with respect to arms sales.¹²

11. We then briefly discussed how the exchange of documents should be handled. I indicated that I had no instructions on this point. Teng said that from the Chinese standpoint, it did not matter whether the communiqué was signed or unsigned. Vice Minister Chang felt that since the communiqué would be a historic document, it would be desirable for it to be signed. Teng indicated that possibly Foreign Minister Huang and I could simply exchange English and Chinese texts of the communiqué on January 1. We left it that we would consider this question later.¹³

12. Teng indicated in conclusion that we seemed to have reached full agreement. He called this a most important matter and asked me to convey his thanks to the President, Secretary Vance and Dr. Brzezinski. I agreed to meet on Friday morning with Vice Minister Chang to go over the documents once again.

13. I will assume in the absence of instructions to the contrary that the texts as reported above are satisfactory.

¹⁰ Carter underlined “years following 1979.”

¹¹ Carter drew a line in the margin next to this sentence. For the December 13 meeting, see Document 166.

¹² Carter made a checkmark in the margin next to this sentence.

¹³ Carter drew a line and made a checkmark in the margin next to this sentence.

169. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 15, 1978, 0210Z

231. Ref: WH81608, Peking 229.²

1. On arms sales, we have each put our position clearly on the record. In my session with Han on December 4,³ I stated: "As the President indicated to Ambassador Chai, there will continue to be restrained sale of carefully selected defensive arms, to Taiwan, but only in a way that is careful not to endanger the prospects of peace in the region and the situation surrounding China."⁴ I made this statement in specific answer to Huang's earlier question as to the nature of the commercial, cultural and other relations we would maintain with Taiwan after normalization.

2. In my session with Teng Hsiao-ping last night (December 14),⁵ in reviewing the nature of our mutual understandings, I stated: "Normalization will not preclude the American people from maintaining all the commercial, cultural, and other unofficial relations with the people of Taiwan which I described to Acting Foreign Minister Han on December 4. In this connection, the U.S. now assumes the Chinese side has read President Carter's statement to Ambassador Chai of September 19 with great care." Both these sentences were accurately and fully translated into Chinese.

3. Acting Foreign Minister Han, of course, in our December 4 session, explicitly noted the "emphatic objection" of the Chinese side to our expressed intention to continue arms sales to Taiwan after normalization. There is no doubt in my mind, therefore, that the Chinese will object to any further sales of U.S. arms to Taiwan. They have said so and I take them at their word. But I do not expect their objections fundamentally to affect our relationship. The vociferousness of their objections will depend on the size of the arms sales in question and the

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Incoming Cables: 12/78. Top Secret; Flash; Sensitive; Eyes Only; Via Voyager Channels.

² Backchannel message WH81608 from the White House to Beijing, December 14, asserted in reference to future U.S. arms sales to the ROC that "we believe it important that we be clear that if asked by Congress or the press, we will be able to say, 'Taiwan would have access to the purchase of military equipment in the United States after December 31, 1979.'" Telegram 229 from Beijing is Document 168.

³ See Document 159.

⁴ See Document 135.

⁵ See Document 168.

manner in which they are concluded. The more embarrassing to them the sale, the sharper their protests are likely to be. But Peking is prepared to deal with these differences within the context of a normalized relationship.

4. Accordingly, my judgment is that if we state publicly that Taiwan will have access to the purchase of military equipment in the United States after December 31, 1979, the Chinese will publicly express objections to such sales. The substance of their objections will probably be based on Han's statement to me: i.e. that such sales constitute interference in China's internal affairs. They may add that such sales lessen chances for a peaceful settlement. If our overall relations are going well, we will be able to ride out such objections with little difficulty. If our relations are going badly, the impact on our relationship will be more severe. But in neither case do I expect the Chinese to act contrary to their own interest, which is in continuing a non-hostile and mutually useful relationship with us.

5. In the initial days of our new relationship, and especially prior to the act of normalization itself, a direct statement by the President on arms sales would be seriously embarrassing to Teng and have potential political consequences in China.⁶ It is for this reason, I believe, that Teng raised the point on December 14, since he had read my statement as indicating that the President himself would make public reference in his initial statement to our intention not to sell arms during 1979. At the same time, Teng obviously understands the realities or he would not have raised the issue of suspending sales during 1979. And he accepted my clarification last night, even though I made clear that we were indeed only referring to a one year moratorium on sales.

⁶ Backchannel message WH81614 from the White House to Beijing, December 15, in response to Woodcock's statement, declared, "We fully understand your views. However, it is unanimously felt here that we cannot refrain from such statements; indeed, this may be the very first question asked by reporters, and Congressional leaders have long signaled their intense interest in this specific issue. Stripped of an ability to assure the people of Taiwan on this fundamental point, we may induce the instability that it is in our interest—and incidentally the interest of Peking, Taipei, Tokyo, and Seoul—to avert. At the same time, as President Carter stated to Ambassador Ch'ai Tse-min, we recognize Chinese sensitivities on this issue. We do not expect them explicitly to agree to such sales. What we seek is some forbearance on their part when we explain administration intentions on this issue to the Congress and American public." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/14–17/78)

170. Backchannel Message From the Chief of the Liaison Office in China (Woodcock) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Beijing, December 15, 1978, 1024Z

236. Subject: Session With Teng December 15. Ref: WH81614, Peking 231.²

1. I had an hour long session with Vice Premier Teng Hsiao-ping at 4:00 P.M. December 15 focused on the arms sales issue. The discussion confirmed that we have serious differences over this issue, that the Chinese would feel compelled to respond publicly to any statement by the President affirming that we would continue arms sales to Taiwan after 1979, but that Teng is prepared nevertheless to proceed with our normalization schedule as planned. He urged, however, that the President find some means of avoiding direct answers to questions on arms sales. He noted that a public controversy over this issue no sooner than normalization had taken place would reduce the significance of normalization.

2. During the discussion we covered much previous ground. When I confirmed our intention to continue selling arms to Taiwan after 1979, Teng stated emphatically that he could not agree. He noted that this position had been conveyed to us in December 4 by Acting Foreign Minister Han subsequent to the President's remarks to Ambassador Ch'ai on September 19.³ Noting that we no longer had significant numbers of troops on Taiwan, he said that continued arms sales would amount to retaining the essence of the MDT, that such sales would block efforts to find a rational means of settling the Taiwan issue peacefully, and that force would be left as the last resort. He urged the U.S. to act in ways compatible with peaceful reunification rather than the obverse.

3. I stressed in response that our statements on arms sales would take into account Chinese sensitivities, that we would not misrepresent Chinese views or imply their consent, that over time public moods in the U.S. would change and make this question easier to handle, and that we had no intention of opposing peaceful settlement. I noted that 1979 provided a one year breathing space during which much could

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Incoming Cables: 12/78. Top Secret; Sensitive; Eyes Only; Flash; Via Voyager Channels.

² See Document 169 and footnote 6 thereto.

³ See Documents 159 and 135, respectively.

happen. I pointed out that American political realities were such that no administration could be in the position of denying arms to Taiwan, and that we did not expect the Chinese to agree to such sales.

4. Our discussion of this issue was characterized by two differing moods. During the first, our differences over the issue were highlighted as we each argued our positions. During the second, Teng began to search for ways of managing the problem. He repeatedly stressed the importance of having the President avoid direct answers on arms sales that would force the Chinese into responding. If we could set this question aside, it could be discussed at a later stage between our two governments, but public statements would result in damaging public controversy between us.

5. Teng asked in conclusion whether we should defer issuing the documents while waiting for an answer or go ahead as planned. I said that our purpose in raising the question was to insure that there would be no surprises. If questions on arms sales were raised, our answers would take Chinese sensitivities into account. Teng agreed to proceed on this basis, but stressed that if the President created the impression that we would continue selling arms to Taiwan, the Chinese would make an appropriate public response, a situation the Chinese would hope to avoid.

6. In my view, we have come full circle on this issue. We cannot agree on the arms sales question but we can agree to disagree. This disagreement cannot be kept private to the extent that we state publicly our views on arms sales. The only hint of forbearance in Teng's remarks was linked to the degree that we could preserve public ambiguity on this issue. In short, Teng will not give us a free ride. I continue to believe we should move ahead. The full transcript follows.⁴

⁴ Backchannel message 237 from Beijing to the White House, December 15, transmitted the full transcript of the meeting. (Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Normalization with PRC: Incoming Cables: 12/78)

171. Backchannel Message From Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski) to the Ambassador to the Republic of China (Unger)¹

Washington, December 15, 1978, 1518Z

WH81623. 1. You are to request an immediate and urgent meeting with President Chiang. You should encourage the President to see you alone or with one trusted interpreter and indicate that the information you are conveying must be kept in the strictest confidence. The United States has not yet informed anyone else. At this morning meeting with President Chiang Ching-kuo you should deliver the following message from the President.

2. President Carter has asked me to inform you that at 2100 hours EST on December 15 (10:00 A.M., December 16, Taipei time) he will announce that the United States and the People's Republic of China have agreed to establish diplomatic relations effective January 1, 1979. In so doing the United States will recognize the People's Republic of China as the government of China and acknowledge the Chinese position that there is but one China and Taiwan is a part of it.

3. Although diplomatic relations between the United States and the Republic of China will cease on January 1, the President wishes to assure you that there need be no interruption in practical relations between our people. These relationships can be facilitated, if you agree, through non-governmental agencies.

4. To insure continuity in trade, travel, and other practical ties, all our existing agreements, with the exception of the Mutual Defense Treaty of 1954, will remain in effect until substitute arrangements can be worked out.

5. Continuation in force of the Defense Treaty would be inconsistent with my government's decision to recognize the People's Republic of China as the government of China. I am therefore instructed to inform you that on January 1 we will give formal notice which will result in the termination of that treaty after one year in accordance with Article X.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/13/78. Top Secret; Sensitive; Eyes Only; Via Privacy Channels. Sent with the instruction: "Deliver one copy of this message immediately to Ambassador Unger. You are to retain no file copies or make any other distribution."

6. The President has particularly asked me to assure you that he will honor all your government's arms requests already approved. We have also made clear to the PRC that after a one year transition period and the termination of the treaty, you will be able to resume purchase of carefully selected defensive weapons in the United States.

7. If you agree, the President proposes to send representatives to Taipei to talk with you in further detail and to begin the process of adjustment to a non-governmental relationship. These will be trusted advisor(s) who will be fully empowered to speak on the President's behalf.

8. This is a difficult time, but I can assure you we stand ready to do everything we can to insure continued confidence, stability and prosperity on Taiwan. We value your friendship and admire the strength and dedication to self-reliance you have demonstrated in adjusting to the new realities which we know have been painful.

9. I will not attempt to persuade you to accept our conviction that normalization of U.S.–PRC relations will significantly advance the cause of world and regional peace. But you have our solemn assurance that the United States is not abandoning its interest in the peace and security of the region or its concern for the well being of the people on Taiwan.

10. I have also been instructed to inform you that I will return to Washington at an early convenient date following the January 1 termination of diplomatic relations. The remaining members of the Embassy staff will remain pending the establishment of an appropriate non-governmental agency.

11. Following is the text of the U.S. unilateral statement:

United States Statement

As of January 1, 1979, the United States of America recognizes the People's Republic of China as the sole legal government of China. On the same date, the People's Republic of China accords similar recognition to the United States of America. The United States thereby establishes diplomatic relations with the People's Republic of China.

On that same date, January 1, 1979, the United States of America will notify Taiwan that it is terminating diplomatic relations and that the Mutual Defense Treaty between the U.S. and the Republic of China is being terminated in accordance with the provisions of the Treaty. The United States also states that it will be withdrawing its remaining military personnel from Taiwan within four months.

In the future, the American people and the people of Taiwan will maintain commercial, cultural, and other relations without official government representation and without diplomatic relations.

The administration will seek adjustments to our laws and regulations to permit the maintenance of commercial, cultural, and other non-governmental relationships in the new circumstances that will exist after normalization.

The United States is confident that the people of Taiwan face a peaceful and prosperous future. The United States continues to have an interest in the peaceful resolution of the Taiwan issue and expects that the Taiwan issue will be settled peacefully by the Chinese themselves.

The United States believes that the establishment of diplomatic relations with the People's Republic will contribute to the welfare of the American people, to the stability of Asia where the United States has major security and economic interest, and to the peace of the entire world.

12. Following is the text of the joint communiqué:

Joint Communiqué on the Establishment of
Diplomatic Relations Between the United States of America
and the People's Republic of China

January 1, 1979

The United States of America and the People's Republic of China have agreed to recognize each other and to establish diplomatic relations as of January 1, 1979.

The United States of America recognizes the Government of the People's Republic of China as the sole legal government of China. Within this context, the people of the United States will maintain cultural, commercial, and other unofficial relations with the people of Taiwan.

The United States of America and the People's Republic of China reaffirm the principles agreed on by the two sides in the Shanghai Communiqué and emphasize once again that:

—Both wish to reduce the danger of international military conflict.

—Neither should seek hegemony in the Asia-Pacific region or in any other region of the world and each is opposed to efforts by any other country or group of countries to establish such hegemony.

—Neither is prepared to negotiate on behalf of any third party or to enter into agreements or understandings with the other directed at other states.

—The Government of the United States of America acknowledges the Chinese position that there is but one China and Taiwan is part of China.

—Both believe that normalization of Sino-American relations is not only in the interest of the Chinese and American peoples but also contributes to the cause of peace in Asia and the world.

The United States of America and the People's Republic of China will exchange ambassadors and establish embassies on March 1, 1979.²

² President Carter addressed the nation the evening of December 15 on the establishment of U.S.–PRC relations, during which he read the joint communiqué. The texts of his address, the unilateral U.S. statement, and his remarks at a White House briefing after the address are printed in *Public Papers: Carter, 1978*, pp. 2264–2268. On the afternoon of December 15, Brzezinski met with Soviet Ambassador Dobrynin to inform him of the announcement. Brzezinski recalled that Dobrynin “looked absolutely stunned.” (*Power and Principle*, p. 232) Brezhnev sent a message to Carter on December 19 that Carter characterized as “very positive in tone.” (*Public Papers: Carter, 1978*, pp. 2275–2276)

172. Backchannel Message From the President's Assistant for National Security Affairs (Brzezinski) to the Chief of the Liaison Office in China (Woodcock)¹

Washington, December 15, 1978, 1551Z

WH81624. Please be in touch as soon as possible with the Vice Premier and tell him that we will try to be as restrained as we can on the subject of arms sales but that within the U.S. political process it is simply impossible for the U.S. not to reaffirm its position on this subject. That position, communicated directly by the President to Ambassador Chai on September 19, will have to be reaffirmed.² Recognizing Chinese sensitivity on this matter, we will not make a formal statement, but we will respond to the inevitable questions which will surely be raised immediately both by the press and by opponents of normalization in the following fashion: “Within the agreement to normalize, the United States had made it clear that it will continue to trade with Taiwan, including the restrained sale of some selected defensive ABM, after the expiration of the Defense Treaty in ways which will not endanger the prospects for peace in the region. The Chinese side does

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 11, China (PRC): Woodcock's (Leonard) Talks, 12/78. Top Secret; Flash; Sensitive; Exclusively Eyes Only; Via Voyager Channels. Sent with the instruction: “Please deliver immediately to Ambassador Woodcock in a sealed envelope marked exclusively for his eyes only.”

² See Document 135.

not endorse the U.S. position on this matter. But this has not prevented both sides from agreeing to normalize relations.³

I am simultaneously explaining this matter to Ambassador Chai in the hope of giving the Chinese as sensitive an understanding of our political process as is possible under the circumstances.

We hope the Chinese side will show the maximum restraint in its comments since we do attach the highest importance to initiating this new chapter in our relations under the most favorable of circumstances and in the best possible atmosphere.

³ Woodcock responded in backchannel message 240 to Brzezinski, December 15, in which he reported: "Given the late hour here, I have conveyed to Vice Premier Teng through Foreign Ministry channels the substance of our proposed response to queries on the arms sales issue, together with a full characterization of the circumstances and considerations surrounding our use of this response. Teng is, of course, aware of our intentions from my session with him this afternoon. He now has available to him the exact nature of our proposed response. Based on his comments then, the Chinese will undoubtedly consider it necessary to make a response of their own. I have indicated that I would be available at any time should the Vice Premier wish to see me." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/14–17/78)

173. Backchannel Message From the Ambassador to the Republic of China (Unger) to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Taipei, December 15, 1978, 2201Z

Ref: WH81623.² At about 2:20 a.m. local time I met with President Chiang who had Vice Minister for Foreign Affairs Fred Ch'ien and Private Secretary James Soong also present. I read the message contained ref White House tel, the U.S. unilateral statement and the joint communiqué. I gave special emphasis to our desire to continue a constructive relationship with Taiwan.

President Chiang took my presentation very badly and predicted the gravest consequences: He said it was "totally impossible" that U.S.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/14–17/78. Top Secret; Flash; Eyes Only; Via Private Channels; Alpha.

² See Document 171.

“solution” would lead to internal stability and continuing development of Taiwan; that our recognizing the PRC Government as the sole legal government of China and acknowledging the Chinese position that there is but one China and Taiwan is part of China in effect turns Taiwan over to the PRC, that the U.S. decision itself is dishonest and the U.S. will lose the confidence of the people of the ROC and of other countries of the world; he made solemn declaration that there will be dire consequences on Taiwan for which the U.S. must bear the responsibility. CCK said bitterly that in past he had great confidence in U.S. and never imagined U.S. would proceed in this way. To make such a tremendous decision and give the ROC only seven hours’ notice and no opportunity for discussion; as a result and because he must inform his people he could give no assurances that he would say nothing prior to our announcement of the communiqués, etc.

I reiterated our conviction that normalization could be positive in its effects and that we intended to work with Taiwan to preserve and expand our constructive relationship; I cited weapons supply *inter alia*.

I hoped the President would say or do nothing which would make it difficult for this to take place and I urged him not to make any public statements before the time of release. While he did not agree, he referred to his need for deep thought and study of the critical problems the U.S. action has raised.

Comment: I have only limited confidence that there is anything we can do now to deter CCK from a sharply negative reaction. He did not have the opportunity I have always strongly advocated to adjust his own thinking, line up his leadership to take the shock constructively, and confirm that he can still manage the U.S. relationship. It might be that he could be brought to look at the situation more constructively if he should receive an immediate message from the President. This could briefly explain the need for our proceeding rapidly and with so little notice and take account of his chagrin on this score and could express again our desire and intention of continuing a productive relationship with a secure and prosperous Taiwan in the future. It might also help to restore CCK’s prestige in the eyes of his government and people.

**174. Summary of Conclusions of a Special Coordination
Committee Ad Hoc Group on China Meeting¹**

Washington, December 18, 1978, 10–11:45 a.m.

PARTICIPANTS

Vice President's Office

Denis Clift

State

Warren Christopher

Richard Holbrooke

Douglas Bennet

Roger Sullivan

Herb Hansell

Defense

Michael Armacost

JCS

Lt. Gen. William Smith

Col. Robert Quaksenburgh

CIA

Frank Carlucci

Jim Lilley

Treasury

Richard Fisher

Commerce

Frank Weil

Kempton Jenkins

White House

David Aaron (Chairman)

Jody Powell

Frank Moore

Bob Beckel

NSC

Rick Inderfurth

Madeleine Albright

Nick Platt

SUMMARY OF CONCLUSIONS

David Aaron convened the first meeting of the SCC Ad Hoc Group on China. He explained that the purpose of the group is to coordinate the principal policy issues relating to normalization, including those which are of direct interest to the President and those which cut across agency lines. He stressed that the Ad Hoc Group would not be involved in day to day operational requirements relating to normalization. That work would continue to be conducted by the ongoing Inter-agency China Group, headed by Dick Holbrooke.

Congressional Consultations

State was directed to take the lead on immediate Congressional briefings and consultation.² David Aaron noted that the Vice President will be fully engaged in this process as well. Doug Bennet was in-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Nicholas Platt Chron File, Box 65, 12/78. Confidential.

² Brzezinski commented that the Administration's consultations with Congress had been "limited, primarily on the advice of Majority Leader Robert Byrd. He was afraid of leaks and thought that congressional objections would scuttle any negotiations." (*Power and Principle*, p. 232) Carter met with a group of Congressmen the evening of December 15 before he addressed the nation. (Carter Library, Presidential Materials, President's Daily Diary)

structed to prepare a list of those members of Congress who should be contacted immediately, working with Bob Beckel on this. It was also agreed that a normalization briefing book should be immediately prepared, with the following sections:

1. Negotiating history
2. Implications of normalization
3. Questions and Answers

State was directed to prepare the above, in conjunction with the NSC.

In addition to Congressional consultation, Frank Moore suggested that Secretaries Bergland and Kreps be directed to inform the agricultural and business communities, respectively, of the positive benefits to be derived from normalization. It was agreed that Agriculture and Commerce should organize meetings in Washington in the near future for this purpose and that Anne Wexler should be involved. Following a suggestion from Jody Powell, David Aaron recommended that a Cabinet-level coordinating committee on U.S.–China relations—to include State, Commerce, Treasury, STR and Agriculture—meet on December 20. A drop-by by the President at this meeting would be explored.

With respect to public relations, State was directed to (1) elicit a statement on trade with Taiwan from David Kennedy and (2) coordinate speakers on normalization with the offices of Jody Powell and Jerry Rafshoon.

Preparation of Legislation

Herb Hansell reported that an omnibus bill on post-normalization relations with Taiwan was in preparation, as well as an Executive Order to allow non-official relations with Taiwan to continue between January 1, 1979 and the enactment of the omnibus legislation. Initially a non-profit, non-official organization to handle relations with Taiwan will be incorporated under D.C. law, with the possibility of a federal charter to follow. David Aaron requested that the proposed Executive Order be forwarded to the NSC by December 21.

Military Withdrawal

DOD reported on the status of U.S. arms transfers to the ROC as well as War Reserve Munitions (WRM) in Taiwan. David Aaron directed DOD to prepare a decision memorandum on the Harpoon missile and recommendations on what to do with WRM. In addition, JCS is to provide a schedule of military withdrawals from Taiwan.

It was noted at this point in the discussion that certain Defense related issues (e.g. WRM) would require legislation or Congressional approval. The group agreed that it would be best for Congress to address

Taiwan defense issues first, then the President's ambassadorial appointment to the PRC, then the omnibus normalization legislation.

Preparations for Teng Visit

State was directed to begin immediate preparations for the visit of Vice Premier Teng, tentatively scheduled for January 28–30. SCC participants were directed by David Aaron to forward suggestions on issues to be covered during the visit. Treasury and Commerce were instructed to consider how Teng's visit could be used to enhance the forthcoming trips to the PRC by Secretaries Blumenthal and Kreps. Finally, State, in conjunction with White House Congressional Liaison, was directed to prepare a Congressional consultation plan for Teng's visit.

Other Issues

David Aaron directed State to prepare a recommendation on a delegation to Taiwan to discuss post-normalization of relations. State is also to prepare a recommendation on a farewell call on the President by Ambassador Shen and a paper on symbolic events for January 1 at the PRC and former ROC embassies.

175. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, December 19, 1978

SUBJECT

My Conversation with President Nixon in San Clemente, December 18, 1978

I spent two hours with President Nixon in his San Clemente study, from 4:00 to 6:00 p.m. PST. At the outset, he informed me that as a result of your phone call, and his conversation with the President,² he thought

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 51, Chron: 12/14–31/78. Top Secret; Sensitive; Eyes Only; Alpha. Sent for information. A handwritten "C" at the top of the page indicates that Carter saw the memorandum. An attached handwritten note from Brzezinski to Carter reads, "Mr. President—Very interesting. ZB."

² Carter, who spent the weekend of December 16–17 at Camp David, spoke on the telephone to both Nixon and Brzezinski on December 17. (Carter Library, Presidential Materials, President's Daily Diary)

the purpose of the meeting was to brief him and to help him decide how he could be helpful on our China decision, particularly whether he should issue a statement. He then informed me that he was not inclined to issue a statement at this time. He had been receiving many calls from Republicans, such as Representative Michaels, the Republican House Whip, and several Senators. He had told them he was studying the matter. He has already been in contact with Kissinger, and will talk to him again today.

I got the sense that Nixon was genuinely surprised by the decision and hadn't understood the timing, that he is dubious it was necessary, that down deep he admires the President for a gutsy decision, that normalization has occurred, and that he is willing to play some sort of a helpful role but one that sets him somewhat apart from us. He is casting about, in short, for how he will play it and I suspect he and Kissinger will work this out together.

I. Messages for the President

In the course of the conversation, he asked me to convey three messages to the President:

—*On secrecy*: The President should not apologize one bit for conducting the negotiations secretly. That was the necessary way to do it, particularly with the Chinese. There will be a lot of “clowns” on the Hill who will complain. That is to be expected. But at certain times, diplomacy must be secret.

—*On Taiwan*: Taiwan will survive. There is no problem there. Terminating the Defense Treaty had to occur. Taiwan can defend itself. But this is an emotional issue. A lot of people feel very close to Taiwan and have had extensive relations with them. Some of the “Republican crazies” will never be brought around, like Barry Goldwater. Others do not know how to react. *Responsible opponents can be brought along but how? Have we thought about that? Senators are going to seek an opportunity to indicate their support for Taiwan.* They will not wish just to follow the Administration; they will wish some independently defined role as well. For the Administration explicitly to identify that separate role would be the kiss of death. Perhaps the best avenue is a Senate resolution affirming our continued interest in Taiwan, developed by someone like Baker, which the Administration might *indirectly* encourage but which openly the Administration might only grudgingly accept or even somewhat disown.

—*Impact on Allies*: This is the real concern. How will this decision affect our allies? How will we retain our credibility after terminating the Treaty? This is a special case; everyone will understand that. Yet to terminate a defense treaty could sow seeds of doubt about us, particularly in Asia. *As a result of this decision, the President cannot make any weak*

moves in the foreseeable future. For whether this move is weak or not, the termination of our relations with Taiwan will be seen as such. Here are the actions which would help place our China decision in a more comforting context for our allies:

- No problem with Japan. They feel exposed in their China relationship and want us more fully involved.

- Stop beating on the human rights record in the Philippines. Sure Marcos is corrupt, “The Philippines learned all the excesses of democracy from us and then perfected them.” But the human rights record of the Philippines is much better than the PRC.

- No problem with Thailand. “The Thais are like rice, yielding to the wind.”

- Make sure arms supplies to Indonesia are sufficient to enable Suharto to handle his internal situation. We often overlook Indonesia; it is an important country.

- No recognition of either Vietnam or Cuba. On Cuba, no recognition until their troops are out of Africa.

- In South Asia, the China decision will have little effect, though we should encourage improved Sino-Indian relations. The key dynamics in this region are derived from Afghanistan, the internal problems and external pressures on Pakistan and Iran—for which he explicitly said he had no solution.

- Israel will note our China decision; it will make them tougher to deal with. Lower our public rhetoric about them, while applying the pressure quietly and directly. As an aside, Nixon thought we would eventually get our Israeli-Egyptian agreement.

- Tacitly, let Europeans sell arms to China. A China strong enough to defend itself is essential to world peace. A weak China invites attack. Normalization and increased Sino-American commercial relations make more likely the possibility of a Soviet attack on China. If Nixon were in Brezhnev’s shoes, he would think of a pre-emptive attack, though when pressed, he said the Soviets could not win such a war.

In sum, our China decision is a major policy decision, with major ramifications, and we must take these into account in the months ahead.

II. Questions

President Nixon posed three basic questions:

First, how did it happen; what was the flavor of the discussions?

Second, what explains the timing of the event?

Third, in terms of the politics of it, how do we intend to proceed from here? For the sake of the record, let me summarize my response:

The Negotiating Process: Basically, I gave him no more than one can reconstruct from the *Times*, *Post*, and *Star* accounts. The only new tidbit I gave him was the inadvertently scheduled Mondale meeting, to show him how tightly the thing was held—Mondale knew, his aide did not. I stressed how tough we had been on arms sales, especially in your Friday meeting on December 15³ and how we rejected outright the Chinese desire for us to declare our existing agreements with Taiwan to be “null and void.” Nixon seemed impressed by the way we handled it, though he may think we acted on the hasty side.

Timing: On our side, I thought the target date of January 1, which the President had signalled to the Chinese in October stemmed primarily from SALT considerations. We wish to move forward with both the Soviets and Chinese simultaneously and to give each a sense of the inevitability of our movement with their adversary. Nixon clearly appreciated that.

In addition, although I am not privy to the President’s thoughts, I suspected the President felt he had a limited amount of time—a window—after which normalization would be politically more difficult as the 1980 elections approach.

Finally, I went over the evolution of our China policy since 1977. *I underscored that we had read carefully the entire negotiating record and understood clearly what the “spirit of the Shanghai Communique” entailed.* (You have to do the same with Kissinger.) I went out of my way to tell Nixon how interesting his conversations were and how we fully intended to keep them confidential. We had done so thus far and would continue to do so. Somewhat later, he noted in passing that he and Henry had told the Chinese things in private that had never been made public.

In the light of that record, I said, and of the essential failure of the Vance mission—during which we tried to temporize—we decided by May, 1978 that either our China policy must move toward normalization or else the momentum secured in 1972 would be entirely lost.

The question then becomes why the Chinese responded to the January 1 target date with swiftness and flexibility. I said I thought several factors were at work: (1) worsening relations with the Soviet Union, the increase in military forces on the border (which he did not know about), Soviet gains in Afghanistan, Yemen, and Africa; (2) Vietnam; (3) China’s turn outward; (4) Teng’s consolidated leadership position. The impending SALT agreement may have been another factor.

³ Carter met on December 15 from 3:55 to 5:08 p.m. with Mondale, Vance, Christopher, Brzezinski, Harold Saunders, Herbert Hansell, Hamilton Jordan, and Jody Powell to discuss his address to the nation that evening. (Ibid.)

Nixon basically agreed, and talked about the impressions which the various Chinese leaders made on him. *I thought he went out of his way to say he had never met Teng.* He knew Hua, thought he was a bureaucrat, not an ideologue or revolutionary, and probably a pretty good infighter. If he were Teng, he would keep an eye on Hua. The former President then digressed to talk about Mao and Chou, both of whom were sparkling and possessing the Chinese sense of humor. He found Hua rather humorless and dour.

Nixon liked the idea Teng might come after Brezhnev; it would help keep down the false euphoria that will accompany a SALT II agreement.

Politics: I said we had some legislation we would propose to the Hill.

Nixon then returned to his earlier theme. He wants to be helpful. He is not ready to make a statement. He will talk to Henry today. But the act is done and is irreversible.

I said yes, that this was always a decision involving Presidential leadership but which must remain bi-partisan. We cannot let China policy become a partisan issue again. He said that to keep it bi-partisan, we must think of an independent role for the potential critics, so that they can share in the over-all policy. Baker is the guy to get, he repeated. And we can get him by giving him a special role to play in reassuring Taiwan. His father-in-law Everett Dirksen was very close to Taiwan, Nixon added, "You know what I mean, but we don't need to get into that."

IV. Side Remarks

Nixon is unsure of his reaction to SALT. He has now followed it closely. But he thought at the end he may have some questions.

He is unsure how history will judge his China initiative. It makes sense now, but by the end of the century, perhaps we will have to work with the Soviet Union against China.

Television makes fighting a war difficult. Nixon doubts the U.S. can ever fight in a war that lasts more than a few weeks, unless the gore is kept off the screen.

V. Overall Impressions

Nixon is very impressive. He is not the cold, aloof man portrayed in the paper. He is impressively knowledgeable, nuanced—an old pro. He also was quite courteous toward me.

176. Telegram From the Department of State to the Liaison Office in China¹

Washington, December 20, 1978, 0237Z

319559. Subject: Secretary's December 18 Meeting With PRCLC Chief Chai.

Summary. PRCLC Chief Chai, in meeting with Secretary Vance early evening December 18, delivered oral *démarche* on PRC property in the US. He had given same message to Dr. Brzezinski earlier in day.² He said that USG is obliged to protect property to ensure that PRC takes it over. The Secretary promised to consider matter with Legal Adviser. Meeting opened with warm mutual congratulations on normalization agreement. On other subjects, Chai renewed dinner invitation, and confirmed that Foreign Minister Huang had recovered health. Assistant Secretary Holbrooke reaffirmed Senator Nunn's interest in visiting China and encouraged Chinese to be responsive to US press interest in visiting China. Chai and the Secretary also briefly discussed upcoming meeting with Gromyko; Secretary said completion of negotiations this year is possible. End summary.

1. Ambassador Chai Tse-min, accompanied by Counselor Tsao Kuei-sheng and interpreter Hsu Shang-wei, called on Secretary at Chinese request early evening December 18. Holbrooke, Sullivan and Thayer sat in.

2. As first meeting between the two since normalization, meeting received press photo coverage. While press still present, Chai apologized for not having called sooner after normalization announcement and expressed gratitude for Secretary's contribution to normalization. Secretary reciprocated.

3. Following discussion of rapid movement in final stages of negotiations and favorable worldwide reaction, Chai said that American public opinion "by and large approved the announcement while only a few people oppose it." The Secretary agreed, noting again the general worldwide approval. Chai stated that "only the Chiang clique is unhappy." He added that USSR and Eastern European countries are attacking China, a further cause for Chinese happiness.

4. Chai raised Secretary's forthcoming Geneva meeting with Gromyko. The Secretary said he would leave on Wednesday to have talks

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840148–2418. Confidential; Priority; Nodis. Drafted by Thayer and approved by Holbrooke. Repeated to Taipei, Hong Kong, and the White House.

² No record of a December 18 meeting between Chai and Brzezinski has been found.

with Gromyko on Thursday and Friday, concluding them in time to be in Washington for Christmas. Chai asked if the Secretary expected to reach agreement with the Soviets this year. The Secretary said there was a chance of agreement being reached by then, noting that the issues had been narrowed. The question, he said, is whether or not those can be resolved, and this depends on whether or not the Soviets are at the point of accepting our position. If so, he said, the negotiations can be completed and “if not, we will just have to wait and see.” Chai commented that the Soviets will accept only if advantageous to them. The Secretary replied: “We shall look out for our own self interest.”

5. ROC Property. Chai said that now that bilateral relations were finally normalized he had wanted first of all to express thanks and congratulations to the Secretary. However, he said, he also wanted to talk about a situation pertinent to the period after normalization. He then made the following statement: As the Secretary can understand, all of the official property of the Chiang clique in the United States belongs to the PRC. Now the joint communiqué of establishment of diplomatic relations between the PRC and the US has been formally issued. According to international law, the US Government has the obligation to protect the above mentioned property in order to prevent the Chiang clique from transferring and embezzling this property and to let the Government of the PRC take it over in time (ji shi). (Ambassador Chai had made same démarche to Dr. Brzezinski earlier in the day.)

6. The Secretary answered that he would want to discuss with State Department lawyers promptly and would talk to Mr. Hansell next day. He asked Mr. Holbrooke and Mr. Sullivan to be on hand also as the Department looks into the property question.

7. Chai then reinvited Secretary to set date for dinner originally scheduled for December 12 but postponed because of the Middle East trip. The Secretary promised to suggest a new date after returning from Geneva.

8. In response to the Secretary’s question, Chai confirmed that Foreign Minister Huang had recovered his health. Chai commented that his physical condition was not as good as the Secretary’s. However, he said, he had noticed that Huang had been present at Chairman Hua’s press conference.³ The Secretary asked Chai to convey his best wishes and said he was pleased that Huang was back at work. The Secretary also said he looked forward very much to Vice Premier Teng’s visit.

9. As Chai indicated he was about to leave, the Secretary thanked him for calling, congratulated him on normalization and said that he had been happy to meet him at this important time.

³ Hua held a press conference on December 16 in Beijing to announce the resumption of U.S.–PRC relations. (“China Reports Accord With U.S. to Establish Diplomatic Relations,” *The New York Times*, December 16, 1978, p. 10)

10. Mr. Holbrooke asked if he could raise an additional matter. He recalled that last week Senator Nunn had discussed with Chai Nunn's interest in visiting China next month. Holbrooke said Nunn telephoned afternoon of December 18 to reiterate his desire to make the trip along with Senators Hart, Byrd, Tower and possibly Glenn. The Secretary agreed with Mr. Holbrooke it is important that, looking to the future, such real leaders make such a trip. Holbrooke said that the Senators' objective is to discuss strategic matters in Peking. The reason Nunn had called that afternoon is that he is anxious to make final plans.

11. Press interest in China. Holbrooke mentioned also that many editors and publishers have approached us since the normalization announcement to express interest in visiting China. Holbrooke acknowledged that this is a question for disposal by the Chinese but it could be helpful to provide Americans with a greater understanding of China at a time when we will be making "those legislative judgments essential to normalization." Chai replied that the Chinese would take this into consideration and would resolve these issues in due course. He said the Chinese also had received such applications. Before normalization, Chai added, many newspapers and press agencies wanted to send permanent correspondents to Peking. Now, however, the situation had been changed.

Vance

177. Memorandum of Record¹

Washington, December 20, 1978

SUBJECT

Secretary Blumenthal Trip to China

On December 19 Secretary Blumenthal discussed plans for his upcoming trip to China with Messrs. Holbrooke, Oksenberg, Fisher, and Hallford. It was agreed that the underlying aim of Secretary Blumenthal's trip would be to establish a basis for normal economic relations between the U.S. and China. The focus of this effort would be threefold: (1) a claims/asset settlement; (2) an overall framework signifying inten-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 24, Blumenthal 2/79 Trip to China: 12/78–2/79. Confidential. Drafted by Hallford. Copies were sent to Fisher, Holbrooke, Oksenberg, and Sullivan.

tion to achieve a trade agreement; and (3) a government-to-government structure to provide a forum for continuing discussion on economic matters between the two countries.

Secretary Blumenthal envisaged signing a document that specifically addresses these three objectives by establishing a joint U.S.–PRC Economic Commission that would guide further economic cooperation; announcing agreement on a formula for settlement of the claims/asset problem; and recognizing the intention of both countries to move toward negotiation of Trade Agreement that would provide MFN, access to EXIM credits, etc.

It was further noted that the Blumenthal visit is an integral part of the transition process and needs to be coordinated closely with the preparations for the preceding Teng visit and the following visit of Secretary Kreps.

The timing of the trip will be arranged to coincide with the March 1 establishment of Embassies and exchange of Ambassadors.

The President should use the Teng visit to introduce the purposes of the Blumenthal trip. Secretary Blumenthal's trip will likewise establish a basis for a Kreps follow-on, in that negotiation of the *substance* of a trade agreement—MFN, patent and copyright protection, safeguards against market disruption, protection of industrial rights and processes, arrangements for the settlement of commercial disputes, arrangements for trade and tourist promotion, etc., is within the purview of Commerce/STR.

Dick Fisher and Scott Hallford were named as the action officers for Treasury and State respectively to prepare and coordinate the visit.

178. Letter From Former President Nixon to President Carter¹

San Clemente, December 20, 1978

Dear Mr. President,

After receiving the briefing you thoughtfully provided,² I should like to pass on to you my personal views with regard to your decision to normalize relations with the PRC.

I have made no public statement because since your action has already been taken it is now U.S. policy, and I see no constructive purpose to be served by publicly second guessing what you have done. However, I have some views about implementing the policy and on issues relating to it which I think might be useful for you to consider.

First, as to the process by which the agreement was reached, I know from experience that, particularly when negotiating with the Chinese, secrecy is indispensable if there is to be any chance for success. The Congress, of course, will have an opportunity to play a role in approving appropriations and other legislation necessary to implement the agreement.

I have three major concerns: the adequacy of the guarantees against the use of force to resolve the Taiwan issue; the credibility of U.S. commitments to our other allies and friends in view of our termination of the Taiwan Treaty; the effect on your ability as President to enlist public support for your other foreign policy initiatives in the future.³

No reasonable person would question Dr. Brzezinski's assertion that the PRC, because of its control over population and territory, is in fact the government of China. However, no political realist can ignore the fact that the 17 million people on Taiwan, who have prospered greatly under a non-communist government, have an almost fanatical core of support in the nation and in the Congress. You addressed this problem in your December 15 announcement.⁴ I believe, however, that it is essential that you and your representatives give additional reassurances firmly and unequivocally.

I recognize that realistically the possibility of a PRC military attack on Taiwan will be remote for several years. But I believe the U.S. should

¹ Source: Carter Library, Plains File, Subject File, Box 39, State Department Evening Reports, 12/78. No classification marking. At the top of the page, Carter wrote, "Very good letter. J." Someone, perhaps Carter, wrote, "CC: Zbig, Fritz, Cy." The salutation is handwritten.

² See Document 175.

³ Carter underlined much of this paragraph.

⁴ See footnote 2, Document 171.

publicly go on record that any use of force against Taiwan would irreparably jeopardize our relations with the PRC.⁵ I believe, also, that we should make it clear that we not only have the right to approve private arms sales to Taiwan, but that we intend to exercise that right for as long and to the degree necessary to deter any use of force against Taiwan. If because of the delicate state of our negotiations with the PRC you feel the administration could not go this far, I would not discourage the Congress from doing so. If the Congress does proceed in that manner I would urge you not to oppose such action publicly and that you privately inform the Chinese of the problem. They will strenuously object, but they will understand because they need us far more than we need them. They also will be impressed by the fact that those who are most strongly pro-Taiwan are also those who are most strongly anti-Soviet.

There are those who contend that the pro-Taiwan forces are stupid, short-sighted and reckless. Assuming for the sake of argument this to be true, they are a fact of American political life and they are effective. Unless their opposition is mitigated, you will probably still win the battle: but you may lose the war because the fall-out on future foreign and defense policy battles you will have to fight will make the Panama Canal controversy look like a Sunday school picnic in comparison.

With regard to the effect of your decision on other allies and friends, I believe it is essential for you to reiterate that Taiwan was a special case⁶ and that the U.S. firmly stands by all its treaty and other commitments and under no circumstances will we renounce a treaty simply because we determine our interests are no longer served by it. As a respectful suggestion you might indicate that while you do not give an inch on the proposition that a President has a Constitutional right to rescind a treaty without obtaining Senate approval, you will in the future voluntarily submit such decisions to the Senate.⁷

With regard to specific countries, I am most concerned about Korea. I realize that you have announced a decision to withdraw American forces by 1983. I would strongly urge you to reconsider that decision in view of Soviet supported adventurist policies in Afghanistan, Ethiopia, and other countries in Africa.⁸ If you believe you should not do so, I would suggest that at this time it would be most helpful to increase substantially the budget for military aid to Korea as a symbolic

⁵ Carter underlined all but the first three words of this sentence.

⁶ Carter underlined "reiterate that Taiwan was a special case."

⁷ In the left margin, Carter wrote, "Zbig—What others do we have?"

⁸ In the first three sentences of this paragraph, Carter underlined "I am most concerned about Korea," "to withdraw American forces by 1983," and "to reconsider."

move to put North Korea and others on notice that the action on Taiwan should under no circumstances be interpreted as the beginning of a U.S. withdrawal from other parts of Asia.

The Philippines, Indonesia, and Iran in different ways present difficult problems because of their corruption and in varying degrees their denial of human rights. At this time in view of the Taiwan decision, I believe it is important to publicly and privately give them unqualified support. It would be ironical to qualify our support to any country which allows some human rights at a time when we have dramatically moved toward normalization with full cooperation with a nation which allows none—the PRC.

I don't mean to criticize your eloquent commitment to this cause, but I feel the greatest threat to human rights today is on the totalitarian left rather than on the authoritarian right.

With regard to my third concern, as one who initiated détente with the USSR, I must in all candor say that based on what I have read in the press, I have some grave questions about the terms that are being considered for SALT II.⁹ However, I believe it would be most unfortunate if Senators voted against SALT primarily because of resentment on the PRC normalization decision. We hear that some want to “get well” after supporting the Panama treaty. They will not be able to do so on normalization because it is a *fait accompli*. They might well take out their frustration on SALT specifically and détente generally. Since a yes vote on Panama has been interpreted as being “soft” they are looking for some way to correct the balance and a “no” vote on SALT provides that opportunity.

I believe that this is one of those critical times when you cannot afford any moves which justifiably or not are considered soft or weak, vis-a-vis the Communist powers. For example, any plans even to consider normalization with Cuba or Vietnam should be put on the back burner,¹⁰ which I assume would be your intention any way in view of their barbaric behavior toward their own people and toward others.

I apologize for the length of this letter and I imagine that many of my suggestions will be like carrying coals to Newcastle, or bringing saki to Nada, as the Japanese would say.

From a purely partisan political standpoint, I would hope you would not take my advice. But I feel that the stakes for America and the world are too high for partisanship as usual. You have a supreme opportunity to lead the nation and the world into a new era of prosperity,

⁹ Carter underlined “have some grave questions about the terms that are being considered for SALT II.”

¹⁰ Carter underlined “normalization with Cuba or Vietnam should be put on the back burner.”

peace and justice. To paraphrase Charlie Wilson—what is good for you is good for America, and if it results in many happy returns for you in 1980, you will deserve it.

Please do not take your time to reply to this letter.¹¹ I have not written it “for the record” and do not intend to make it public. I know that particularly at this time you are overburdened with work with the final budget decisions to be made, the State of the Union address to be prepared and a possible Summit visit with Brezhnev on the agenda.

With warm personal regards,
Sincerely,

Richard Nixon

¹¹ On December 22, Carter replied with a handwritten letter: “To Pres Richard Nixon: I appreciate your excellent letter, which is very helpful to me. We have, with some difficulty, reserved the options you described in our negotiations with the PRC. After you receive a final briefing on SALT II, your analysis would also be welcome. This has been a long and laborious process which has a good prospect of coming out well. Our best wishes to you & your family. Jimmy Carter” (Carter Library, Plains File, Subject File, Box 39, State Department Evening Reports, 12/78)

**179. Memorandum From Secretary of Defense Brown to the
President’s Assistant for National Security Affairs
(Brzezinski)¹**

Washington, December 23, 1978

SUBJECT

Normalization with China: Implementing Steps

This memorandum outlines the steps which the Department of Defense presently plans to take, subject to your concurrence, to insure timely and effective implementation of the decision to normalize rela-

¹ Source: Washington National Records Center, OSD Files: FRC 330–81–0202, China (Nats), 092. Secret. Sent to Brown under a December 23 covering memorandum from McGiffert that reads, “Warren Christopher will confront a number of questions on which we do not yet have precise guidance from the White House. The attached memo to Zbig is designed to obtain such guidance quickly in the form of his endorsement of your proposals. Alternatively you may wish to use the memo as talkers for a phone call to ZB.” On the covering memorandum, someone, probably McGiffert, wrote, “The White House expects this—as a memo to get decisions on some open issues made.” (Ibid.)

tions with the Peoples Republic of China. We plan to tailor our actions on defense issues to facilitate the evolution of a new relationship with Peking, while protecting, through our dealings with Taiwan, the US reputation for integrity, reliability and credibility. We face the need for early actions in the following areas.

1. Arms Sales

The basic requirement is to find a balance between our interests in Taiwan and in Peking. On the one hand, we need to respond affirmatively to a sufficient number of the ROC's pending arms requests to help them over a psychologically difficult adjustment period, and to defuse Congressional opposition to normalization. On the other hand, we do not want to invite unhelpful press comparisons of the package to the "Enhance Plus Program" provided South Vietnam in 1972, or provoke PRC allegations that we are violating recently agreed understandings.

In essence I believe that Warren Christopher should be authorized—in addition to reconfirming those sales that were approved in November—to notify the ROC of approval of a number of additional requests for non-controversial defensive arms (roughly \$200 million in new commitments), to indicate that follow-on support (e.g., spares) will continue for systems previously provided, to defer US response to the ROC's Harpoon request until after CY 1979, and to indicate that we recognize their future need for an all-weather interceptor aircraft and will be giving consideration in the months ahead to how we can best help them meet their future requirements.

2. Withdrawal of the U.S. Military Presence

I see no insurmountable problems in managing the withdrawal of all U.S. military forces from Taiwan, although the four-month schedule will be tight. When the Taiwan Defense Command (TDC) is withdrawn, I think it would make sense to retain a small planning group for Taiwan defense matters as part of Admiral Weisner's staff in Hawaii through the remainder of 1979. The Joint Staff is currently developing a detailed schedule for the withdrawals.

3. War Reserve Matériel (WRM)

We currently have approximately 7,400 tons of munitions and 745,000 barrels of POL on Taiwan. These items are physically located on ROC military installations, but in some instances, the actual storage facilities (e.g., POL tanks) are owned by the U.S.

The Defense Department has submitted a detailed recommendation for the disposition of WRM on Taiwan to the SCC Ad Hoc Group

(Tab A).² During the course of next year, we plan gradually to withdraw some critical munitions items on which our theater reserves are short. After April 30, those withdrawals will be handled by contractor personnel. I suggest that we seek special legislation to permit the cost-free transfer of the balance of our munitions and equipment—mainly 500 and 2,000 pound bombs, some vehicles, and communications gear—to the ROC. I believe we should retain existing POL stocks on Taiwan under U.S. title for the time being. This fuel is critically needed to meet U.S. military requirements in the theater; however, at present we have no alternate POL storage facilities in the Western Pacific. We would plan gradually to withdraw the POL from Taiwan by commercial means and under civilian contract as alternate storage facilities become available in Korea, Japan or elsewhere in the area over the next few years.

4. The F-4 Program Depot Maintenance Facility

The facility does contract work for the Air Force (engine repair and maintenance on U.S. F-4 aircraft) as well as commercial work for civilian corporations. Plans are already being implemented to shift military contracts to Korea, and all DoD personnel and government-owned equipment will be withdrawn from Taiwan by December 31, 1979. After April 30 we will transfer any contract supervisory functions previously performed by military personnel to civilian contractors.

5. Defense Activities

For some years we have been reducing the level of our military activities on Taiwan as part of the effort to condition the ROC to the inevitability of normalization. Now that normalization has been announced, I believe we should avoid an abrupt and systematic termination of all military-to-military contacts, and continue rather to phase these down and out gradually during the course of the year. As our forces are withdrawn over the next four months, I would propose to sustain a modest level of military-to-military contacts with the ROC, including a limited number of previously scheduled ship visits, two US-ROC exercises (Sharkhunt—an ASW exercise planned for January 9–11; and Eagle/Lark/Bluesky—an air defense exercise planned for January 20–29). We may want to adjust the timing of the latter exercise to avoid having it take place just prior to Teng's visit. These steps will ease Taiwan's adjustment, and help us on the Hill, without, I believe, provoking serious difficulties with Peking.

These, I suspect, are the major defense issues which Warren Christopher's delegation will confront next week in Taipei. Others may sur-

² Tab A was not found.

face either during the visit or subsequently as we implement the normalization decision. My staff will continue to work closely with the SCC Ad Hoc Group on China to insure that these are identified and resolved in a timely way.

Harold Brown

180. **Telegram From the Department of State to the Embassy in the Republic of China¹**

Washington, December 23, 1978, 2110Z

323822. Exdis for Ambassador, Mil. Handle as Specat Exclusive. Subject: Notice of Termination of MDT.

1. Pursuant to an instruction from the President dated December 22, 1978,² the Acting Secretary of State on December 23, 1978 provided formal notice to the Embassy of the Republic of China of the invocation of Article X of the Mutual Defense Treaty.³ Following is text of the notice:

“On behalf of the United States of America, and pursuant to Article X of the Mutual Defense Treaty between the United States of America and the Republic of China signed at Washington December 2, 1954, I hereby give notice of the termination of that treaty. This notice shall be effective on and as of January 1, 1979 and under the terms of

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780532–0075. Secret; Immediate; Exdis. Drafted by Feldman (EA/ROC) and approved by Sullivan. Repeated to CINCPAC Honolulu for POLAD and to SecDef.

² The President’s December 22 instruction was not found. In a December 15 memorandum to the Secretary of State, Herbert J. Hansell, Legal Adviser of the Department of State, confirmed “my advice to you that the President has the authority under the Constitution to decide whether the United States shall give the notice of termination provided for in Article X of the US–ROC Mutual Defense Treaty and to give that notice, without Congressional or Senate action.” Hansell’s memorandum listed the views of constitutional and international law authorities on this point, and, in an appendix, provided a history of treaty terminations by the United States. The Bureau of Legislative Affairs distributed Hansell’s paper under a cover sheet dated January 1979. (Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 72, Taiwan Relations Act: Briefing Book [I]: 2/79) The White House also issued a fact sheet on January 5 entitled “Taiwan—The Mutual Defense Treaty.” It is printed in the Department of State *Bulletin*, February 1979, pp. 25–26.

³ See footnote 4, Document 166.

Article X of the Treaty, the Treaty will terminate one year after that date.

Signed, Warren Christopher, Acting Secretary of State"

Christopher

181. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to the Deputy Secretary of State (Christopher)¹

Washington, December 26, 1978.

SUBJECT

Mission to Taiwan

The President requests you to initiate discussions with President Chiang Ching-kuo and his Government on the new arrangements which the United States Government is prepared to create to maintain cultural, commercial and other unofficial relations with the people of Taiwan. You are to discuss the general direction and thrust of the thinking of the United States Government in accordance with the instructions below, leaving to later working level discussion the specific details. There should be no exchange of written documents or issuance of a communique without checking with Washington.

A. The President instructs you to seek the agreement of President Chiang Ching-kuo and his Government to the following points:

1. All treaties and agreements in force between the two sides shall remain in effect after January 1, 1979. Each side, however, will retain such rights of abrogation or termination as are provided within the treaties and agreements themselves or inherently in international law and practice.

2. On January 1, 1979, the Embassy of the United States and such associated instrumentalities as the Military Assistance Advisory Group, the American Embassy Language School in Taichung and the USICA Cultural Centers; and the Embassy of the Republic of China in the United States, its Consulates and Consulates General, and such as-

¹Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of); Alpha Channel: Trip: 12/78-1/80. Secret; Sensitive.

sociated instrumentalities as trade, cultural and information centers, will lose their diplomatic character and status. The staffs of the two Embassies and their associated instrumentalities, Consulates and Consulates General, may continue to function after January 1, 1979, and until February 28, 1979, in order to provide normal, accustomed services including consular services, to nations of either side.

3. Each side will establish and put into operation by not later than February 28, 1979, a new instrumentality created in connection with its domestic laws. These instrumentalities shall neither have the character of nor be considered as official governmental organizations. Each side will seek the approval of the other with respect to the name of the new instrumentality, the size and number of offices to be maintained on the territory of the other, and the senior staff (heads of office, deputy heads of office, and heads of departments within the offices) to be assigned.

4. The two sides should meet at a time to be mutually agreed to work out detailed arrangements.

B. In addition to seeking the agreement of President Chiang and his Government to the above points, the President requests that you inform President Chiang of the following:

1. As he knows, the Secretary of State on instructions of the President of the United States has given notice as of January 1, 1979, of the termination of the Mutual Defense Treaty between the United States and the Republic of China in accordance with Article X of that Treaty. Certain other agreements, such as the Agreement relating to the Status of United States Armed Forces in China, which depend upon or are linked to the Mutual Defense Treaty will also end or lose effect upon the date of final termination of the Mutual Defense Treaty. The United States will provide a list of agreements which it believes fall into this category.

2. The United States is moving expeditiously to complete processing formalities with respect to those items of military equipment already approved by the President. Those items already committed will, of course, be delivered on schedule, including spare parts and other follow-on, such as ammunition. We will not make any new commitments until the end of 1979, but we will consider at a later time requests for sales in 1980 and subsequent years.

3. The United States Government draws attention to the recent statements by Premier Y.S. Sun with regard to plans to develop long-range missiles. In this connection, the United States wishes to remind President Chiang of his government's obligations with respect to the non-development of nuclear weapons under the US–ROC Secret

Agreement of 1977² and refers to the terms of the Nuclear Non-Proliferation Act of 1978. The United States also refers to the assurances, public and private, given previously by President Chiang Ching-kuo on this matter.

4. It is the intention of the Executive Branch of the United States Government to submit to the Congress appropriate legislation confirming the continuing eligibility of the people of Taiwan for such programs and benefits as are accorded generally by Domestic United States law to foreign countries and nationals. The United States Government hopes that President Chiang's government will take similar action to the extent required by its domestic legislation.

5. The military forces of the United States on Taiwan, including the United States Taiwan Defense Command, will be withdrawn completely by April 30, 1979. Some of the War Reserve Materiel stored on Taiwan which is related to the defense of Taiwan may be transferred in 1980 to the authorities on Taiwan either through donation or sale, in accordance with American law. War Reserve Materiel related to other requirements in the Pacific region will be transferred from Taiwan to other locations in an orderly manner, with December 31, 1979, as a target date for completion. Other military equipment on Taiwan owned by United States forces will in general also be withdrawn in an orderly manner. December 31, 1979, shall also be the target date for the ending of periodic depot maintenance work performed under contract with the United States Air Force at the Air Asia facility in Tainan.

6. The United States will wish to discuss continued lease of the area and buildings known as the Military Assistance Advisory Group Compound as the site of the new offices which will be maintained in Taipei.

7. Title to real property held by the Republic of China in the United States may well become a subject of litigation in the courts of the United States. Should that be the case, the Government of the United States will certify to the courts that it recognizes the PRC as the government of China. Additional information will be cabled as soon as available.

8. In discussing the specifics of these arrangements, the United States will also be prepared to discuss the reciprocal granting on an administrative basis of certain privileges and immunities, including cryptographic communication and pouch services, to the new offices to be established on each other's territory by March 1, 1979. Personnel in these offices will not have diplomatic status.

C. As necessary in the course of your discussions, the President authorizes you to make the following additional points:

² See Documents 22 and 23.

1. We are unwilling at present to commit ourselves to the size of our unofficial organization, which will probably be less than our current official representation.

2. We would be willing to approve no more than four or five branches of their unofficial representation office outside Washington.

3. The United States will not conduct any more joint military exercises as of January 1, 1979.

4. During 1979, with the withdrawal of TDC prior to May 1, CINCPAC will be authorized to establish a small, U.S. manned planning group in Honolulu for Taiwan defense matters. Liaison with the ROC military will be maintained through non-governmental personnel of our unofficial organization in Taiwan.

5. If asked, you may say that in acknowledging the Chinese position that there is but one China and Taiwan is a part of China, the government of the United States has not gone beyond the position it asserted in the Shanghai Communique.

6. At an informal opportunity and not as part of your formal discussions, you may inform your interlocutors that as a matter of personal courtesy, the United States Government will continue to provide security protection to Madame Chiang Kai-shek during the period of her residence in the United States.

Zbigniew Brzezinski³

³ Printed from a copy with this typed signature.

182. Telegram From the Department of State to the Embassy in the Republic of China¹

Washington, December 28, 1978, 0118Z

325513. Taipei for Christopher.² Subject: PRC Claims to ROC Property.

1) Begin summary: Assistant Secretary Holbrooke met December 27 with PRCLD Deputy Han Hsu at our request to present the U.S. po-

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780535–1024. Secret; Flash; Exdis. Drafted by Anderson and approved by Holbrooke, Feldman, Thayer, and Acting Legal Adviser Lee R. Marks. Repeated to Hong Kong and Immediate to Beijing.

² Christopher was in Taipei December 28–29 for meetings with ROC officials.

sition on PRC claims to ROC assets and on the reported attempt by the ROC Embassy to dispose of the Chancery, Twin Oaks and the Chinese Procurement and Services Mission. Holbrooke told Han that the PRC would have to establish title to the properties through the courts and the U.S. was prepared to certify to the court that the USG recognized the PRC as the sole legal government of China as of January 1, 1979. He indicated that if PRC was unwilling to be a plaintiff in U.S. courts, State Department was prepared to consider a U.S. action, but said that it was the opinion of our lawyers that chances for success in the matter would be enhanced if the PRC were the plaintiff. Holbrooke informed Han it was the USG's desire to see the matter settled in the PRC's favor. Han did not respond substantively on the legal points, but repeated the PRC view that the problem should be handled in accordance with international law. End summary.

2) In December 27 meeting with Han Hsu, Holbrooke provided USG response to Chai Tse-min démarches of December 18 to Secretary and Dr. Brzezinski on PRC claims to ROC property in the wake of normalization.³ Holbrooke emphasized that he was speaking on behalf of both the Secretary and National Security Advisor Brzezinski. Holbrooke made the following points (verbatim subsequently confirmed with PRCLC interpreter):

—We have been informed that the Embassy and Chancery of the ROC, as well as the Chinese Procurement and Service Mission have been transferred. We are currently confirming the status of these properties. Our lawyers are looking into this on an urgent basis.

—In the United States, the resolution of conflicting claims of title to real property is a matter for the courts.

—Should you wish to establish PRC title to these properties, this will have to be done through the courts of the United States.

—In any litigation in our courts, the Department of State would certify to the court that the United States Government recognized the Government of the People's Republic of China as the sole legal government of China as of January 1, 1979.

—However, we cannot be certain in advance what effect such a certification would have on the court's decision.

—Speaking for the Secretary and Dr. Brzezinski, it is our preliminary view that the PRC should be able to establish title to real property of the Government of China used for public purposes.

—If your government decides to initiate action in the courts of the United States, the United States Government would be prepared to render assistance in support of your claim.

³ See Document 176. No record of Chai's meeting with Brzezinski has been found.

Holbrooke concluded by asking Han if he had any questions or requests for clarification.

3) Han responded that Ambassador Chai, in his meetings with the Secretary and Dr. Brzezinski, had made it clear that all of the property of the “Chiang clique” belongs to the PRC. He noted that those meetings had taken place on December 18, after the joint communique of December 15, and added, “In accordance with international law, the USG is obliged to protect the above-mentioned property and hand it over to the PRC in a timely manner.” Han acknowledged they had only seen news reports of the ROC attempt to transfer the property and were investigating the situation, but he concluded that the USG should take action and not allow the property to be deeded over.

4) Holbrooke replied that, speaking personally, the reason we had wanted to discuss this matter urgently was because a decision has been taken at the highest levels that we want to work with the PRC to resolve this issue. Even though our information is incomplete, the USG wanted to discuss the matter today to urge the PRC to speak to legal counsel. The USG is prepared to render assistance in support of the PRC claim, Holbrooke said, adding that he could assure Han that the USG believes the PRC will be able to establish title to the property. He noted, however, that the matter may well go to the courts, pointing out that this had happened in other countries. He said it is the opinion of our lawyers that chances for success would be much greater if the plaintiff were the PRC.

5) Han said that he was not in a position to comment on the legal aspects of the problem, and Political Counselor Tsao interjected that the Chinese would like the U.S. to give serious consideration to what Ambassador Chai had said to the Secretary and Dr. Brzezinski. Holbrooke replied that we had given Chai’s remarks serious consideration. He said the USG was prepared to consider U.S. legal action and was willing to consult the Justice Department on this matter. He reiterated, however, that in our view, chances for success would be much better if the PRC were the plaintiff.

6) Han repeated the PRC view that in handling the problem, the U.S. should approach it from the standpoint of international law. He said he wanted to note in passing a newspaper report alleging that certain U.S. officials had “tipped off” the “Chiang clique” about this matter. Holbrooke pointed out that it was hardly necessary to tip off the ROC Embassy and pointed out that we would not have done so in any case since it is the U.S. firm desire to see the property turned over to the PRC. Holbrooke concluded the meeting by emphasizing the Secretary’s December 18 statement that the U.S. wanted to cooperate with the PRC on this problem and suggested that the two sides be back in touch as soon as possible.

7) Acting Legal Adviser Lee Marks, DAS Oakley and Anderson (EA/PRCM) sat in. Yang Yu-yung accompanied Han and Tsao.

Vance

183. Telegram From the U.S. Pacific Command to the Department of State and the White House¹

Honolulu, December 30, 1978, 0014Z

State for Secretary and Holbrooke from Christopher. White House for Brzezinski. Subject: Report to the President on Mission to Taiwan.

I. Overview.

On December 28 and 29, I met pursuant to your instructions with President Chiang Ching-Kuo and other officials of the Taiwan Government to discuss the new arrangements which the United States is prepared to create for maintaining cultural, commercial and other unofficial relations with the people of Taiwan.² I had two meetings with President Chiang³ and we had three plenary sessions in which their side was led by the Foreign Minister, the Vice Foreign Minister, and the Chief of their General Staff. Despite the disturbances which marred our arrival in Taipei, we were able to proceed with our discussions in a serious and business-like atmosphere.⁴ At the same time, the tense mood

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): Reaction to Normalization, 12/22–28/78. Secret; Sensitive; Specat Exclusive; Nodis.

² See Document 181 for Christopher's instructions.

³ Christopher provided accounts of his meetings with Jiang in telegram 8747 from Taipei, December 28, and telegram 8803 from Taipei, December 29. (National Archives, RG 59, Central Foreign Policy File, P840153–2126 and P840153–2099)

⁴ Admiral Weisner, who accompanied Christopher, described the disturbances: "upon arrival in Taipei our motorcade en route from the Taipei airport passed through crowds of several thousand young people who were not adequately controlled. They did significant damage to the vehicles, but fortunately none of the occupants were seriously hurt. However, there was reason to believe that the demonstration was either deliberately orchestrated or at least sanctioned by the ROC Government. But because it was not adequately controlled it became seriously out of hand, and as a result, consideration was given to having the mission depart Taiwan immediately. After some deliberation, and conversation with Washington, the decision, as you know, was made to stay and proceed with the talks. I believe it was a good decision. The talks were important on both sides, and in my view, were necessary at this time." (Telegram from Weisner to Rogers, December 30; Washington National Records Center, OSD Files: FRC 330–81–0202, China (Nats) 092)

in Taipei and the apprehension which the Taiwan authorities feel for their future gave their presentations an intensity and occasional bitterness that kept the tone from being friendly.

The Taiwan officials were pre-occupied during the discussions with one point: Taiwan's legal status under U.S. law. They used this point as a surrogate for rearguing our basic recognition decision and repeatedly asked us to reconsider our position. I explained that our position could not be changed.

Nevertheless, they repeatedly urged us to recognize "the Republic of China as *de jure*, entitled to exercise governing authority in respect of the territories presently under its control." In this way, they argued, they could continue to have government-to-government relations with the United States. They said repeatedly, with great emphasis and feeling, that they cannot accept relations with the United States on other than a government-to-government basis and that they considered this a matter of "life and death" importance. At my second meeting with President Chiang, he put forward "five principles" which stressed this point, along with emphasizing the lack of prior consultation and the need for explicit security guarantees.

The Taiwan officials stressed that the ROC's extensive foreign exchange and other assets in the United States would be placed in serious jeopardy by our refusal to recognize Taiwan. They gave particular emphasis to the unpredictability of what United States courts will decide when issues concerning the ROC's properties or other assets are brought before them. They asked what our position would be with respect to such properties and assets. I explained that this was a complex legal question to which there was no simple answer. Rather, courts would consider a variety of factors, including, for example, the nature and history of the assets, and whether they had been generated by the people of Taiwan. I said we would be studying carefully the legal status of such properties and assets and that our position with respect to any given assets would depend upon the applicable legal considerations. I stated, however, that in any litigation, we would certify that we recognize the PRC as the Government of China.

I believe the Taiwan officials were so adamant on the question of Taiwan's legal status because they believe they have a chance of gaining congressional acceptance of their position, or some variant of it. They may characterize their position for Congress as nothing more than an appeal to us to recognize the ROC for what it is: a legally constituted government exercising sovereignty over Taiwan. They seem to think that such a formulation has an inherent reasonableness which will find appeal on the Hill.

The principal value of our mission lay in giving us an opportunity to explain and clarify our position, to underscore the firmness of it, and to allow the Taiwan officials to complain and blow off steam.

No communiqué or joint press statement was issued. In view of the tenor of the discussions and the tense conditions on Taiwan, it was not feasible at this time to ask President Chiang to issue the kind of positive unilateral statement which you had suggested. He is beleaguered, but he was cordial to me personally, and it may be possible to get something from him later on when his friendship for the United States and his self-interest overcome his present emotions.

II. Our Four Principal Objectives.

You instructed me to seek Taiwan's agreement to four principal points. The first point was that all treaties and agreements in force between us shall remain in effect after January 1, 1979, with each side retaining such rights of abrogation or termination as are provided in the treaties and agreements themselves or inherently in international law and practice. I was able to gain Taiwan's agreement on this point. The Taiwan officials sought to use our discussion of this point as a vehicle for emphasizing their overriding concern with their legal status under U.S. law. For example, they argued that since the treaties and agreements exist between the U.S. and the ROC, their continuation necessarily implies our continued recognition of the ROC as a government. We explained that this was not the case and that it is possible to have a treaty or agreement with an unofficial entity. With respect to abrogation and termination rights, the Taiwan officials expressed particular concern about those treaties and agreements with provisions which allow for abrogation or termination on short notice and asked that we consider waiving those provisions in such instances. We said we would look at the treaties and agreements on a case by case basis.

Second, I was instructed to seek Taiwan's agreement that the staffs of our respective Embassies and their associated instrumentalities, Consulates and Consulates General, may continue to function after January 1, 1979 and until February 28, 1979 in order to provide accustomed services, including consular services. I was also able to gain Taiwan's agreement on this point. Again, they sought to use discussion of this issue as a vehicle for pressing their position on Taiwan's legal status. They asked whether the fact that the staffs of the Embassies and other entities would function for an additional two month period did not in fact mean that during that period the ROC would continue to be recognized by the United States. We responded that was not the case and that the respective Embassies would be operating during that period on an unofficial basis.

Third, I was instructed to seek Taiwan's agreement that each side will establish and put into operation by not later than February 28, 1979, a new instrumentality created under its domestic laws which would neither have the character of, nor be considered as, official governmental organizations. I was not able to gain Taiwan's agreement on

this point. As explained above, the Taiwan officials refused to accept the proposition that we should conduct our relations in the future on an unofficial basis. We explained that we would nevertheless be proceeding to establish such an instrumentality and that we saw no legal obstacles to conducting relations through such unofficial means. Repeatedly, I stressed that such instrumentalities would enable our two peoples to maintain the essential elements of our existing relationships.

Fourth, you instructed me to seek Taiwan's agreement that the two sides should meet at a time to be mutually agreed upon to work out the necessary detailed arrangements. I was able to gain Taiwan's agreement to do this. The Taiwan officials did request that the participants in such discussions not be characterized as a "working group," to which I assented. They hoped that such discussions will go on in both Taipei and Washington; I stressed Washington.

III. Points of Information.

As instructed, I set forth for the Taiwan officials our position on several particular matters. First, I informed them that agreements which depend upon or are linked to the Mutual Defense Treaty (MDT) will also end or lose effect with the MDT and that the United States will provide a list of the agreements which we believe fall into this category. While they strenuously objected to our having moved to terminate the MDT, they did not dwell upon the fact that we will also be terminating the agreements which depend upon or are linked to the MDT.

Second, I informed the Taiwan officials that items of military equipment already committed will be delivered on schedule, including spare parts and other follow-on items, such as ammunition. I stated further that we will not make any new commitments until the end of 1979, but will consider at a later time requests for sales in 1980 and subsequent years. The Taiwan officials took great interest in these points and asked that the appropriate military officials in my delegation meet with their military officials to discuss in greater detail the "pipeline" items Taiwan will be receiving. Such an informational meeting was held between the military officials, and it proceeded in a business-like manner. At the same time, however, the Taiwan officials expressed concern about the military threat they believe the PRC poses against them. They took the position that our de-recognition of the ROC creates an entirely new situation that requires the United States, if it is truly interested in Taiwan's welfare, to make large new commitments of weaponry to Taiwan. For example, the Chief of their General Staff argued that Taiwan will have a more pressing need than ever before for an advanced follow-on aircraft, such as the F-16 or F-18. He also asked that the United States bring Taiwan "under the U.S. nuclear umbrella," by giving written assurance that in the event the PRC threatens Taiwan with nuclear weapons, the United States will come to Taiwan's defense.

In addition, he asked for a written arrangement which would serve in lieu of the MDT and assure Taiwan that we would help defend it from attack.

In response, I stressed our intention to continue to make certain defensive weapons available to Taiwan and the lengths to which we had gone in our negotiations with the PRC to preserve that position. On the broader point, I said I did not see the need or possibility of such written assurances under current conditions. (We will undoubtedly be faced with such request or initiatives from the Congress.)

Third, as instructed, I drew attention to the recent statements by Taiwan's Premier Y.S. Sun with regard to plans to develop long-range missiles. I reminded the officials of Taiwan's obligations and assurances with respect to the non-development of nuclear weapons. I was told that Premier Sun's statement concerning the missiles really should have referred to missiles with a "longer-range" than artillery. It was explained that the range of the missiles in question would be 100 kilometers. With respect to the non-development of nuclear weapons, I was assured that Taiwan had no such intention and would fully live up to its obligations in this area and to the public and private assurances we have been given by President Chiang.

Fourth, I informed the Taiwan officials that we would be submitting appropriate legislation confirming the continuing eligibility of the people of Taiwan for such programs and benefits as are accorded generally by domestic United States law to foreign countries and nationals. I said we hoped Taiwan will take similar action to the extent required by its domestic legislation. The Taiwan officials were interested in this point and asked a number of clarifying questions, but their principal response was to press again their argument on the legal status of Taiwan. They were non-committal on whether they will need to enact any legislation of their own.

Fifth, CINCPAC Admiral Weisner and I conveyed the information you requested concerning the disposition of our military forces, facilities, and War Reserve Materiel on Taiwan. In response, the Taiwan officials again stressed great concern for the period after December 31st, 1979, and reiterated their view that some substitute, written arrangement ought to be made in lieu of the MDT.

Sixth, I told the Taiwan officials that we would like to discuss continued leasing of the U.S. Military Assistance Advisory Group compound as the site of the new offices to be maintained by U.S. In Taipei. They implied they would be prepared to discuss this matter with us sympathetically.

Seventh, as for the ROC's real property in the U.S., I noted that in any litigation concerning it, we would certify to the court that we recognize the PRC as the Government of China.

Eighth, because, as pointed out above, the Taiwan officials were unprepared to discuss the establishment of unofficial instrumentalities for conducting our relations in the future, there was no occasion for a detailed discussion of the reciprocal granting on an administrative basis of certain privileges and immunities to the new offices to be established on each other's territory. I did flag the point for future discussion.

IV. Optional Points.

Of the five points you authorized me to make as necessary in the course of my discussions, I did not raise the first three because there was no need to do so.

We did inform the Taiwan officials that during 1979, CINCPAC will be authorized to establish a small, U.S.-manned planning group in Honolulu for Taiwan defense matters and that liaison with the Taiwan military will be maintained through the non-governmental personnel of our unofficial organization in Taiwan. The Taiwan officials were, to a degree, reassured by the former point, although they again expressed concern for what would occur after December 31, 1979. On the latter point, they urged that military to military contacts should be conducted by active duty U.S. officers. We explained that the United States would not be in a position to use active duty officers, but that the individuals who were handling such matters for our unofficial organization would be qualified.

I also made the point that in acknowledging the PRC position that there is but one China and Taiwan is a part of China; the United States had not gone beyond the position it asserted in the Shanghai Communiqué. I found the continuity of our position over the last six years to be a useful point in rebutting the Taiwan officials' argument that the United States should now suddenly take the position that the ROC is the de jure government of Taiwan.

V. Security of Americans on Taiwan.

After the disturbances that occurred on our arrival, President Chiang gave assurances that full provision would be made for the safety of me and my delegation. These assurances were fulfilled, and we were able to conduct our talks and depart Taipei without further incident, although this was accomplished only through the use of very heavy security precautions. Throughout our time in Taipei sporadic demonstrations took place. In addition, there was a recurrent and disturbing implication in some of the remarks made to us by President Chiang and his colleagues that there might be further substantial protests directed at Americans on Taiwan and that the authorities might have difficulty keeping the situation under control. While these are difficult matters to judge, I am concerned about the possible develop-

ments in this area, especially on January 1, when a massive, perhaps 100,000 person demonstration is scheduled to be held one block from the American Embassy. Similar concerns were expressed by our Embassy personnel and private Americans on Taiwan. I will be talking on the telephone today with Cy Vance about steps that might be taken to ameliorate the problem.

VI. Conclusion.

The Taiwan authorities have undergone a major shock and are still seeking to adjust to the new realities. They are deeply concerned about the military threat posed by the PRC in the absence of the MDT and about the status of their property, particularly their financial assets, situated in the United States. In a sense, they are continuing to deny to themselves the fact that we have recognized the PRC and that our decision is irreversible. I believe they may maintain this illusion so long as they perceive any hope, through congressional and public pressure, of forcing us to modify our position. Short of that they may hope to maneuver us into making seemingly minor adjustments in our policy which could damage our relations with the PRC.

Thus I expect the next two months will remain an unsettled period in our relations with the authorities on Taiwan. So long as they are looking for help from Congress, they will probably be reluctant to establish any kind of unofficial instrumentality. However, assuming we suffer no major reverses on the Hill, I would expect that as March 1st approaches, the Taiwan authorities would take a more flexible and forthcoming position with respect to the establishment of an unofficial instrumentality.

As stated above, the meetings in Taiwan provided a good start in this direction, by enabling us to confirm and clarify our basic position and allowing the Taiwan officials an opportunity to vent their emotions.

184. Telegram From the Embassy in the Republic of China to the Department of State¹

Taipei, December 30, 1978, 0702Z

8817. Subject: Possible PRC Claims to Taiwan Property.

1. As Washington knows from septels, Deputy Secretary Christopher told President Chiang Ching-kuo and other government leaders that Mr. Christopher understood their concern over assets in the United States which had been generated by economic activity and promised sympathetic and painstaking study of this issue on his return to Washington.²

2. The official concern here is that the PRC will go into courts all over the U.S. and assert claim to a variety of assets. These would include financial holdings such as bank accounts, and perhaps also a wide variety of other things, such as big ticket items on order, like power generators, and perhaps to such things as CAL aircraft etc.

3. We assume that the ROC has made a real effort to move its more readily transferable holdings out of US jurisdiction, and we have no idea from here of what may be left. However, many assets must be left in place if normal economic relations are to continue and grow.

4. The courts would often likely seek guidance from the State Department on the status of this property, which would be quite vulnerable if our response were simply that we recognize the PRC as the sole legal government of China.

5. Such assets stem from economic efforts of the people of Taiwan and are in quite a different category than the Embassy in Washington or other real property used for public purposes.

6. We suggest for consideration that the Department contemplate a formula along the lines of the following for use in situations of litigation over what are essentially economic assets: "The Department of State considers that assets generated by economic efforts of the people of Taiwan are the property of the people of Taiwan."

7. Such a position would relieve an element of real concern to the leadership here and would be consistent with President Carter's statements that the U.S. intends to maintain economic ties with the people of Taiwan and does not intend the terms of normalization to jeopardize the well being of the people here.

¹ Source: National Archives, RG 59, Central Foreign Policy File, D780539–0670. Secret; Priority; Exdis. Repeated to Hong Kong and Beijing.

² See Document 183.

8. On a separate but related subject, we would like to offer a thought on the position Assistant Secretary Holbrooke took with PRCLO Deputy Han Hsu as set forth in State 325513.³

9. We think Holbrooke skillfully set forth the position that the PRC should be the plaintiff in any legal proceeding to acquire the Embassy and other real property used for public purposes. We recognize that in such a case the USG would naturally have to certify to the court that the USG recognizes the PRC as the sole legal government of China as of January 1, 1979. However, we are troubled that the possibility is still under consideration that the USG itself might consider instituting a legal action as plaintiff. As we see it, such an affirmative USG action would be read here as a symbol of hostility to Taiwan at a time when they are already feeling a great sense of international isolation and when we are seeking to establish a new constructive relationship with them. Furthermore, as we see it, such a step would not be necessary since the PRC itself could readily be the plaintiff and we need not allow them to push us into the forefront.

Unger

³ See Document 182.

185. Telegram From the Department of State to the Liaison Office in China¹

Washington, December 31, 1978, 0720Z

328090. Subject: Presidential Cable to Hua.

Today, after a generation of isolation from each other, the United States of America and the People's Republic of China establish full diplomatic relations between our governments. The cause of world peace will be served by this historic act of reconciliation.

The estrangement of our peoples have sometimes produced misunderstanding, confrontation and enmity. That era is behind us. We can now establish normal patterns of commerce, and scholarly and cultural exchange. Through common effort, we can deepen the new ties of

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790001–0037. Limited Official Use; Flash. Repeated Immediate to Hong Kong and the White House. Based on a text received from the White House and cleared by Thayer.

friendship between our peoples, and we can jointly contribute to the prosperity and stability of Asia and the Pacific region.

Precisely because our two countries have different traditions, cultures, and political and economic systems, we have much to gain from each other. The United States prizes the great variety of opinions and origins among its own citizens. Similarly, the United States desires a world of diversity in which each nation is free to make a distinctive contribution to express the manifold aspirations, cultures, traditions, and beliefs of mankind.

The American people value the enormous contributions the Chinese people have made to the achievements of humanity. And we welcome the growing involvement of the People's Republic of China in world affairs. We consider China as a key force for global peace.

We wish to cooperate closely with the creative Chinese people on the problems that confront all people.

Your Excellency, in our country, the first day of the new year is a time of rededication and resolve. In that spirit, we pledge during the coming years:

—To continue as an enlightened Asian and Pacific power, determined to help maintain peace and stability in the region;

—To enrich the lives of our people, both spiritually and materially, through expanded trade, tourism, and student and cultural exchanges, and cooperation in the sciences, all on a basis of equality and mutual benefit; and

—To extend our hands across the Pacific to you in friendship and peace.

Jimmy Carter.²

Newsom

² Carter's message was released by the White House on January 1, 1979, along with a similar message to Teng. See *Public Papers: Carter, 1979*, pp. 1–2. Messages from Hua and Deng to Carter, both dated January 1, are printed in the Department of State *Bulletin*, February 1979, pp. 16 and 18. Foreign Minister Huang and Vance also exchanged messages; see Department of State *Bulletin*, February 1979, pp. 19 and 20.

January–September 1979

186. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 3, 1979

SUBJECT

A Translation Problem in the Joint Communiqué

You will recall that in the hectic days between December 13 and December 15, we never saw the Chinese translation of the joint normalization communiqué. We worked entirely from the English. We were assured by Leonard that the translation posed no problems.²

I have now learned that the Chinese text departs from the Shanghai Communiqué in the Chinese rendition of the word “acknowledge” in the sentence that states, “The U.S. acknowledges the Chinese position that there is but one China and Taiwan is a part of it.”

In the Shanghai Communiqué, in the similar phrase, “acknowledge” was translated as “jen shih tao.” In the January 1 communiqué, “acknowledge” was rendered “cheng-jen.” We have asked the Liaison Office why it felt comfortable with the change, and we have received the basically satisfactory response at Tab A.³ Nonetheless, we have tampered with the “holy writ” of the Shanghai Communiqué, and more than a few linguists are going to say that “cheng jen” denotes a stronger acceptance of the Chinese position than does “jen shih tao.”

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/18–31/78. Secret; Sensitive; Alpha; Outside the System. Sent for information. At the top of the page, Inderfurth crossed out the word Alpha and wrote below it, “ZB, Shouldn't we now dispense with the Alpha channel for PRC-related memos (except the most sensitive)? Rick.” It appears that below it, Brzezinski scrawled, “Yes.”

² The text of the communiqué is in Document 168.

³ Tab A, backchannel message 241 from Woodcock to Vance and Holbrooke, December 30, 1978, provided background concerning the Chinese translation of the term “acknowledges” in the joint communiqué. Stapleton Roy of the USLO had learned of this translation choice late on December 15 when he read a Chinese-language text of the communiqué that he had received at the end of the meeting that day with Deng Xiaoping (see Document 170). A number of factors led the USLO not to inform Vance and Brzezinski about this issue, including Chinese assurances (supported by several English-Chinese dictionaries used at the USLO) that there was no substantive significance to this translation choice, the secrecy of the negotiations, the imminence of the normalization announcement, and the fact that the text of the communiqué had been negotiated in English. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 12/18–31/78)

Should this line of attack materialize, our response should be three-fold: (1) Both Peking and the U.S. worked from the English text, which uses the same language as the Shanghai Communique; (2) in any case, we have signed no documents, and our view is expressed in the English;⁴ (3) even were we to accept the Chinese language rendition, “cheng jen” is the wording used in other joint communique, such as by the British, and the British also translate “cheng jen” as “acknowledge.”

⁴ Brzezinski drew a line in the left margin highlighting this entire paragraph, underlined “expressed in the English,” and wrote, “Yes. ZB.”

187. Telegram From the Department of State to the Liaison Office in China and the Embassy in the Republic of China¹

Washington, January 4, 1979, 0105Z

1526. For Ambassadors Unger and Woodcock and CG Shoemith. Subject: PRC Claims to ROC Assets. Ref: (A) State 325513, (B) State 989.²

1) At his request, Ambassador Han Xu, accompanied by Counselor Cao Guisheng and interpreter Yang Yuyung, called on Assistant Secretary Holbrooke January 3 to present the PRC response to the U.S. position on PRC claims to ROC property in the United States. Deputy Legal Adviser Lee Marks and Anderson also sat in.

2) Stating that he wanted to continue the discussion of the property of the “Chiang clique” in the United States, Han read the following statement: “After the announcement of the joint communiqué establishing diplomatic relations between the United States and the People’s Republic of China, the Chinese side stated that all official property of the “Chiang clique” belongs to the People’s Republic of China. In accordance with international law, the U.S. Government is obligated to protect the above mentioned property and prevent the “Chiang clique” from transferring or appropriating it and hand it over promptly to the

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840163–2229. Secret; Immediate; Nodis. Drafted by Anderson and approved by Holbrooke, Thayer, and Marks (L). Repeated Immediate to Bangkok and the White House.

² Telegram 325513 to Taipei, December 28, is Document 182. Telegram 989 to Taipei, January 3, is in the National Archives, RG 59, Central Foreign Policy File, P840175–2199.

People's Republic of China for takeover. We have noted that the U.S. side also mentioned that the Government of the PRC is entitled to have title to this property. Obviously, the current transfer of official property of the "Chiang clique" in the U.S. is illegal. This is by no means a matter of an ordinary conflict of private claims of title to real property. It is unjustified that the Chinese side should be asked to seek resolution in the courts. The Chinese Government insists on its position, which it has clearly stated, that the Chinese Government maintains that the U.S. Government has the unshirkable responsibility to protect PRC rights and prevent any infringement or damage to those rights. Moreover, it asks the U.S. Government to take measures to prevent the continued illegal transfer and appropriation by anybody of all assets belonging to the Government of the PRC and guarantee to hand them over to the PRC for takeover. This is in reply to your statement of December 27."³

3) Han stated that, "speaking personally," he wanted to call our attention to the fact that he was speaking of all official property of the "Chiang clique" in the United States, not only in Washington. Holbrooke said that he did not wish to reply to the Chinese statement at present. He would consult with the Secretary, our legal advisers and the Justice Department before responding further. He noted, however, he was concerned that the Chinese position would make resolution of this problem more difficult.

Vance

³ See Document 182.

188. Telegram From the Department of State to All East Asian and Pacific Diplomatic Posts¹

Washington, January 4, 1979, 0148Z

1656. Subject: Presidential Memorandum—Relations with the People on Taiwan.

1. On December 30, 1978 the President signed the following memorandum for all departments and agencies.

“As President of the United States, I have constitutional responsibility for the conduct of the foreign relations of the nation. The United States has announced that on January 1, 1979, it is recognizing the Government of the People’s Republic of China as the sole legal government of China and is terminating diplomatic relations with the Republic of China. The United States has also stated that, in the future, the American people will maintain commercial, cultural and other relations with the people of Taiwan without official government representation and without diplomatic relations. I am issuing this memorandum to facilitate maintaining those relations pending the enactment of legislation on the subject.

I therefore declare and direct that:

(A) Departments and agencies currently having authority to conduct or carry out programs, transactions, or other relations with or relating to Taiwan are directed to conduct and carry out those programs, transactions, and relations beginning January 1, 1979, in accordance with such authority and, as appropriate, through the instrumentality referred to in paragraph D below.

(B) Existing international agreements and arrangements in force between the United States and Taiwan shall continue in force and shall be performed and enforced by departments and agencies beginning January 1, 1979, in accordance with their terms and, as appropriate, through that instrumentality.

(C) In order to effectuate all of the provisions of this memorandum, whenever any law, regulation, or order of the United States refers to a foreign country, nation, state, government, or similar entity, departments and agencies shall construe those terms and apply those laws, regulations, or orders to include Taiwan.

(D) In conducting and carrying out programs, transactions, and other relations with the people on Taiwan, interests of the people of the

¹ Source: Department of State, American Embassy Beijing, 1979 Central Subject Files: Lot 82 F 82, Pol 2 Taiwan. Unclassified; Immediate. Repeated to Embassies in Africa, South and Central America, the Middle East, and Europe and to CINCPAC Honolulu.

United States will be represented as appropriate by an unofficial instrumentality in corporate form, to be identified shortly.

(E) The above directives shall apply to and be carried out by all departments and agencies, except as I may otherwise determine.

I shall submit to the Congress a request for legislation relative to non-governmental relationships between the American people and the people on Taiwan.

This memorandum shall be published in the *Federal Register*.² Jimmy Carter.”

2. Further information will follow septel.

Vance

² The memorandum, dated December 30, 1978, was published in the *Federal Register* on January 2. See *Public Papers: Carter, 1978*, pp. 2302–2303.

189. Minutes of a Policy Review Committee Meeting¹

Washington, January 8, 1979, 10:05–10:45 a.m.

SUBJECT

U.S./China Economic Relations

PARTICIPANTS

State

Secretary Vance
 Richard Holbrooke (Asst Sec/East
 Asia Affairs)
 Scott Hallford (Senior Economic
 Officer)

Treasury

Secretary Blumenthal
 Richard Fisher (Exec Asst to Sec)

JCS

General David Jones
 Lt Gen William Smith

OSD

Stanley Resor (Under Sec for
 Policy)
 Dr. Ellen Frost (Dep Asst Sec for
 Intern'l Econ Affairs)

Agriculture

Secretary Bergland
 Dale Hathaway (Asst Sec)

Commerce

Secretary Kreps
 Frank Weil (Asst Sec for Industry
 & Trade)

Energy

Harry Bergold (Asst Sec for
 International Affairs)

Trade Negotiations

Ambassador Strauss
 John Renner

CIA

Admiral Turner
 John Holdridge

Transportation

Dep Sec Alan Putschman

OSTP

Dr. Frank Press

Export-Import Bank

Director John Moore
 David Denoon

NSC

Ambassador Owen
 Michel Oksenberg
 Tim Deal
 Madeleine Albright

Subcommittee Chairmen to Present Reports

Herb Hansell (Dept of State)
 Julius Katz (Dept of State)
 J. Atwood (Dept of State)
 Douglas Bennett (Dept of State)

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 72, PRC 086, 1/8/79, U.S.–China Economic Relations. Confidential. The meeting took place in the Conference Room of the Old Executive Office Building. The minutes refer to this meeting as a Special Coordination Committee meeting rather than a PRC meeting, whereas the Summary of Conclusions (see Document 190) calls it a PRC meeting. It is in fact most accurately termed a PRC meeting since it was chaired by a Department head (Blumenthal) rather than Brzezinski, and because it dealt with foreign policy and international economic issues. On the distinction between PRC and SCC meetings, see Brzezinski, *Power and Principle*, pp. 59–60, and Vance, *Hard Choices*, pp. 36–37.

MINUTES OF MEETING

Secretary Blumenthal: The purpose of this meeting is to coordinate the development of our economic relations with the PRC. In particular, we must develop recommendations to the President on the economic aspects of Vice Premier Teng's visit to the U.S. and on my visit to the PRC in February. Those discussions will lay the basis for our economic relations with the PRC, and more specifically will set the context for such visits as that by Juanita Kreps later.

The key items which need to be covered are:

—*Claims/Assets*: Nothing can go forward in the trade realm in terms of government agreements until we begin to move to a solution on the claims/assets issue.

—*Most Favored Nation (MFN) Status and Credits*: We particularly must decide how MFN and government-provided credits should fit in with our overall policies in these areas toward other countries and how MFN and credits should accompany our search for a trade agreement.

—*Future Work*: We must also assess what additional issues need to be handled in the future.

There are a couple of other matters—civil aviation and shipping. But I do not believe we need to spend time on these issues here. We have prepared for this meeting a paper on civil aviation with the PRC, and Dick Cooper at State can work toward negotiating a civil aviation agreement.² We all agree, I believe, that we should attempt to negotiate a bilateral agreement, and I think that we should simply go forward on that.

As to the ocean transport, I gather that that is a lesser item, and we could go forward on that in a normal manner.

Secretary Kreps: There may be some reason to move forward on an ocean transport agreement more rapidly than that implies.

Secretary Blumenthal: But I think you would agree with me it is not a priority issue.

Claims and Assets

Secretary Blumenthal: The first key issue is claims/assets. Do we all agree that this is a priority item? Should the President indicate to the Vice Premier that it is a priority item for us? One sequence would be for the President to so indicate to Teng, and I could then move it forward in Peking, with the details to be negotiated soon after my visit.

There are a couple questions, however. Should we deal with the private claims, or with the government and private claims together? I

² The papers on civil aviation and shipping were not found.

gather that there are three government claims—post office, ExIm Bank, and seized governmental property.

Secretary Vance: I think we should deal with the government as well as the private claims. As far as Congress is concerned, it may be more important to deal with the government claims than the private claims. We certainly will wish to consult with the Congress on the government claims, and perhaps we could reach an agreement on the Hill that we wash out certain government claims, such as lend lease.

Herbert Hansell: ExIm Bank claims may also be of a different status.

Secretary Vance: There are two groups to talk to about claims/assets before the Teng visit—Congress, and at the Han Hsu level, with the PRCLO.

Secretary Blumenthal: Yes.

Secretary Vance: This is a very complicated issue, and my guess is that we will have to pick C or D from the Options Paper prepared for this meeting. (Both Options C and D included a Chinese contribution to the sum to be distributed to the claimants.)³

Secretary Blumenthal: My brief talk with the Chinese Ambassador here suggested that the Chinese preference is to balance the blocked assets against the claims. To get them to pay will be strange for them.

Secretary Vance: I suspect there will be no way to get this through the Congress, however, without the Chinese making a contribution.

Secretary Blumenthal: Alright. This is a matter that you and I can talk about and we will consult on the Hill.

Textile Negotiations

Secretary Blumenthal: Bob, where does the textile business stand?

Ambassador Strauss: Michael Smith and John Renner have had preliminary discussions, and we have agreed with the Chinese to have serious talks at an appropriate time. These talks are scheduled to begin on January 22.

Secretary Vance: My opinion is that it is reasonable to request the Chinese to exercise restraint in select categories, but we should not seek an across-the-board agreement with them at this point. They would not understand that. They would say that they are not involved across-

³ The options paper presented four alternatives for settling the Sino-American dispute over claims and assets: option A, mutual assignment of claims and assets; option B, a lump-sum payment; option C, a guarantee of a fixed sum payable out of assigned assets plus cash payment by PRC; option D, assignment of assets supplemented by a fixed payment. (Memorandum from the Claims/Assets Subcommittee to the Policy Review Committee, stamped January 5; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 1/1–9/79)

the-board. We should be selective, and focus on the key areas where their exports to the U.S. are having a demonstrable impact.

Ambassador Strauss: I agree. That is the approach we will take.

MFN and Credits

Secretary Blumenthal: There are two principal issues here—do we deal with this issue as it affects the PRC alone or do we bring the Soviet case into play as well; and second, do we employ the waiver option under Jackson–Vanik, or do we seek additional legislation?⁴

Secretary Vance: The issue of MFN and export credits is essential to the kind of relationship we seek with China. But to extend MFN and to extend export credits and not to do so for the Soviet Union would involve us in a “China tilt,” a development which would have the utmost gravity for the conduct of U.S. foreign policy.

I believe that we cannot repeal Jackson–Vanik, but we could have legislation lifting the assurances on immigration that are called for under Jackson–Vanik. That is the direction in which I lean.

Secretary Kreps: Business is eager to expand trade with the PRC, but the businessmen with whom I have talked hope that we do not treat the two differently. Businessmen wish us to retain a policy of evenhandedness.

Ambassador Strauss: The issue here is one of timing. When do we seek an adjustment to Jackson–Vanik?

Secretary Vance: As far as consultations on the Hill are concerned, the sooner the better.

Ambassador Strauss: If you look at immigration numbers in the last few months, with the increased exit of Jews from the Soviet Union, the American Jewish community might be willing to see an alteration in our trade policy toward the Soviet Union. Perhaps an approach should be made to Senator Jackson that his effort has gotten results and adjustments are therefore due in the way we approach the Soviets. In

⁴ The Jackson–Vanik amendment to the 1974 Trade Act denies most-favored-nation trade status and trade credits to certain countries with non-market economies that restrict emigration. Katz chaired an interagency meeting on January 3 to discuss “the Jackson–Vanik amendment problem” in anticipation of the January 8 PRC meeting. Renner reported that at the meeting, “It was agreed that there are three basic options: A. Seek a waiver under Jackson–Vanik; B. Go for legislation to modify the Jackson–Vanik requirements; C. Combine the two.” “State, Treasury, and Agriculture leaned toward option 2 on the grounds that this course of action would be the least likely to annoy the Soviets. I presented arguments for the waiver route and was supported to some extent by Commerce. I feared that seeking legislative changes would take a long time, and probably would get involved in the debate on SALT II (another Jackson issue).” (Memorandum from Renner to Strauss and Wolff; National Archives, RG 364, 364–80–4, STR Subject Files, Box 2, China [The Country—Not the Tableware])

any case, this is a complex matter and will involve a long legislative process.

Secretary Blumenthal: Yes. And we must be very careful in our seeking either an amendment or additional legislation that would refine Jackson–Vanik.

Secretary Vance: We must consult soon, or the issue will be taken from our hands. AuCoin is prepared to submit legislation granting credit to the PRC and not the Soviet Union. We may see many initiatives of that sort.

David Aaron: But we have to consider how SALT, MTN, and this are related. What is our timing on each of the three?

Secretary Vance: We should at least begin discussions on MFN and credit for the PRC and the Soviet Union, and we must begin discussions with Scoop as soon as he gets back.⁵

Secretary Blumenthal: There is no way that we can establish a regular economic relationship with the PRC without MFN and without ExIm Bank financing. But this does not mean that these two issues must be solved immediately.

Ambassador Strauss: On the Administration side, we should keep the number of people involved in consultations on the Hill limited. Let us not work at cross purposes. I would suggest that Blumenthal, Vance, and Frank Moore bear the responsibility here.

Secretary Blumenthal: Yes. Let us do it that way.

Ambassador Owen: What time frame are we talking about? In the light of MTN, September may be the earliest that we could address this legislation on the Hill.

Secretary Vance: Yes. It may take that long. But that is alright. We need a trade agreement with the PRC in order to extend MFN, and that in itself is going to take awhile to negotiate.

Secretary Blumenthal: We would consult with the same people on the Hill on claims/assets, particularly the Senate Finance Committee and the House Ways and Means Committee.

Ambassador Owen: Are you sure we can wait until September?

Secretary Blumenthal: Yes, in terms of seeking passage of legislation. But the consultations must begin way before that, so that we know what to talk to the Chinese about. We have to make progress on two fronts simultaneously—working toward a trade agreement with the PRC and working toward a satisfactory way of extending MFN and credit to the PRC on the Hill.

⁵ Scoop was the nickname of Senator Henry M. Jackson.

Mr. Holbrooke: There are two other prior issues as far as China is concerned on the Hill—confirming an Ambassador to Peking and securing our Taiwan omnibus legislation.⁶

Mr. Bennett: These issues are really inseparable. The Ambassador will be asked, during his hearings, what we intend for China with respect to MFN.

Secretary Blumenthal: If we consider these items together, there is some advantage, however. It pays to keep before Congress' mind as it considers the normalization process that trade will be an important benefit to blow from it. We need to be coordinated in order to move the process forward.

Joint Economic Committee with the PRC

Secretary Blumenthal: Let me raise one other issue. Is it appropriate to begin to think about establishing a joint committee on economic relations with the Chinese now? Or should we wait awhile until we address the prior problems? It may be premature to establish such a committee, since we do not know yet what structure is needed to facilitate a commercial relationship with the PRC.

Secretary Vance: I agree. This is not an issue we need decide now.

Secretary Kreps: I would hope to raise it on my trip.

Secretary Blumenthal: My only point is that we need not confront the issue at this point.

ExIm Bank

Mr. Moore: I would like to note that the ExIm Bank has no budget for credit for China or the Soviet Union. The credit terms which the Chinese are seeking would require government credit. We should encourage the PRC to use private banking credit as much as possible.

Secretary Blumenthal: If it comes to that, we may need supplementary legislation.

Ambassador Owen: Is your problem budgetary?

Mr. Moore: Yes. We just do not have the money for extending credit to the PRC or the Soviet Union. All our funds are now committed. How much do we think the Chinese will wish in government credit?

Mr. Weil: One guess is \$10 billion through 1985, and we could expect the same for the Soviet Union.

⁶ See Document 213.

Public Education

Secretary Blumenthal: A final issue concerns selling our China policy publicly.

Mr. Holbrooke: A major meeting for businessmen will be held on January 15, and we expect considerable media attention on that day. In addition, a lot of material has been developed and is available at State or the White House with Anne Wexler.

Business Invitation

Secretary Kreps: The business community is talking a lot about the need for business visitation and China, and this is certainly something toward which we should work. In addition, there are many complaints about licensing problems, and here we should encourage the Chinese to cooperate with our end-use and visitation requirements.

Joint Statement

Secretary Kreps: Are we looking to a joint statement to be issued by the President and the Vice Premier during his visit? Perhaps it could include some of these subjects we have discussed.

Secretary Vance: Yes, we would wish to have a joint statement.

Tasking

Secretary Blumenthal: Let me summarize the results of the meeting:

—Cy and I will talk further about claims/assets.

—Cy, Frank Moore, and I will begin consultations on the Hill concerning claims/assets, ExIm Bank, and MFN.

—State will prepare a paper for the President on the claims/assets issue and on the credits issue.

—State will prepare a paper on negotiating a civil aviation agreement.

—These papers should be geared toward the Teng visit, which contained talking points for the President's meeting with Teng.

190. Summary of Conclusions of a Policy Review Committee Meeting¹

Washington, January 8, 1979, 10:05–10:45 a.m.

[Omitted here is the list of attendees of the meeting, which is printed with the meeting minutes, see Document 189. There is one discrepancy between the two lists: the minutes do not list Aaron as a participant, whereas the list accompanying this Summary of Conclusions does.]

SUMMARY OF CONCLUSIONS

Secretary Blumenthal chaired this meeting today to access the issues in developing an expanded economic relationship with the PRC:

—*Settlement of Claims/Asset Issue.* The President will be encouraged to broach this subject with Teng Hsio-p'ing, and Secretary Blumenthal will push the issue further during his trip to China. Secretary Blumenthal and Secretary Vance will initiate consultations on the Hill in order to assess Congressional sentiment as to an equitable solution to a thorny issue. It is likely that some Chinese contribution will be necessary in order to have a package that will sell on the Hill.

—*MFN and Government Credit for the PRC.* The meeting identified this as one of the major emerging issues in our China relationship. Secretaries Vance, Kreps, and Blumenthal all feel it would be unwise for the Administration to either seek a waiver of Jackson–Vanik or to seek Congressional legislation that would place China in a favored position as far as MFN and credit is concerned. However, in the light of SALT and MTN, it is not clear that the Hill would be receptive to modification of Jackson–Vanik for both the Soviet Union and China. We face a conundrum: the Chinese are unlikely to enter into a trade agreement with us, as they have with Japan and Western European countries, without MFN and credit; the Administration is unlikely to extend MFN and credit without being able to do so toward the Soviet Union as well; yet the Hill may be more willing to extend MFN and credit unilaterally to China. We will begin consultations on the Hill on this issue immediately, in the first instance with Secretaries Vance and Blumenthal consulting the pertinent Committee Chairman. We want to retain control over this issue, and not lose initiative to those on the Hill who would be willing to see our trade policy adopt a “China tilt.”

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 45, Meetings: 1/1–9/79. Confidential. A January 10 covering memorandum from Dodson to Aaron is *ibid.* For the minutes of the meeting, see Document 189.

The PRC meeting touched more briefly on the desirability of reaching a civil aviation agreement, on Commerce developing business facilities in the PRC, on Ambassador Strauss' initial discussions with the Chinese on January 22 on PRC textile exports to the U.S., and on the lack of ExIm funding for China trade, should the possibility open up.

State will coordinate with the other pertinent agencies to develop talking points on all of these issues for the President's meeting with Vice Premier Teng.

191. Telegram From the Liaison Office in China to the Department of State¹

Beijing, January 11, 1979, 0623Z

162. Subj: Codel Nunn Meeting With Deng Xiaoping.

The following is a transcript of the discussion between Vice Premier Deng Xiaoping (Teng Hsiao-ping) and Codel Nunn January 9, 1979:

Begin text.

Senator Nunn: It is a great honor to meet with you. As the first American Congressional delegation to visit China after normalization, we are in somewhat of a unique position. I previously had the opportunity to meet you in 1975 when I visited China with Senator Byrd. I was highly impressed then and I am especially honored to again have the opportunity to meet with you this time.

Vice Premier Deng: I have heard that three of the four of you have been here before.

Nunn: Yes, Senator Hart and I are gathering information for a study of United States force structure in the Asian and Pacific region. We will, on our return, report to the Armed Services Committee on our findings in China, the Philippines, South Korea and Japan. Senator Glenn is the Chairman of the Foreign Relations Subcommittee on Asian Affairs. He is, of course, a former astronaut and has a substantial military background. Senator Cohen has served for six years in the House of Representatives and now is joining the Senate. He will probably

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790062–0156. Confidential; Immediate Limdis. Repeated Immediate to Hong Kong and Tokyo and to Seoul, Taipei, and CINCPAC for POLAD.

serve on the [Armed] Services Committee or the Foreign Relations Committee.

Deng: (Jokes about Senator Glenn having come from “celestial regions”). I welcome the opportunity to exchange views with your delegation, particularly, since you were the first US delegation to come after the opening of diplomatic relations.

Nunn: We have many questions and our time is insufficient. With regard to the confidentiality of our discussion, naturally the news media are intensely curious about everything you say. We will, of course, respect anything that you want kept confidential.

Deng: My hope is that you will not quote directly what I say. We might thus have a freer discussion.

Nunn: We can pass on our impressions without attribution?

Deng: That is right.

Nunn: One of our areas of concern is the situation in Korea. Our two countries have made great progress in normalizing our relations. It would be tragic if an outbreak in Korea were to take place. I know that you too are concerned. Our Intelligence Community has told us that there are more powerful forces in the North than we had previously thought. If the United States were to talk to South Korea and China to North Korea, our cooperation could reduce tension and perhaps bring about direct talks between the two.

Deng: In the past other US friends have brought up this question. During my trip to Japan, Japanese leaders posed the same question to me. In posing such questions, people expressed apprehension of possible military activities on the part of North Korea. The Japanese were apprehensive and spoke to me of a very tense situation in Korea. On that occasion we were told by Japanese leaders that Japan had the same impression of the existence of tensions in Korea. There is no question of the DPRK waging an offensive. We said then that we are aware of the following facts. We [have] faith in what Kim Il Song has said about peaceful reunification and we have rendered our consistent support to that policy.

I say to our American and Japanese friends what deserves attention is that peaceful and independent reunification as spoken of in North Korean policy means reunification in a peaceful manner. We understand that thoroughly. In my view, there is some information that is not correct in this regard. We are on good terms with the DPRK and we understand their situation. You should understand the following facts. In the past President Kim Il Song and North Korea sought to hold direct talks with the South Korean authorities. Later on the South Korean authorities suspended those talks. We are also aware of the fact that Kim wants very much to resume talks with Korea. While we desire that ne-

gotiations resume, we also express the hope that since South Korea suspended the talks once before, North Korea hopes that the government in South Korea represented by Park and the democratic parties in South Korea will initiate discussions. I wonder if the United States will help bring about direct talks. There is no question that North Korea desires their resumption.

Nunn: We would welcome such a development. But the inclusion of opponents of the present government in South Korea seems unrealistic and seems to be tantamount to the North saying that they don't want direct discussions. I do believe that China and North Korea, the United States and South Korea have a considerable area to work in. Violence in this region would be a blow to both of our interests. Our relationship should not be subject to such risks.

Deng: I would like to repeat my point. We don't feel such tension in the situation. As far as China is concerned, years ago the United States made such a proposal. China has no direct responsibility in this area. The United States has; the United States has troops there. The U.S. should enter into a direct dialogue. Through a direct dialogue the two sides can get a deeper knowledge of each other.

Anyway we hope that this matter should not involve the four parties. We have no troubles in Korea. When I was in Japan, the Japanese suggested that China should work with North Korea and Japan with South Korea.

We said this was unrealistic. We said to the Japanese leaders in explicit terms that China and North Korea have a good relationship because we do not interfere in North Korean affairs. What we can do is to convey the North Korean position to you. I hope you will convey North Korean ideas to the South Korean authorities. We think this approach has merit.

Nunn: We hope the two sides can talk directly. China has much influence in the area. In any case, we hope that both sides can peacefully resolve the problem.

Deng: I say to you from deep in my heart that overt interference in a nation's affairs can only achieve the opposite of what is intended. China and North Korea enjoy good relations because we fully respect them and do not interfere in their affairs. I can tell you something which has not been publicized: the reason North Korean and Soviet relations are bad is because the Soviets interfered in North Korean affairs. The Soviet Union has tried to use its aid to North Korea to assert influence and control and that is why relations are bad. Another point: our position would be better if US troops disengaged from South Korea. When I was in Japan, Japanese leaders asked me if in so doing, US strength in East Asia and the Pacific would be weakened. I said to them that to move US troops several hundred kilometers would not weaken

strength in the region. Others questioned whether the withdrawal would lead to a North Korean offensive. I say that the military strength of South Korea is no lower than that of North Korea.

Senator Glenn: I would like to congratulate you on the initiative taken to restore relations between our countries. I would like to explore a different area. Foreign governments often do not understand the importance of the Congressional input into our conduct of foreign relations. As we move into agreements to make normalization work on such matters as claims and assets, loans, our future financial relations, all of these must be approved by Congress. Difficulties in this area could upset and ruin the new relationship between the two countries. Congress is sensitive to the mood of the people. We have millions of people who are still concerned about the security in Taiwan. I have followed closely the statements that the Vice Premier has made and have been gratified and happy to hear what he has had to say about the use of peaceful means. If we are to realize the good things that should flow from normalization then the people of the United States must get behind the normalization process. When Vice Premier Teng visits the United States the American people will be more impressed than anything else by statements on peaceful reunification. This will do more to get public opinion behind most favored nation status, a claims and assets settlement, and financial arrangements that will be most beneficial to the two countries.

Deng: Our position on this question is clear-cut. Ambassador Woodcock, I think, is most well informed about our position. We have covered this question with many US delegations. As far as China is concerned, of course, we hope to use and are pursuing a process of peaceful reunification and a return to the Motherland of Taiwan. However, we have always adhered to the point that how this reunification is accomplished is an internal Chinese question. The reason we cannot unilaterally say that we are not going to use force to settle the question of Taiwan is because if we should undertake such a commitment then the question could not be settled in a peaceful manner, because such a commitment would be equivalent to binding Chinese hands. I told the American correspondents that we can't tie our own hands. The reason is that if we do, then Taiwan authorities led by Chiang Ching-kuo would become reckless and such action would lead to the consequence that Taiwan would enter into no talks at all. What will the consequence be if we say we will not use force and one or two years go by without talks, and that is all right, but after ten years? What happens? If China just has one hand this will lead to a settlement by armed force.

Let all of us analyze the problem in perspective. There are only two circumstances where force would be used. The first circumstance, if in taking advantage of certain circumstances in the world, Taiwan abso-

lutely refuses to enter into talks with us. That is, we have adopted a realistic approach towards the question of Taiwan after reunification. This realistic approach includes the ability of Taiwan to maintain a people-to-people relationship with Japan and the United States. There would be no change in social conditions. The people's living standard would improve. If we permit all this and the Taiwan authorities still do not want to talk, what is to be done? The second circumstance would be as follows: During the course of negotiations some people pointed out the possibility of the Soviets getting into Taiwan after normalization. Our US friends on several delegations posed the same question. We see no such threat. Chiang would find it very difficult to contemplate good relations with the Soviet Union.

While on that subject, besides the purely Chinese aspect, the US would still have people-to-people contacts and would still have a large economic relationship. Japan would also suffer if Chiang Ching-kuo were to embark on such a course. And then, I counter the question to many US friends, suppose the Soviet Union were to occupy Taiwan. Then I assume the US would not oppose China using force. That is why we cannot bind our hands. You must have noticed our message to our friends on Taiwan.² The tone of our message is always reasonable. I hope I have explained my views clearly.

Nunn: I commend the way you have handled this question. I think you have impressed the American people of your peaceful intentions. After reunification could it be possible for Taiwan to maintain security forces?

Teng: There will be no difficulty. There will be no change in the social society or in the way of life, and the Taiwan authorities will possess the same power they possess now. The only thing they have to do is drop the ROC flag. Taiwan is part of Chinese territory. We extend a welcome to them to enjoy full autonomy. Afterwards, with the development of the Chinese economy and the increase of contacts between the two sides (there will be a closer relationship).

Nunn: Then we are to understand that question of security forces could be worked out over time. The Taiwan authorities could maintain security forces over a period of time without being disarmed?

Deng: No, there is no need.

Nunn: That should be a help in initiating meaningful discussions.

Deng: Even if we adopt such a posture it will not be so easy. In my view the US side can help. We think our demands are rational.

² China issued a statement aimed at the people of Taiwan on December 31. ("China Urges Taiwan To Initiate Trading With the Mainland," *The New York Times*, January 1, 1979, p. 1)

Chairman Mao and Zhou Enlai (Chou En-lai) had the same concept that we have just mentioned.

Tibet is a case in point. Before the Dalai Lama betrayed us, we said we would not carry out revisions in Tibet. That meant that the Dalai Lama could maintain the slave system. We did not institute democratic reforms for ten years. It was not carried out until the Dalai Lama left. If he wants to come back now he is welcome.

Another example: You know about the question of Hong Kong and Macao. China always considers such questions from an overall political perspective. The reason why we say we need two hands is that we approach the question from an overall political perspective. Chiang Ching-kuo is now saying that the way China plans to go about the question of a united front in the long run is infeasible. But in his heart he knows the fact of our policy.

Glenn: Taiwan is not quite the same as Tibet and the other examples. While the Vice Premier has shown admirable patience in the intentions to make changes over a long period, there is a considerable difference between the free enterprise system and the communist system.

Deng: It is a problem for the future. It is a natural process with long-term consequences. If the people decided for a certain system, then that system should be used. If more than ten million people think so, then the existing system should continue even for one century.

Glenn: We want the new relationship to work well. The announcement was a considerable surprise to us. I want to do my best to make it work. Anything the Vice Premier can do to dampen fears will certainly make arrangements easier.

Nunn: What the Vice Premier has already expressed today will do much to allay those fears.

Deng: It is not merely our idea today, but it has always been so.

Senator Hart: During my visit with Senator Cranston you spoke a great deal of the Soviet threat to Southeast Asia and to China. We are aware that among your duties you are responsible for Chinese security. Do you think the Soviet Navy is a greater threat now to China and other nations in the area?

Deng: I remember on that occasion I said that Soviet forces in East Asia were not only directed at China but primarily at the Seventh Fleet. Of course their troops are also directed toward China and Japan. Now particularly with regard to the buildup of air and naval force in the Far East, the Soviets have no need to control China. I said before specifically that China does not fear Soviet troops. The focus of the Soviet threat is in Europe, including the Middle East, the Mediterranean and even Iran and Africa. The focus is in the West. We have no reason to

change our point of view. However, new developments merit our attention. The Soviet Union has built up its forces in East Asia and the Pacific. The development which spurred the strength of forces in the Soviet area was the achievement of success in Afghanistan and Vietnam. Vietnam as used by the Soviet Union has played a great role. So has Cuba in the Middle East and Africa. So people say that the Pacific Ocean is even less pacific than before.

As far as China is concerned, frankly, we are not afraid. If the Soviet Union were to attack us, a million troops would not be enough. The Sino-Soviet boundary is seven thousand kilometers long. The Soviets could engage us in small actions, but for massive attack a million soldiers would not be enough. Even if the Soviet Union would attack, they would have to think about the reaction from Japan, the US and Europe.

Just with regard to China, they could occupy Peking but it would only be the start of the war. With regards to developments in Southeast Asia and the attack on Kampuchea by Vietnam, we are not only thinking about the relationship between China and Russia but globally. ASEAN is now exposed at the front. The US and Japan should look on this from a global perspective.

Hart: Does China oppose an increase in ASEAN security arrangements? Does China oppose an increase in US naval forces in the area?

Deng: Very good (presumably meaning he favored an increase in both).

Senator Cohen: I am young and not so skillful in diplomacy as the other Senators. Many people in the United States are skeptical about the way the new relationship has been established. I personally objected to the way the relationship was established because I thought our obligation to our allies had been brought into question. Other countries might wonder about the solidity of the US commitment. This does not build US prestige but damages it. I said skeptical, but it is a healthy skepticism which may diminish if words of peace are matched with deeds of peace. I would point out that I am a member of the same party as Senator Goldwater. In a recent statement your intention to bring democracy into full play has been mentioned. We have followed with interest the poster campaign on Democracy Wall. How will you bring democracy into full play?

Deng: To bring democracy into full use will go on from generation to generation.

Cohen: Without restriction?

Deng: Without restriction.

Cohen: I am not going to discuss human rights because we may have quite different views. In the next session of Congress, however, many will want to discuss the China human rights question.

Deng: I don't want to debate the human rights question because the debate would be acrimonious. I have my own interpretation. I would not like to talk about this question now.

Cohen: In the future it might come up.

Deng: I have made it clear that in the US I am not going to discuss this question. Discussion is not helpful. I have a lot to say about the human rights situation in the United States that I would not like to express openly. I want to talk about developing our bilateral relations.

Cohen: With regard to Kampuchea, does China expect to continue supplying aid to Kampuchea and how?

Deng: There are ample ways. We will continue to render assistance as long as it is in our capability. We have always assisted the Government of Kampuchea headed by Pol Pot. We have always opposed Vietnamese aggression. We have also noticed that the United States has a position against foreign aggression. The loss of Phnom Penh and other important places does not mean the end of the war. We have our own experience. During the Anti-Japanese War we just held a few county seats; we once even lost Yen-an. We know the situation well. The loss of cities did not mean the end of the war.

Hart: I wonder if in the achievement of your Four Modernizations, the modernization of national defense is equally important as the others in terms of the resources that China will use.

Deng: Among the Four Modernizations the most important are industry, agriculture and science and technology. Without the first three the modernization of national defense has no base to stand on. In national defense we also are introducing sophisticated foreign material into China but our funds are going mostly to industry, agriculture and science and technology.

Hart: Will there be an increase in allocation of funds to the Chinese nuclear capability?

Deng: As far as nuclear weapons go, we try to have just what you have. You are continuing your race with the Soviet Union.

Hart: It costs a lot.

Deng: We can't afford it.

Hart: I was interested if there had been any change in your viewpoints concerning SALT and disarmament.

Deng: No. There has been no change. Our policy is always the same. Just as always. The Russians will not be restricted by any agreement. We do not blow our own trumpet but perhaps the establishment of Sino-American relations is a good way to contain the Soviet Union. A closer partnership between Europe and the United States is always a good way to contain the Soviet Union as is a strengthened relationship

with Japan. As was said when Dr. Kissinger and President Ford met with Chairman Mao, “let’s all get together to fight the bastards.”³

Glenn: Your statements with regard to raising the flag and the recognition on the part of China of full autonomy for Taiwan are most important. Am I clear in understanding that Vice Premier Deng said full autonomy which might last for a century.

Deng: Not raise, take down (i.e., take down the ROC flag). There is not a question of raising the flag. There is a question of eliminating Taiwan as a [garble—country?] making it a regional government of China. This local government will be different from others in China; it will enjoy more self-government.

Nunn: We have enjoyed your hospitality and are looking forward to reciprocating in the United States. The American people and the United States Congress are looking forward to your visit in the United States.

Deng: I am delighted to have the opportunity to go.

Glenn: Can we make public your statement on Taiwan?

Deng: You can say that the social system on Taiwan will be decided by the people of Taiwan. Changes might take a hundred years or a thousand years. By which I mean a long time. We will not change the society by forceful means.

End text.

Roy

³ Although Ford and Kissinger met with Mao on December 2, 1975, there is no statement in the memorandum of conversation corresponding to Deng’s recollection. See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 134. Deng is perhaps referring to Mao’s meeting with Kissinger the evening of February 17–18, 1973, during which the Chairman said, “So long as the objectives are the same, we would not harm you nor would you harm us. And we can work together to commonly deal with a bastard. (Laughter)” See *Foreign Relations, 1969–1976*, vol. XVIII, China, 1973–1976, Document 12.

192. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 15, 1979

SUBJECT

Chinese Desire to Have Vice Premier Fang Yi Visit Douglas and Lockheed

Vice Premier Teng Hsiao-p'ing will be accompanied by Vice Premier Fang Yi. Fang, a Politburo member, is in charge of China's science and technology. He served as Frank Press's counterpart and host during Frank's June visit to Peking.²

Fang Yi wishes to travel separately from Teng Hsiao-p'ing from noon Saturday, February 3, to Sunday evening, February 4. During this time, Teng will be in Seattle.

Fang Yi has requested to go to the Los Angeles area during this time to visit Douglas and Lockheed. The Chinese are negotiating to purchase civilian aircraft and equipment from both companies, particularly the Lockheed Tristar and the DC-10.

There are legitimate reasons to grant this request:

- The Chinese are genuinely interested in these companies.
- It takes a portion of the Chinese party to California, which has political advantage.
- It would enable Fang Yi to visit Disneyland.

On the other hand, when taken in conjunction with Teng's Seattle visit to Boeing, it would mean that on their last day here, the Chinese will visit Boeing, Douglas, and Lockheed.

By the way, we have suggested to the Chinese that Teng visit Disneyworld (rather than Disneyland, for security reasons).³ The Chinese have replied that Teng will only be able to visit three cities. Teng will,

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: Cables and Memos, 12/15/78–1/24/79. Confidential. A handwritten "C" at the top of the page indicates that Carter saw the memorandum. A January 13 covering memorandum from Oksenberg to Brzezinski states, "I have made the recommendation coincide with your preference, though I personally am not inclined in the same direction. I think to permit an aircraft blitz on the last day stimulates more Chinese hope than we now intend to fulfill." (Ibid.)

² See footnote 2, Document 137.

³ Brzezinski had earlier sent Carter an undated memorandum that contained a schedule for Deng's trip. Carter neither approved nor disapproved the schedule, but wrote, "Zbig—I personally recommend to Deng that he visit Disneyworld for him & U.S. opinion. So far this [is] a dry & stale sequence of events. Work this in. J." (Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: Cables and Memos, 12/15/78–1/24/79)

however, go to a rodeo in Houston and, at your suggestion, will visit the Air and Space Museum here. These visits will add the light touch that is needed for his trip.

Recommendation:

On balance, I believe Fang Yi should be permitted to go to Los Angeles, and that we should inform the Chinese accordingly. To make sure his activities have a light touch, we should take him to Disneyland also.⁴

⁴ Carter checked the Approve option and initialed "J."

193. Memorandum From Fritz Ermarth of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 17, 1979

SUBJECT

Sino-Soviet Relations

On 16 January, the East-West Planning Group met to discuss Indochina, possibilities for a Sino-Soviet confrontation, and implications for East-West relations. Attending were Ermarth, Bartholomew, Odom, Hunter (NSC), Shulman, Berry (State), Bowie, Horelick (CIA). A groping, discordant discussion yielded several points of consensus:

—To avoid the "paper tiger syndrome", the pressure on China to take stern action against Hanoi is considerable.² The timing would probably be sometime after Deng's visit.³

—Nevertheless, while mobilizing resources for a military move against Vietnam, the Chinese are probably still pondering what to do

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Presidential Advisory Board, Box 74, Far East: Box 2. Secret; Sensitive; Outside the System. Sent for information. The first page is stamped, "ZB has seen."

² Following increasingly vicious border skirmishes, Vietnam invaded Cambodia in December 1978 and captured Phnom Penh in January 1979. During this fighting, the Soviet Union supported Vietnam and China supported Cambodia.

³ Brzezinski underlined the word "after."

and the odds are that they will look for a way to sustain a Cambodian insurgency, to keep the Vietnamese very nervous about their border, and to exploit the broad antipathy to Soviet-Vietnamese moves revealed in the UN, rather than take more dramatic military action.

—The group appeared to agree that China would suffer a drubbing at almost any level of direct military clash with the Soviets, that China shares this view of the military realities, and that this is a major deterrent to a Chinese riposte against Hanoi.

—Because of the likely adverse consequences for China, not to mention for East-West relations, it is in the US interest that an *escalating* Sino-Soviet confrontation over Indochina be avoided.

The non-operational nature of this group made it impossible to develop a focused discussion on two questions I had hoped to illuminate: 1) Though improbable (and that we'll see), what would be the scope and consequences of a major military escalation? 2) At what point would escalating conflict face the US with the choice of a clearer alignment with China or recognition that the US could not really do much for Chinese security?

In my own opinion, a Sino-Soviet confrontation could go far, fast. Once the Soviets determined that the Chinese were not to be intimidated by minor skirmishes, Soviet military and political leaders alike would commit to quick, decisive operations aimed at carving off buffer regions or cracking the morale of the Beijing regime or both. They would be horrified by the prospect of a protracted struggle that would, while bleeding them white, earn them greater enmity, but not fear, from the Chinese, and also from the West. At this point, the US and its allies would have very little leverage on events. Should such a scenario occur, it would be faintly comforting to assume that a universally galvanizing effect on the West would result. One probably cannot make that assumption. A quick successful Soviet offensive against China for important but limited goals might have the contrary effect on some.

These forbidding prospects should not obscure alternative courses of events that may be more likely and more congenial. Although smarting from their defeat in Cambodia, the Chinese presumably do not want to court disaster in pursuing revenge. With a little luck, and some help from their friends, they may be able to take revenge slowly (second tick, first page). The point is that a smoldering crisis in Indochina, presenting the constant potential of escalation but never quite the pretext for a major Soviet military move, could cause some hesitancy in Moscow about running risks elsewhere, say, in Iran. Surely the Vietnamese would begin to tire in time.

Deng believes, according to Manfred Woerner, who spent some hours talking to him, that “the Americans have no sense of strategy.” Perhaps we could surprise him a bit on this score.⁴

⁴ In the right margin next to this paragraph, Brzezinski wrote, “How? *Outline a coherent approach.*”

194. Summary of Conclusions of a Special Coordination Committee Meeting¹

Washington, January 17, 1979

SUMMARY OF CONCLUSIONS

David Aaron chaired the meeting. The group spent most of the meeting on the various Congressional issues now confronting us:

—*The Omnibus Legislation*: A bill has been prepared and has cleared the inter-agency process. Cosmetically, the final product is not particularly attractive, since a substantial portion of the bill deals with complicated Civil Service issues concerning the rank, career, health benefits and retirement plans available to government personnel who will serve temporarily in the private organization in Taiwan. After hard questioning of the lawyers, we concluded that there was no alternative but to proceed with the bill which has grown to some ten pages in length, over half of which deals with Civil Service issues. We made minor adjustments to the bill, particularly to remove references to “uniformed personnel” who might serve in our private organization. The bill will now come to us for final clearance before submission to the Hill.

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 58, ADH 006, 1/17/79, Ad Hoc SCC, China. Confidential. When Aaron received the Summary of Conclusions from Oksenberg, he requested that Oksenberg also “prepare a 4 or 5 sentence paragraph summarizing the highlights of the meeting for submission to the President tonight as a daily report item.” (Memorandum from Gates to Oksenberg, January 18; Carter Library, NSC Institutional Files (H-Files), Box 58, ADH 006, 1/17/79, Ad Hoc SCC, China.)

—*Dates for Woodcock Hearing*: The Woodcock hearings have been tentatively set for February 7 and 8.² We thought it wise not to have the hearings during the Teng visit. But all agreed that we should move expeditiously on Woodcock, in part because this will be the first test of China policy and we should win easily, and secondly, a strong victory should convince Taiwan that their strength is limited.

—*Jackson–Vanik*: Word is unfortunately beginning to get around that we are considering attempting to change Jackson–Vanik. The NSC will submit language throughout the bureaucracy to clarify that we have no present intent to alter Jackson–Vanik,³ and that our only purpose is to expand trade with both China and the Soviet Union, and we will do this in consultation with Congress.

The meeting also assessed our negotiations with Taiwan, where no progress is now being made. Taiwan still hopes for a government-to-government relationship, and is hoping that either we will back down at the last minute or a remedy can be found in Congress. March 1 is show-down day, for without legislation, and without Taiwan agreement to proceed on an unofficial basis, our private organization will not be able to function. The meeting agreed that we must continue to convey to Taiwan the sense that we will not back down, although as the deadline approaches, the business community is likely to get nervous.

The group considered whether we should seek legislation to extend diplomatic privileges and immunities to Taiwan personnel in their unofficial organization here. We decided we would continue on our present course, not seeking such legislation. It is almost certain that such legislation will pass the Congress.

On other matters, Justice will file its brief and appropriate affidavits in response to the Goldwater suit in mid-February or perhaps during the Teng visit. The deadline for filing is in late February.⁴

We will meet next week on a whole range of DOD matters relating to DOD activities in Taiwan.

² Reference is to Congressional hearings on the nomination of Woodcock to be the first U.S. Ambassador to the People's Republic of China. On February 26, the Senate confirmed Woodcock's nomination, 82–9.

³ Someone, probably Aaron, underlined "present" and wrote "immediate" above it.

⁴ Senator Barry Goldwater (R–Arizona) and 24 colleagues filed suit in Federal court alleging that unless the Senate approved, the President lacked authority to terminate U.S. participation in international treaties. Since Carter was not seeking Senate approval, this lawsuit might have prevented the expiration, after one year's notice, of the 1954 U.S.–ROC Mutual Defense Treaty. Although a district court upheld Goldwater's position on October 17, a circuit court of appeals overturned the lower court on November 30, arguing that Carter, acting on his own, did possess authority to end the treaty. On December 13, the U.S. Supreme Court, on a 7–2 vote, dismissed Goldwater's suit, thereby upholding the court of appeals and allowing the Mutual Defense Treaty with Taiwan to expire. See *Congress and the Nation* vol. V, 1977–1980, p. 101.

195. Report of a Special Coordination Committee Ad Hoc Group Meeting on China¹

Washington, January 24, 1979, 10–11:55 a.m.

David Aaron chaired a meeting to discuss DOD involvement on and with Taiwan after normalization. The meeting decided that DOD civilians would continue to work on Taiwan after May 1, 1979, but only if and when absolutely necessary. As many jobs as possible will be transferred to a contract basis, and State and DOD will look into the possibility of DOD civilians going on leave to be attached to the American Institute on Taiwan as civilian personnel. The meeting decided that State and DOD should prepare a plan for ship visits to Taiwan during the coming year, taking into account the need for such visits to be kept at a low level.

—DOD will prepare two options for training Taiwan military personnel in the U.S. to handle American-purchased equipment: (1) where they would come here as ROC military personnel; and (2) where they would come as unofficial civilians through the unofficial organization we are establishing to handle relations with Taiwan. The meeting deferred decision on any joint military exercises with Taiwan until after Deng's visit.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 46, Meetings: 1/10–24/79. Secret. Prepared by Oksenberg. The meeting took place in the White House Situation Room.

196. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 25, 1979

SUBJECT

Your Meeting with Deng Xiaoping

I. The Broad Setting

For the first time in the post-war era, we now have better relations with Japan, China and India than any of these principal powers in Asia have with the Soviet Union. In East Asia, for the first time in decades, we enjoy good relations with both China and Japan. The constructive involvement of the United States and Japan with China offers great promise for stability for the region and should protect our enormous political and economic interests.

Moreover, on the global scale, we see the makings of closer cooperation also between China and Japan, and China and Western Europe. Thus, cumulatively, a framework of collaboration among the major powers is emerging, replacing the post-World War II bi-polarity (of the 1950s and early 1960s) and fragmentation (late 1960s and early 1970s). Our hope is to fit the Soviet Union into this framework of cooperation as well, provided we can contain Soviet political and military ambitions.

The Triangle

In that context, the U.S.-Chinese-Soviet triangle will require particularly delicate management. By delaying a SALT agreement and his visit to Washington, Brezhnev has positioned himself to discourage a "China tilt" to U.S. policy. Brezhnev's goal is to get us to assign primacy to our Soviet relationship, while seeking to keep China poor, weak and isolated.

Deng's interests are to postpone the conclusion of SALT and to limit the détente mood that may accompany SALT. Heightened Soviet-American tension would best serve Deng, because it would increase China's tactical value to the United States and would shift a portion of the burden for resisting Moscow from China to the United States.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79, 1/25/79 Briefing Book [I]. Secret. Sent for action. This memorandum was hand-carried to the President on January 25, according to Oksenberg's January 24 covering memorandum to Brzezinski. (Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: Cables and Memos, 12/15/78–1/24/79)

Balance or Evenhandedness?

Our interest is to improve relations with both Peking and Moscow, and to avoid allowing one to use us against the other. In seeking that objective, we should be careful not mechanically to equate Moscow and Peking. It is the Soviet Union—not China—that threatens us militarily, that is actively seeking to expand its sphere of influence, that is encouraging war by proxies, and that is conducting a worldwide propaganda campaign against us. At the same time, Moscow has hinted that it might link the question of China to SALT, while insisting that we refrain from linking Soviet lack of restraint also to SALT.

This raises the question of “evenhandedness.” Evenhandedness implies a mechanical equality. We should instead stress that we want a *balanced* relationship with China and Moscow, one that recognizes the need for U.S. recognition of the special sensitivities of each party and one that seeks accommodation with both of them. Mechanical equality could result in rewarding intransigence by one party and ignoring restraint or accommodation by the other; a balanced relationship with Moscow and Peking implies recognition of the need to refrain from allying with one against the other, but it also recognizes the reality of existing differences between the U.S.-Chinese and the U.S.-Soviet relationships.

Global Trends

The Chinese are frightened by recent Soviet advances in Angola, Ethiopia, South Yemen, Afghanistan, and Vietnam. They supported the Shah and invested heavily in Pakistan. Though reluctant to admit their vulnerability, they see themselves endangered by Soviet encirclement. Their counter strategy is to foster a line of containment against Soviet expansionism stretching from Japan through China, Pakistan, Iran, Turkey, to NATO, all backed by the United States. They perceive a crumbling middle sector of this line, a vulnerability at the two wings, and a passive United States.

Against their alarmist view of global trends, we are more optimistic. We believe that Moscow’s recent opportunistic efforts to expand its influence stem less from confidence and strength than from a sense of danger and long-term weakness.

In short, your meeting takes place at a time when both sides are concerned by the lack of restraint in Soviet foreign policy. You will find that you share many parallel interests with Deng as a result. Deng and you also have a common interest in making normalization work. At the same time our different perspectives of history mean we each attach somewhat different weight to the importance of the Sino-American relationship. The Chinese see it as a major bulwark against the imminent

Soviet threat. We see it as one of many important relations we are developing for a world of diversity.

II. Chinese Goals

Given their desire to advance both the bilateral and the consultative dimensions of our relations, Deng and company will seek to:

—Allay Congressional and public concerns about the future of Taiwan.

—Project an image of a relationship that is moving toward an alliance.

—Limit further development of U.S.-Soviet relations.

—Commit the United States to a strong anti-Vietnam stance, and to maybe even be able to hit Vietnam with the appearance of United States acquiescence.

—Encourage us to adopt a “China tilt” in our trading relationship, to relax our export controls, and to extend MFN and Ex-Im Bank financing.

—Cultivate an image of China as an underdeveloped country with abundant natural resources which admires the United States, seeks U.S. technology, capital, and equipment, and is willing to pay for it—at least over the long haul.

—Educate the Chinese people about the U.S., perhaps reducing lingering hostility toward us, and portraying us as a wealthy and technologically advanced society which in some respects deserves to be emulated.

III. Our Goals for the Visit

Long-Term Objectives of Our China Policy

Our long-term objective is to include China in the international framework of cooperation which we are attempting to build among the key nations of the world. The global dispersal of power precludes the possibility of either a Pax Americana or a world ordered through a Soviet-American condominium. But we believe we can attain national security in a world of diversity in part by cultivating good relations with the newly emerging countries, none of which is more important than China.

Our common concern with the Soviet Union, however, is an insufficient basis on which to build a long-term relationship with China. More positively, we want to build a durable relationship based on (1) extensive commercial, scientific, and cultural relations; (2) shared views on world affairs, exploiting parallel interests on specific issues like Indochina, the Middle East, and Korea, and (3) weapon deployments that are aimed at our common adversary rather than at each other. But in order to encourage the Chinese to commit themselves to a

more binding relationship with us, they must be confident that we have a realistic and adequate strategy for countering Soviet efforts to establish a position of global prominence.

Our effort to attain security in a world of diversity parallels the current Chinese desire for a stable, non-hegemonical world order. We share the view that the Soviet Union is the major threat to a “world of diversity” (in our language) or a “non-hegemonical world” (in the Chinese lexicon).

We also wish China to remain confident of its continued ability to deter a Sino-Soviet conflict in the face of continuing Soviet military buildup on the Chinese border. We have no interest in a Sino-Soviet accommodation secured through Chinese submission to Soviet pressure. That is why we have an interest in a strong, secure, and peaceful China and why we are willing to acquiesce to limited Western European arms sales.

You should reaffirm here flatly our policy, as recently transmitted to Brezhnev: not to encourage or discourage others from providing defensive arms to China, that every nation has the right to acquire defensive arms, and that the United States will not seek to prevent other sovereign nations from selling such defensive arms to China.² The Chinese are sensitive on this matter and they suspect—or at least they have so indicated—that we have been discouraging the Europeans from engaging in arms sales (notably on the Harrier issue).

Goals for Your Discussion

With these long-term objectives in mind, the specific objectives of your discussions are to:

—*Convince Deng of our determination to remain a credible counterweight to the increased Soviet military power in Asia. We want him to know that (1) our military deployment in the region will remain and improve in quality; (2) our security relationship with Japan is developing from a protectorate into a genuine alliance; and (3) the conclusion of the base agreement with the Philippines assures our presence at our largest overseas bases until 1991.*

—*Encourage him to believe that limited Soviet-American détente, particularly in strategic arms limitations, is likely to make the Soviet Union less bellicose and less aggressive. (He prefers a confrontational style.)*

—*Move from consultation to cooperation and coordination on those issues where our interests converge: Korea, Taiwan, Indochina, Southeast Asia, South Asia, Iran, Middle East, Africa. Prior to normalization, the Chinese were reluctant to cooperate with us on specific problems*

² See footnotes 2 and 3, Document 201.

where we recognized we shared common interests. They said normalization would permit a greater degree of coordination. Without harboring illusions about their willingness or capability, nonetheless, a number of promising areas of cooperation exist.

—*On Korea*: Encourage the Chinese to (1) restrain any potential North Korean effort to take the South militarily; (2) influence the North to talk to the South; (3) talk directly to the South.³

—*On Taiwan*: Encourage Deng to make the Chinese position clear, particularly his recent Chinese statements concerning (1) its patience in resolving the Taiwan issue; (2) its hope for a peaceful resolution of the Taiwan issue; and (3) its willingness to see Taiwan continue as an autonomous entity with its own social and economic system and its own security forces.

You should also be careful not to arouse any expectations on Peking's part that we will serve as a middle man in promoting talks between Peking and Taipei. Peking would like to involve us in this way, but our objective is to disentangle ourselves from the Chinese civil war and to have the Chinese solve the Taiwan issue by themselves.

—*On Indochina: Deter a Sino-Vietnamese military conflict*. While you lack leverage to deter the Chinese, you may influence them if you indicate that (a) we intend to consult closely with them and the Japanese on Indochina in the months ahead; (b) rash action on their part would make cooperation in Asia more difficult; (c) we will not recognize Vietnam until they withdraw their forces from Cambodia.

—*On Southeast Asia*: Develop parallel policies toward ASEAN. The discussions could probably focus on:

- How we might both be helpful to Kriangsak in the wake of the Vietnamese takeover of Cambodia.⁴
 - The cost to China of Deng not foreswearing support of insurgency movements in Malaysia and Thailand.
 - The concern of all the ASEAN states over the future of Taiwan.
- The new Sino-American relationship would win even greater support throughout the region if we could allay ASEAN concerns about Taiwan.

—*On South Asia*: (1) Foster improved Sino-Indian relations; (2) Encourage continued Chinese general support of Pakistan but solicit Chinese discouragement of Pakistani nuclear ambitions; and (3) Ascertain Chinese views about Afghanistan. You should encourage the Chinese to look more favorably upon an active Indian role in the subcontinent

³Someone drew a vertical line in the right margin next to this and the next paragraph.

⁴Someone drew a vertical line in the right margin next to this and the next point.

as force against Soviet expansion—a view which the Chinese have not held over the past 20 years.⁵

—*On the Middle East*: Obtain more explicit Chinese support of the Camp David agreements and Chinese willingness to foster contacts with the peoples of Israel. The beginnings of an Israeli-PRC connection would have a beneficial impact upon our own normalization fight.

—*On Africa*: Obtain Chinese support for our approach to Rhodesia, Namibia, and South African problems and encourage them to erode Soviet-Cuban influence in Angola and the Horn.

—*On Europe*: Encourage the Chinese to strengthen their economic relations with Western Europe and their political ties with Romania and Yugoslavia.

[1 paragraph (12 lines) not declassified]

IV. Your Approach

Chinese confidence in you and their willingness to make the commitments we seek from them will stem largely from how you handle your analysis of the Soviet Union. You are most likely to elicit the respect you seek if you:

—Are prepared to challenge Deng when he says something with which you disagree. Toughness toward them will suggest you are also tough toward the Soviets.

—Demonstrate your mastery of the global situation. Show how well you understand how the Soviet Union may exploit opportunities of unrest available to it.

—Reveal realistic confidence in your capacity to deal firmly with the Soviets and your determination to seek a relationship with the Soviet Union, based on reciprocity and mutual restraint.

—Present a balanced assessment of the Soviet Union making them appear neither to be ten feet tall nor five feet short.

—Indicate that while you intend to treat China and the Soviet Union in a balanced way, you recognize the obvious differences between the two as far as our national security interests are concerned. You seek to improve our relations with both, though in different ways.

V. The Agenda for Your Discussions

You will have four to five hours of formal talks with Deng, an opening hour on Monday, January 29, from 11:00 a.m. to 12:00 noon; an afternoon session on January 29 from 3:30 to 5:00 p.m.; and a morning session on January 30 from 3:00 to 11:00. I propose the following agenda:

⁵ Someone drew a vertical line in the right margin next to this paragraph.

A. *First Session: Get Acquainted, Agree on Agenda, Assessment of World Situation.*

This meeting would have three major purposes:

—To establish personal rapport, which would probably best be done in a small gathering in the Oval Office.

—To assess the agenda, agree on which documents you wish to issue at the end of the meetings (such as a joint communique), and instruct your aides accordingly.

—To assess the global balance of power, with a particular focus on U.S.-Soviet relations and on the strategic significance we assign to U.S.-China relations in our effort to create a worldwide pattern of cooperation.

The latter topic should consume the bulk of the hour and could be essentially a repeat of your opening statement at Guadeloupe.⁶ This is an important presentation, for it will set the tone for Deng's entire trip. You should increase Deng's confidence in our strategy toward the Soviet Union. You should sketch our progress toward a SALT agreement in unapologetic terms. You should seek to encourage him to think of our relations as "constructive," "collaborative," or "parallel," pointing toward a world of diversity (or, as in the Chinese lexicon, "non-hegemonic"). You should emphasize that our enduring relationship is based on a long-term strategic congruence of interests and not on tactical anti-Soviet expediency.

B. *Second Session: Tour d'Horizon*

This meeting would be a tour d'horizon, with a focus on:

1. Asia, Japan, Korea, Indochina, ASEAN, South Asia.
2. Europe—Eastern Europe, NATO.
3. Mid East—Iran, Camp David.
4. Africa—The Horn, Angola, southern Africa.

C. *Third Session: Bilateral Matters*

This session would address the numerous bilateral issues which must be solved, if we are to realize the opportunity afforded by normalization. The underlying purpose is to secure Deng's assent to our proposals not for our benefit but in order that his own bureaucrats have their marching orders. Here are the issues:

—Move toward a claim/assets settlement.

—Eventually reach a trade agreement and extend MFN and ExIm Bank credits to the PRC. Your talks should sketch the steps we see in moving toward a trade agreement.

⁶ Carter, French President Giscard d'Estaing, German Chancellor Schmidt, and British Prime Minister Callaghan met in Guadeloupe January 4–6.

—Sign an S&T agreement and with it cooperation in agriculture, energy, space, health, and student exchange.

—Reach a cultural exchange agreement and increase the cultural, athletic, tourist, and journalistic exchanges between our two societies.

—Reach a consular agreement.

—Discuss the purpose of the Blumenthal and Kreps visits.

—Perhaps indicate that the Vice President would like to visit China in the second half of this year, after your trip to Japan and other parts of Asia.

—Address the Taiwan issue in this session.

—Finally, accept in principle a likely Chinese invitation for you to visit China. (In fact, you should give some thought to date—e.g., after the Japan Summit or an earlier trip by the Vice President. The press will keep asking about this, and failure to indicate a date of some sort will be interpreted as a setback.)

VI. A Cautionary Note

The importance of words: The Chinese place great emphasis on both formal public statements and the memorandum of conversation. They will record and analyze every sentence you utter. You should speak with your usual care throughout all your sessions with Deng.

You might also bear in mind the importance of using certain formulas consistently. For example, we seek a *balanced* relationship, though we recognize that U.S.-Chinese and U.S.-Soviet relations cannot be identical in every respect; we desire a world of diversity, with respect for pluralism, an object which is not in conflict with the Chinese concern for “non-hegemony;” we believe that we can avoid war through a combination of military strength and constructive arms control arrangements—a view which need not clash fundamentally with the Chinese belief that war is inevitable *but* can be postponed (the latter qualification being a recent addition, indicative of growing Chinese flexibility).

197. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 26, 1979

SUBJECT

State Department Meeting on Indochina

Cy, Harold, Stan,² and I met to assess the Indochina situation, particularly the Vietnamese invasion of Cambodia and the Chinese buildup along the Vietnamese border. We assessed the situation and concluded that we should undertake the following measures:

—Continue to keep the international heat on Vietnam and to discourage all aid to donors to Vietnam from giving aid until Vietnam withdraws its forces from Cambodia.³

—Indicate to the Soviets in no uncertain fashion that we consider the situation in Indochina serious, that we are expressing our concern to the Chinese and discouraging them from undertaking any punitive action against Vietnam, and that we expect the Soviets to behave with restraint and not to seek military bases in Vietnam, or to make use of Cam Ranh Bay (Cy will deliver this message to Dobrynin tomorrow).

—Indicate to the Chinese that our common approach in the U.N. and our efforts to persuade others not to give aid to Vietnam are proving successful, that we have indicated to the Soviets our expectation that they will not make use of any opportunities to establish military bases in Vietnam, and that Chinese military action against Vietnam would jeopardize the gains we are making in isolating Vietnam in the international community. (We recommend that you make these points in your meetings with Deng Xiaoping.)

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 46, Meetings: 1/25–31/79. Secret. Sent for action. The date is handwritten. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² Brzezinski is referring to Cyrus Vance, Harold Brown, and Stansfield Turner.

³ Carter wrote, "ok" in the margin next to this and the next two paragraphs.

198. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 26, 1979

SUBJECT

Joint US-Chinese Economic Committee

Normalization of relations with China has brought to the forefront a number of bilateral economic issues (e.g., claims, trade, credits, civil aviation, etc.). Our ability to manage these and other economic problems likely to arise in the months ahead will have an important bearing on the development of overall relations.

The Policy Review Committee meeting, which Mike Blumenthal chaired on January 8,² proved highly successful in expediting decisions on economic matters before the Deng visit and Mike and Juanita Kreps' trips to China. I believe we should now carry this process one step further and propose the establishment of an intergovernmental body at the Ministerial level when you meet with Deng. A joint US-Chinese Economic Committee or Commission would facilitate communications and cooperation between the two governments. It would also help to ensure that in seeking to resolve bilateral issues we not lose sight of our overall policy objectives toward China.

This committee would be substantially different from the joint economic commissions we have with the Soviet Union and several East European countries. Those groups are primarily designed to promote trade and improve business contacts between the countries concerned. Trade promotion will also be important in China, but for the moment we face more fundamental problems with important policy implications.

For that reason, Cy and I believe that Mike Blumenthal, who is your chief economic officer, knows the Chinese, and is familiar with most of the issues, should chair the US side of this joint committee. Mike wants the job. Juanita would also like the chairmanship, but I believe it would be preferable to have Mike in charge at least until we have reached the stage where business facilitation matters have assumed greater importance in our economic relations with China. I would strongly advise against having joint chairmen on the US side.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1-3/79. Confidential. Sent for action. The date is handwritten. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² See Document 189.

This would simply confuse the Chinese, increase interdepartmental rivalry, reduce efficiency, and add to operating expenses.

Recommendation

That you propose to Deng the establishment of a joint US-Chinese committee.

That you designate Mike Blumenthal as US Chairman of the joint committee.³

³ Carter checked the Approve option under both recommendations and initialed "J."

199. Memorandum From Secretary of State Vance to President Carter¹

Washington, January 26, 1979

SUBJECT

Scope Paper for the Visit of Vice Premier Deng Xiaoping of the People's Republic of China January 29–February 5, 1979

The visit by Vice Premier Deng Xiaoping (Teng Hsiao-ping) symbolizes both an end and a beginning.

It is the end of an era of almost three decades during which the United States and the People's Republic of China dealt with each other only at arm's length or, as in the past seven years, through contrived and often strained mechanisms.

It is the beginning of a new era in which, while we may often disagree on approach or even objectives, we are no longer constrained by the nagging question of "legitimacy" which hovered over all of our talks in the past.

The factor which initially brought us together (1969–72) was a common concern with the Soviet Union. But the importance of normalization transcends that. The relaxation of tensions between the United States and China can have a dramatic impact on the political and strategic landscape of Asia, and on the world.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: 1/25/79 Briefing Book [I]. Secret; Sensitive.

Deng's Objectives

Deng probably sees his trip to Washington as the capstone of his extraordinary career—the ultimate survivor of China's internal struggles now casting a role for himself and his country on the world stage greater than even his legendary predecessors Mao and Chou. His visit vividly symbolizes the two principal thrusts of Chinese policy under his leadership—modernization and opposition to the Soviet Union.

His specific objectives and themes will include:

1) An effort to help us sell normalization to the Congress and the American people. While this may not be Deng's first priority, the Vice Premier and his colleagues have clearly made a decision to help us with our domestic problems concerning normalization, and this will strongly influence his conduct here. This effort was most evident during Deng's discussion in early January with Senators Nunn, Glenn, Hart and Cohen—a conversation which I recommend you read in its entirety.² Thus, we can expect him to make as strong a set of statements as he can afford about the peaceful settlement of the Taiwan issue, and we should encourage him to do so. He will not make a pledge to refrain from using force, of course, but he can go far in this direction ("We will not change the society by force," he told Nunn and Glenn) and it should be of immense help to us in the legislative battles ahead. He will also make China trade look very attractive to American business. Most important of all, his style will effectively dramatize to Americans our changed relationship and the non-belligerent PRC posture toward Taiwan.

2) Beyond helping us with our domestic needs, Deng will seek to "broaden and thicken" the US–PRC relationship across the board for his own political purposes and to bolster China's modernization effort. At the age of 74, Deng is anxious to make the historic changes now taking place in China *irreversible*. He is in a great hurry, and one of the best ways to put roots deep into the Chinese political system is to expose his people to the advantages of a relationship with Japan and the US—and to create a wide-ranging series of formal and informal ties which will survive his passing as well as any future buffeting from winds of political change in Peking. Deng of all people knows that in politics rapid change and reversals are the norm; he has survived three major political defeats in the last forty years to outlast his enemies and emerge on top; now he wants to leave behind an enduring legacy. This trip is central to that long-range objective: we have many things that he

² See Document 191.

wants, and wants fast, including high technology, markets, credits, and US acquiescence in third-country arms sales.

3) In the field of global and strategic policy, Deng's central direction will be clear: to press us for the most vigorous resistance to the expansion of Soviet power.

What is not so clear is the exact form that Deng's efforts will take. In the last eight months the Chinese have abated their harshest criticisms of the US as a country that "appeases" the "polar bear." But they still view SALT as an act of weakness; Africa as an area of unchecked Soviet expansion; Iran and Pakistan as defeats for the West; Yugoslavia as a dangerous post-Tito crisis region; and Vietnam as a Soviet surrogate that has just swallowed up Peking's protégés in Cambodia.

It is in our interest that his criticisms of us be muted, and that he leave here with a more positive—or less negative—view of SALT. I shall turn to these matters in the following section on US objectives.

Deng may attempt to get us to abandon our policy of "evenhandedness" (for example on export controls and MFN). He may also try to move us towards a more overt US-Japanese-PRC informal alliance structure against the Soviet Union; he might even suggest arrangements that would give practical effect to such a strategic concept.

4) Deng's final objective will be more focused than the others, but closely related to the point above: he will seek to maximize American hostility to the Vietnamese and their recent invasion of Cambodia, portraying them at all times as Soviet surrogates and agents. He will press this line especially hard with Congress and in response to the inevitable questions he will receive on the matter. China has suffered a public setback with the fall of Pol Pot, and they are looking for ways to recoup some of their losses.

A critical question, to which we do not know the answer, is whether or not the Chinese are likely to take any sort of military action against Vietnam.

US Objectives

Our objectives for the visit are in some respects similar.

1) An immediate goal is to gain public and Congressional support for normalization and for the legislation which will permit both it and our substantive ties with Taiwan to continue. The visit has been designed to reinforce that point, and the opening rounds of the debate over our Taiwan omnibus bill and Leonard Woodcock's nomination will follow immediately. The series of agreements that we will either be signing or mentioning for the future—S&T, consular, cultural, trade, claims/assets, press representation—will contribute importantly to the public perception that normalization *does* make a difference. Here, then, we want to encourage Deng to support our Congressional needs.

2) We also want to broaden and thicken our relationship with China, although our reasons for doing so are different from Deng's. For us, these agreements and the rapidly expanding relationships are important because they draw the Chinese further into involvement with us and the rest of the world. To the extent that the Chinese become part of the community of primarily non-Communist nations at this time in their development, so will our ties with China be more enduring when and if they are later tested by strategic or political strains.

In this regard, it is important to note that if the present positive trend in Sino-American relations is to become enduring, it should also involve Chairman Hua. During your discussions, it is important to find ways to indicate that you consider Hua an important Chinese leader whose role in the emerging relationship is essential. We should be careful not to put all our China eggs in Deng's basket.

3) In regard to the Soviet Union, in its simplest terms, we want to use the visit to demonstrate to Deng that the United States remains the world's strongest nation; that a SALT treaty will not be to our or to Chinese disadvantage; and that we will respond as necessary to Soviet attempts to change the strategic balance in other parts of the world.

4) In regard to Vietnam, we wish to make clear to the Chinese that we strongly condemn the Vietnamese invasion of Cambodia, but could not support action by China in the region which could widen or escalate the fighting.

If the Chinese were to attack Vietnam shortly after Deng leaves the States, as is possible, we would be viewed as implicated in such action. A Chinese action against Vietnam would furthermore weaken us on the Hill, since we wish to avoid conjuring visions of attack on Taiwan and we have said publicly that normalization was a step toward stability and peace in the Pacific. In addition, the Soviet Union, under its new treaty with Vietnam, would probably increase its support for the Vietnamese, thereby heightening tension and even fears of a Sino-Soviet clash.

We have talked in clearcut terms to both the Soviets and the Chinese; during your talks you will want to urge caution and restraint on Deng, although you should expect to find him extremely emotional on this particular issue.

5) On Korea, we wish to encourage the Chinese to support Pyongyang's latest indications of willingness to accommodate with Seoul. We should explain to Deng our position, our treaty commitments to Seoul, and your intention to visit there later this year. Deng will not want to get out ahead of North Korea, particularly at this point, and we should not expect any sudden change in Deng's position during the visit; this is the global issue on which the US and China have been in the most open disagreement for the longest time. Nonetheless,

while your discussion may in itself be inconclusive, it will be useful now to make clear that we want the Chinese to take account of our position and actively support bilateral North-South talks. (Your talking points on this issue reflect our detailed discussions with both Tokyo and Seoul.)

6) We will want to highlight the dangers of Pakistan's current nuclear policy, focusing on the implications for the power balance in the area.

7) Deng has already said publicly that he does not wish to discuss human rights because he "has his own views" and the talks would be acrimonious. There will be many press queries on this matter, and despite Deng's remarks (or perhaps because of them) we should explain our world-wide commitment to the human rights issue in terms of our overall foreign policy. There have been improvements in China, notably a decision to revitalize the entire legal system, and we can inquire about further steps the PRC may plan to take. This would be an appropriate topic for a private discussion in the car or at dinner Monday evening.³

8) On a host of specific *bilateral issues*—trade, claims/assets, S&T, and other agreements—you will be receiving specific talking points and papers.⁴ I will not cover them here. I would note, however, that a protracted delay in resolving issues related to trade will not be helpful to our relationships. We need, therefore, to get early movement on claims/assets.

9) Although there has been some moderation of PRC rhetoric since December 15, Peking continues to portray the United States as an enemy, a superpower exploiter of the poor and weak, and, though less dangerous than the USSR, a menace to world peace. This line is not only offensive to us, but it fails to reciprocate the more constructive image we convey of China as a key factor for global peace, and it undercuts our arguments about the improved relationship. I think you should note this to Deng and suggest a meaningful modification in the PRC's public position.

10) Expansion of our relationship will require expansion of our mission in China—initially in Peking and later in consulates in Shanghai and Canton. Office space and living quarters are exceptionally hard to come by in the PRC, and it would be helpful if a brief reference to this problem by you could elicit a pledge of cooperation from Deng.

³ January 29.

⁴ Carter's briefing book for his meetings with Deng is in the Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79.

A Note about Personalities

I have met with Deng on several occasions over the last four years. He is a remarkable man—impatient, feisty, self-confidently outspoken, direct, forceful, and clever. He now seems to have enough power to make certain types of decisions on the spot—but he is not a dictator with absolute power to commit his nation, and will have to be sensitive to potential criticism from the Politburo and other colleagues watching him carefully from Peking. (For example, we have some indications that: Hua, rather than Deng is the hardliner on Vietnam; that colleagues may feel that he has been overplaying the anti-Soviet line to advance the Sino-American relation; that criticism of Deng's "democratization" steps is sharpening.) He will have an important associate travelling with him, Vice Premier Fang Yi, the senior science and technology planner in China. Fang's presence on this trip symbolizes the restoration of experts to positions of power, and China's single-minded pursuit of progress.

Scenario for Your Talks

You will have four and a half hours of talks with Deng, divided into three sessions (11 a.m.–12 noon and 3:30 p.m.–5 p.m. on January 29, and 9 a.m.–11 a.m. on January 30). These can be expanded if necessary. Detailed scenarios and talking points for each meeting are being provided to you, backed up by individual issues/talking points papers for each main topic and a number of background papers.

Here I would like to sketch out a scenario which I believe would be most effective. Keeping in mind that Deng will want you to speak first, I recommend the following order:

First session:

- Congratulations on normalization, hopes for deeper relationship
- Underscore importance of Deng's impact on the Hill on the Taiwan peaceful settlement issue
- State US global objectives
- Review US-Soviet relations/balance
- NATO, strength of US relations in Europe
- Yugoslavia, post-Tito situation

Second session

- East Asia
- Regional overview
- Japan/ANZUS
- Korea
- ASEAN (including specific mention of Philippine bases)
- Indochina
- South Asia
- Pakistan nuclear program
- Bhutto

- Sino-Indian/Sino-Pak relations
- Middle East
- Iran
- Arab-Israeli negotiations
- Africa (Horn, Angola, southern Africa)

Third session: Bilateral issues

- Reiteration of key Congressional role
- Expansion of US mission in Peking
- Review of joint statement and its elements (S&T cooperation, consular arrangements, trade, cultural exchange, exchange of journalists)
- Blumenthal trip—MFN, claims/assets
- Kreps trip (Deng may raise export controls issue)
- Other issues (aviation, maritime and textile agreements)

Discussion

Although the first session will be brief, I recommend that you immediately underscore the crucial nature of Deng's impact on the Hill: referring to his very useful discussion with Senators Nunn, Glenn *et al*, the positive benefit which their reports have had on Americans in general and Members of Congress in particular, and your hope that he will take the opportunity of his visit to follow up on that conversation with others. In this context, you could note the high importance which Americans—and others—attach to peace in East Asia and the future well-being of the people on Taiwan, and the critical bearing which his remarks can have on the avoidance of controversy within the United States as the Congress begins to consider legislation to implement normalization.

As you move into the global issues, I believe it would be most effective if you provided Deng with a comprehensive statement of our policies, beginning with a statement of our objectives along the lines of your Notre Dame speech.⁵ Then move to review of the US-Soviet balance and the strength of NATO, and, because of its special concern to Peking, a statement about our policies toward a post-Tito Yugoslavia. Your purpose would be to stress our vigilance and strength, while expressing your conviction that SALT II and other aspects of improved relations with Moscow are necessary contributions to world peace. You will want to demonstrate that pursuit by NATO of both a strong defense and détente—including a stable military balance between NATO and the Warsaw Pact—are complementary goals that serve China's interests as well as our own. I suggest you review the results of the Gaudeloupe Summit.

I suggest you then turn to Asia to make clear that we consider that area of equal concern to US strategic interests. A review of the strength

⁵ See footnote 13, Document 131.

of our security ties with Japan (of keen interest to China) and with ANZUS, would be followed by a discussion of Korea, including the importance of an active, constructive Chinese role. President Park's desire for indirect trade contacts with the PRC should be noted.

A review of the importance we attach to ASEAN—including the refugee issue and the political impact of continuing PRC support of local Communist parties—should precede what could well be the most difficult issue during the entire visit—Indochina. We will want to make clear our position on *both* Vietnamese aggression *and* any Chinese military action.

In South Asia, the key issue is Pakistan's nuclear weapons program, which includes efforts to acquire enrichment and reprocessing facilities. The consequences could be severely destabilizing: a nuclear arms race on the subcontinent, legally mandated cut-off of US assistance to Pakistan, and a resultant Pakistani turn to Moscow. China could play a critical role in deterring Islamabad from its present disastrous course. Peking could also influence President Zia to prevent the execution of Bhutto. Improved Sino-Indian ties, while carefully nurturing relations with Pakistan, could have a significantly favorable impact on long-term power relations in the area.

Deng will be skeptical of our policy in Iran but anxious to hear us out. He will also want some reassurance that the Arab-Israeli situation is not deteriorating to Soviet advantage.

Regarding Africa, you will want to impress upon Deng that while we are concerned about continuing Soviet-Cuban military involvement, we have a strategy to meet this challenge which includes support for national aspirations, independence, social justice, and black majority rule, military assistance to friendly nations, economic assistance and ties, and diplomatic efforts to help the parties resolve disputes such as Namibia—and that this strategy is working.

The thrust of your discussion of bilateral issues will be to give concrete form to our new relationship in ways which benefit both nations. Deng will seek to maximize access to advanced technology; we will need to balance this with our concerns about sensitivities of other Asian nations and even-handed treatment insofar as the Soviet Union is concerned. Science and technology will also be the focus of Deng's attention in the exchange area; we need to complement this with programs in the social sciences.

Before getting to substance, however, you may want to highlight for Deng that Chinese characterization of the US and of our long-term relationship is intimately related to public and Congressional perceptions of normalization. Therefore, I believe you should at least take passing note of the disparity between US public statements about the PRC's positive contribution to world peace and Peking's continuing

use of past, more confrontational, rhetoric linking the US and the USSR as hegemonistic superpowers.

Also you might observe that as we look forward to the expansion of our relationship, we will appreciate the help Deng can provide in assuring that we have adequate office and living space for our expanded staff in the PRC.

Among the specific issues, it currently appears that formal agreements will be signed during the visit only for S&T and on cultural exchange. Letters may be exchanged on consular relations, but other cooperative agreements will be announced as items for negotiation in the near future (trade, exchange of journalists, and possibly aviation, maritime affairs and textiles).

Deng will be interested in the prospects for MFN, and I recommend that we tell him that, while MFN is difficult at this stage Secretary Blumenthal will be prepared to discuss prospects in more detail when he visits Peking next month. An initial element will be the question of settling US private claims against China and Chinese assets blocked in the United States. Deng has already indicated that this issue should be easily resolved; your explicit expression of hope for successful talks would help move the Chinese bureaucracy—and our own—toward early resolution.

The Chinese have just put off a proposal for civil aviation talks in February. You could express your hope for early talks on aviation matters as well as indicate the importance of eventual discussions on maritime issues. You could also express hope that textile issues talks (now in progress) will be quickly and amicably resolved; their resolution would be of great assistance in securing support for MFN.

200. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 26, 1979

SUBJECT

NSC Weekly Report #86

[Omitted here is material unrelated to China.]

US–USSR–China

Normalization with China obviously carries with it the risk of Soviet over-reaction and miscalculations in both Peking and Moscow. We are now directly in the middle of a very delicate balancing act—which is complicated by the fact that both Brezhnev and Deng are old and we could, even in the next few years, see significant governmental changes in both countries.

There is also a ripple effect. The Germans, for example, are already nervous that the Soviet response to our playing “the China card” will result in the Russians playing “the German card.” By this they are evidently concerned that pressure could be brought on Berlin or that some other aspect of Soviet-West German relations could be adversely affected.

Thus, it is extremely important for allied solidarity as well as global stability for this three-cornered relationship to be handled with the utmost care. From a political standpoint it is important to maintain momentum with both Peking and Moscow. I believe this means that you should plan on emerging from both the Deng visit and the Brezhnev visit with concrete plans to visit both China and the Soviet Union before the 1980 election. (You should make some tentative scheduling decisions on this even before you meet with Deng.)

Such summits in Peking and Moscow will not only enhance your own prestige but serve as a focus for structuring our relations with both China and the Soviet Union over the next 18 months. They will provide both reassurance of a continuing relationship with both countries and positive incentives for both to maintain a measure of restraint in their mutual relations.

My second recommendation is that you take more direct command of our relationship with the Soviet Union. You should insist on

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Reports (to the President), 82–90 (12/78–3/79). Secret; Eyes Only. At the top of the page, Carter wrote, “Zbig—Interesting. J.”

tight personal control of all actions affecting our relationship with the Soviet Union. You have taken this approach in regard to the Middle East and China with significant success. There is a potential for great disarray, given the different ideological views in your Administration. We cannot afford this disarray any longer, but it is likely to intensify in the absence of better discipline.

[Omitted here is material unrelated to China.]

201. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 29, 1979

SUBJECT

Notes from the Brzezinski Dinner in Honor of Deng Xiaoping, January 28

Pakistan: Deng expressed great concern about the future of Pakistan, particularly in the light of developments in Afghanistan. He feels it quite important for the U.S. to give substantial economic and military aid. He stated that Zia had recently pledged to the Chinese that Bhutto would not be executed. Both Brzezinski and Vance expressed their deep concern about signs that Pakistan is seeking to develop a nuclear weapon. The whole nuclear reprocessing issue makes it difficult for us to provide the level of support to Pakistan we would like, but if this issue is resolved, then we are willing to make major commitments. Deng asked why we could not turn a blind eye to the nuclear reprocessing issue, and Madam Ho and Madam Li Liang asked why we could not change the law on the nuclear reprocessing issue. Both Cy and Brzezinski stressed that we had to act within the law, that the law was clear, and that it reflected the will of Congress which would not be changed.

Iran: Brzezinski outlined our assessment of the situation and the backing we are giving to Bakhtiar. We remain in close contact with the military. Deng said that if the Shah's position continues to weaken, perhaps the best thing would be a military coup d'état. Brzezinski said

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 38, Deng Xiaoping 1/79 Visit: 1/25–29/79. Secret; Eyes Only; Outside the System. Sent for information.

either that or for a regency to be established under the Shah's young successor. Deng said that would also be alright. Deng then said that China had very little influence to bring to bear on this issue. Brzezinski said our influence was also limited, particularly because of the demographic profile of Iran today—of a population of 35 million, one million are students, and the majority of the population live in urban areas. This produces a highly volatile situation.

India: Deng stated that with the Soviet position now developing in Vietnam and the emerging Soviet naval presence in the eastern Indian Ocean, the strategic situation was somewhat like a barbell—a strong Soviet position on two flanks with a thin connecting line between. Yet that thin connecting line, passing through the straits of Malacca, was economically essential for the flow of goods between Europe and the Middle East and Asia on the other. For that reason, Zbig stated, the importance of India is greater than ever. The U.S. has improved its relations with India, substantially, Zbig said, and it's important for Sino-Indian relations to improve as well. Deng agreed, but quickly noted that the Indian response to the Cambodian invasion (meaning India's willingness to recognize Vietnamese-imposed Cambodian Government) showed that it was still under Soviet influence. But he admitted that the current Indian Government is better than its predecessor.

Europe: Zbig discussed the Guadeloupe meeting with Deng, and it was clear he was well informed about it. Zbig revealed that none of the European countries were prepared to yield to Soviet pressure to limit Sino-European commerce. Deng said, "I know, and that is good."

Zbig then informed Deng that the U.S. also had received a letter from Brezhnev warning us against arms sales to the PRC.² We responded that while we would not sell arms to either the Soviet Union or China, we would not join in an attempt to prevent a sovereign nation from acquiring means to sustain its own defense.³ Deng again said, "Yes, I know that is your position. That is good."

Zbig also asked about the current status of Sino-French relations, particularly whether they were as good as they had ever been. Deng did not respond totally positively, but said that yes in general they were as good as they had been for awhile. And he said that China had

² President Carter received Brezhnev's December 27 message under a covering memorandum from Brzezinski, December 27, who wrote that if the United States accommodated Brezhnev, "We would be engaging in a blockade of China to the benefit of the Soviet Union, and this would destroy the chances of any collaborative US-Chinese relationship." Carter noted that he found Brezhnev's message "discouraging" and "almost paranoid." Brzezinski's memorandum and the message are scheduled for publication in *Foreign Relations, 1977–1980*, vol. VI, Soviet Union.

³ Carter's letter to Brezhnev, January 17, is scheduled for publication *ibid.*

told the French that as long as the French prices were competitive, they would be a preferred trading partner. Zbig said he thought the Chinese and the French had much in common, particularly that each civilization thought itself to be superior to any other. Deng said, "Let us put it this way, in East Asia Chinese food is best and in Europe French food is best."

Vietnam: Deng requested a private meeting with the President to discuss Vietnam. Vance said that could be easily arranged, the circle could be narrowed to include the President, the Vice President, Brzezinski, and Cy.

Congress: A good deal of the conversation centered on Congress. Holbrooke referred to the dinner Senator Kennedy hosted on behalf of Ambassador Ch'ai Tse-min three nights previous. Holbrooke also referred positively to the meeting Deng recently had with Senator Nunn.⁴ Deng asked whether he would meet Senator Goldwater on the trip. There was some discussion as to the status of Senator Goldwater's visit to China. Deng learned that Goldwater said that he had not yet received an invitation, he said he would invite him personally if he saw him on the Hill.

Atmospherics: The dinner was lively and friendly. Several toasts were given expressing hope for the future and pride in what had been accomplished. When Zbig gave a toast to the two Ambassadors present without whose service normalization would not have occurred, Deng joined in the toast but said that the toast should extend to everyone—"We should reserve a little of the credit for ourselves."

Deng recalled that when he is agreeable with someone, he is quite agreeable, but when he argues, he argues very fiercely—as Kissinger had learned. Zbig asked whether they had any differences. Deng said, "No, we had no differences." Then he looked at Cy and said, "I had only one difference with Secretary Vance—just one sentence." (Laughter)

Zbig reminded Deng that they also had a difference, namely whether the President had made up his mind to normalize. Mike Oksenberg asked when Deng realized that the President had made up his mind. Deng said that as he reflected on his conversation with Zbig, he knew it was going to happen.

Other exchanges that reflected the spirit of the evening were when Zbig recalled Muska's toast in Peking and informed Deng jokingly that Cy said that Muska could not travel abroad anymore (after such a vio-

⁴ See Document 191.

lation of protocol).⁵ Deng said, “What? This is an issue of human rights that involves half of mankind!”

⁵ Brzezinski’s wife Muska had challenged protocol when she proposed a toast while accompanying her husband during his May 1978 trip to Beijing. See Document 122.

202. Memorandum of Conversation¹

Washington, January 29, 1979, 10:40 a.m.–12:30 p.m.

SUBJECT

Summary of the President’s First Meeting with PRC Vice Premier Deng Xiaoping

PARTICIPANTS

President Jimmy Carter
Vice President Walter Mondale
Secretary of State Cyrus Vance
Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Leonard Woodcock, U.S. Ambassador to the People’s Republic of China
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
David Aaron, Deputy Assistant to the President for National Security Affairs
Jody Powell, Press Secretary
Robert Lipshutz, Assistant to the President
Jerrold Schecter, Staff Member, NSC
Michel Oksenberg, Staff Member, NSC
Vice Premier Deng Xiaoping
Vice Premier Fang Yi
Foreign Minister Huang Hua
Ambassador Chai Zemin
Vice Foreign Minister Zhang Wenjin
Acting Head of Department of American and Oceanian Affairs Zhu Qizhen
Head of the Department of Protocol Wei Yongqing
Pu Shouchang, Member, State Planning Commission
Lien Zhengpao, Notetaker

President Carter: We are extremely grateful to you for your willingness to make this visit. I am pleased to reciprocate the hospitality which your country and your leaders have extended to us in the past six years to President Nixon, President Ford, Secretary Kissinger, Secretary Vance, Dr. Brzezinski, Dr. Press, Secretary Schlesinger, and Secre-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 10–11/78. Top Secret; Sensitive; Eyes Only.

tary Bergland. You have received official visits from us on fourteen occasions since 1971. So now the score is fourteen to one. We extend invitations for more of your leaders to come—Premier Hua and others, so the score may become even!

Vice Premier Deng: I am very happy on behalf of Premier Hua to accept your invitation.

For at least five years I have had the hope of visiting Washington, and now that wish can be realized.

In coming to visit your country, not only are all the Chinese people but I personally am very happy.

Since I have stepped on the soil of the U.S., I have received a warm welcome. A warm welcome was organized for me, and I am very grateful.

What is more, Dr. Brzezinski, together with Secretary of State Vance, organized a family dinner for me yesterday evening and gave me a very cordial dinner.² From the moment I arrived here, I have had the feeling of cordiality. So it made me feel in advance that this visit will achieve great success.

Naturally, I would like to extend an invitation on behalf of Premier Hua and the Chinese people for you to visit China. You would certainly receive a warm welcome from the Chinese people. Of course, we look forward to inviting Vice President Mondale to visit China as well as Secretary Vance, Dr. Brzezinski, and others.

President Carter: As President, I accept immediately, and I will let the others wait until later.

I hope your entire visit will be filled with welcome and friendship. This is a historic occasion.

You mentioned in your response to my welcoming statement on the lawn of the White House that we have had good relations for 200 years.³ But this is the first time we have had full relations as equals.

During the earliest part of the period in East Asia, we explored the region under China aegis and then the West tried to dominate the Chinese people. It is gratifying for me to be part of this development and to know that you share in this development.

Vice Premier Deng: That is true.

President Carter: This morning I thought we might review the schedule for your visit, establish the agenda of our talks, and discuss world affairs.

² See Document 201.

³ The exchange of remarks between Carter and Deng at the welcoming ceremony are printed in *Public Papers: Carter, 1979*, pp. 189–191.

Vice Premier Deng: I agree. By the way, has your Congress passed a law against smoking?

President Carter: No. Go ahead. We have to keep our tobacco growers happy!

We will have three sessions together plus a signing ceremony and a State dinner.

Today, I suggest that we explore world affairs area by area—Asia, Europe, the Middle East, including Iran and Africa. And if you wish a separate session then that can be arranged.

Tomorrow, I suggest we focus on bilateral relations, on economic affairs, science and technology, trade, embassy and consular affairs, and the normalization legislation directly affecting Taiwan.

Vice Premier Deng: I agree with that.

President Carter: On Wednesday we will sign the science and technology, consular and cultural agreements.

On the issuance of a communique, it is our custom to issue one, but I leave that to you.

Vice Premier Deng: Generally speaking, we do not issue a joint communique on such occasions. We just have a press release. It will not diminish the significance of our meeting if we do not issue a communique. The press release could be brief, but there could be some matters of substance put into it. That is fine. Let us prepare a press release then.

President Carter: Turning in general terms to world-wide trends, I look forward to hearing your views. I have read your statement that was published in *Time Magazine*,⁴ and I thought you might be interested in hearing about our policies.

Vice Premier Deng: Yes. Please go ahead.

President Carter: Looking at the world from our perspective, there are many factors of importance. First is the strength of our own country. We are a firm and stable country, and we have adequate strength. We do have problems, but we are trying to deal with them peacefully. Maintenance of the strength of the U.S. and ensuring the beneficial influence of the U.S. in world affairs is a major responsibility which I bear.

Another factor of importance is the growing desire of people throughout the world for an improved quality of life. There are growing numbers of people. There is an intense desire for independence, for liberation, for freedom from outside domination. This is a positive development, and we take it into account.

⁴ The interview appeared as “World: An Interview with Teng Hsiao-p’ing” in the February 5, 1979, issue of *Time*.

Another factor is the shift of power away from a few to many other nations—Venezuela, Mexico, Nigeria, India, Indonesia, and so on. The security of the U.S. is increasingly based on having good relations with such countries. These three factors are favorable to us—first the strength of the U.S., second the increasing desire of peoples for independence, and third the global dispersal of power.

Two other factors are not so favorable. One is the instability in the arc of countries from Southeast Asia to Africa. There is an inherent instability in this region, and this instability is of great concern to us. We want to bring peace and stability to unstable areas.

The other concern is the rapidly increasing military strength of the Soviet Union. We assess the strength of the Soviet Union and of us to be at parity in the military realm, but the Soviet Union is weaker than we are ideologically, politically, and economically.

I see as a benefit to be derived from Sino-U.S. relations the ability of our two countries to draw upon our strengths in order to deal with the two problems I have just mentioned.

Vice Premier Deng: With regard to our views, we have had many contacts when President Nixon, President Ford, Dr. Kissinger, and later Secretary Vance and Dr. Brzezinski. Many Senators and Congressmen—almost 100 of them—visited China. In all our meetings with these officials, we told them of our views in a systematic fashion.

In fact, in my response to your welcoming remarks, I said the world is very tranquil.⁵ This is a hard fact which stares in the face of all peace-loving people of the world. Even before normalization, we repeatedly said that we were faced with the situation of instability and a lack of tranquility in the world. This provides the basis for many of the political and strategic points shared between the U.S. and China.

For a number of years, during the period he led China, Chairman Mao repeatedly noted the dangers of war and instability. We all know that during Chairman Mao's lifetime, he said there were three worlds—with the Soviet Union and the U.S. in the first world. But even at that time, Chairman Mao had as his strategic thinking that the main danger of war came from the Soviet Union.

Mao called for the third and second world to unite in order to oppose hegemony, and even at that time, Chairman Mao meant to include the U.S. in the common front. Even in those days, he said that there were many common points between the U.S. and China.

If one says that one has some disappointments, it is because over a period of some time the U.S.—recognizing the special responsibilities

⁵ This sentence is probably incorrectly transcribed. During the welcoming ceremony, Deng said, "The world today is far from tranquil."

of the U.S.—has not done enough against the dangers of the Soviet Union. It goes without saying that in dealing with the Soviet Union, as it pokes its head everywhere, the U.S. is the main force of opposition.

I have heard a reaction like that from many countries of the third and second world. There is a feeling that the U.S. has fallen short of their hopes. In saying that, they do not mean that the U.S. has done no work. Indeed, the U.S. has done much work. But unfortunately, in spite of the work of the U.S., Western Europe, Japan, and us ourselves, the situation has not been very much improved.

Let us look at the Middle East. There has been no fundamental change there. The crucial thing here is that President Sadat took a heroic step. But after his brave step, two years have passed. If good use had been made of those two years, the situation would have been different.

On the Middle East question, if President Sadat had been given more assistance and if pressure had been put on Israel, then the situation would be better. We can see that the strength of the so-called “confrontation countries” is being strengthened and not weakened, and the Soviet Union makes use of them. Leaving aside countries such as Algeria, Libya, and South Yemen, there is also Iraq and Syria, which are leaning more to the Soviet Union. So the Middle East is far from a solution. Of course, I am not making any criticism or putting forth any concrete suggestion. I am just putting forward some views. If President Sadat and Israel could reach an agreement that satisfies Syria, then the Soviet influence would genuinely be adversely affected.

So far as China is concerned, we consider Israel already to be an entity, an existing country, and it is unreasonable to deny its existence. It would be rather good to return to the boundaries of the 1967 War. If we added to that a solution for Jordan and the West Bank, and a solution to the question of a Palestinian state as an entity, it would win over 100 million Arabs.

If these questions are not solved, it will not only affect the Middle East but in countries near it—Iran, Saudi Arabia—problems will arise in all such countries.

Turning to the Horn of Africa, I note the importance of the goals the Soviets wish to achieve there. The presence of Cuban forces in Ethiopia contributed to the Somali-Ethiopia War. I told Barre in Beijing that Somalia had to deal seriously with its problems with Ethiopia. Barre did not approve lightly Somalia trying to change its boundaries. I discussed this with Barre in this way: the problem should be looked at from a broader, far-reaching perspective.

France took the position of noninterference and nonintervention. As a result, developments in Eritrea are even more complicated. As far

as the Horn of Africa is concerned, both Cuba and the Soviet Union are very happy.

This is also the situation in South Africa where the situation is very complicated. Li Hsien-nien recently visited Zaire, Mozambique, Tanzania, and Zambia. He discovered that Soviet influence is far from being weakened. We should say in all frankness that all four of these countries have had long relations with China, but now only Zaire and Zambia have good relations with us. Mozambique makes propaganda about a “family of socialist nations,” but it is still under the influence of the Soviet Union. I cannot say that Soviet influence in Africa has been reduced in Africa.

If we go further east, we all know the situation in Iran and Afghanistan and the causes of the situation there. Iran and Afghanistan influence the stability of Pakistan.

Pakistan is on very friendly terms with China. Not only Bhutto but Yaya Khan and Ayub Khan were also good friends of China. The relations of General Zia with us are very good. Vice Premier Li stayed in Pakistan on his return from Africa. General Zia knew that I was coming to Washington, and he requested that I bring this message: He always feels that the U.S. in the past has placed its emphasis exclusively on India. Pakistan is not opposed to improving its relations with India, but it feels that you only pay attention to India at a time when the situation in Pakistan is difficult. In passing, General Zia told us that the life of Bhutto is not in danger. On many occasions, we advised the authorities of Pakistan to be lenient in dealing with Bhutto. Pakistan wants and hopes for aid from the U.S., especially military aid. The PRC has given military aid to Pakistan, but our aid is backward. For a time, attitudes in Pakistan were awkward, and the leaders wanted to withdraw from CENTO. We advised against it, and the leaders of Pakistan accepted our advice. The problem of strengthening CENTO is something to organize and nourish.

Frankly, as I see it, what is unreliable is not CENTO but India.

To be sure, since the fall of Madame Gandhi, we have experienced some changes in our relations with India, and the situation is turning for the better. But it is unrealistic to expect India to divorce itself from Soviet influence.

In fact, recent events saw that India is still unstable. After the Vietnamese invasion of Cambodia and the establishment of the puppet regime, the Indian Government said that if the new Cambodian Government asks for recognition, India would recognize it. With the exception of the Soviet Union and its cohorts, India is the only country to so respond. But China is still trying to improve relations with India.

The Foreign Minister of India will come to China on February 12. Illness postponed an earlier visit.

These changes in India may be somewhat related to developments in Iran, Afghanistan, and Vietnam. These changes encourage India to develop in certain directions. It is important to strengthen CENTO and aid Iran.

Also related to CENTO, there is a realistic problem demanding attention—the strengthening of Turkey. We will continue to help Pakistan, but our strength is limited. You are rich, and we are poor.

Then, we should go further east, Vietnam is 100 percent the Cuba of the East. If we do not pay attention to this, the role of Vietnam will greatly exceed that of Cuba. Vietnam is different from Cuba. There is a nation of 50 million people and has a large military force. You have had much contact, and we have had even longer contact with Vietnam.

And I can say that there is nothing on which we wronged them. We did not expect the way they suddenly turned against us. Still, we are not sorry for our past assistance, but we must give a full appraisal to the role of Vietnam, especially since the Treaty they recently signed with the Soviet Union is of military significance. That is why the Soviet Union has again put forward the proposal for an Asian security system.

The reasons are clear. Afghanistan, Iran, Vietnam—the Soviet Union is beginning to get bases. Vietnam is promoting the Soviet dream of an Asian security system. That was before its invasion of Cambodia. Earlier, Vietnam wanted to join ASEAN, but ASEAN refused. So we see the situation from Iran to Afghanistan to Vietnam as related. The Soviet Union is attempting to build two positions of strength in the East and in the West linked by the sea. The situation is analogous to a bar-bell.

We see no possibility of détente. We can say that the situation is becoming more tense year by year.

If we wish to create world peace, security, and stability, we must deal seriously with the present international situation. I told American correspondents that we are not opposed to SALT. It may even be necessary. But we believe that of those really down-to-earth and effective is for Western Europe, China, Japan, and the U.S. to unite in a serious way to deal with events that occur in different parts of the world.

China does not wish for war.

Mr. President, you asked for a sketch of our strategy. To realize our Four Modernizations, we need a prolonged period of a peaceful environment. But even now we believe the Soviet Union will launch a war. But if we act well and properly, it is possible to postpone it. China hopes to postpone a war for twenty-two years.

Under such a premise, we are not recommending the establishment of a formal alliance, but each should act on the basis of our standpoint and coordinate our activities and adopt necessary measures. This

aim could be attained. If our efforts are to no avail, then the situation will become more and more empty.

I should also tell you, Mr. President, that this is a view held unanimously by the Chinese leaders and the Chinese cadres. A lot of people are saying that China is carrying out Demaoification. But actually this is what he wanted us to say and do.

President Carter: Thank you. We will meet this afternoon, and I look forward to responding to your assessment of the individual trouble spots around the world. This has been an interesting discussion by you of the world situation, and we share many of your concerns. It is important that you understand what we are trying to do for we differ in some places.

203. Memorandum of Conversation¹

Washington, January 29, 1979, 12:45–2 p.m.

SUBJECT

Secretary's Luncheon for PRC Vice Premier Deng Xiaoping

PARTICIPANTS

People's Republic of China

Deng Xiaoping, Vice Premier of the State Council

Fang Yi, Vice Premier of the State Council

Huang Hua, Minister of Foreign Affairs

Chai Zemin, Chief, Liaison Office

Zhang Wenjin, Vice Minister of Foreign Affairs

Pu Shouchang, Special Assistant

Peng Di, Information Assistant

Wei Yongqing, Director of Protocol, MFA

Zhu Qizhen, Deputy Director of the Americas and Oceania Department, MFA

Ji Chaozhu, Interpreter for Vice Premier Deng

United States

Cyrus Vance, Secretary of State

Harold Brown, Secretary of Defense

Zbigniew Brzezinski, Assistant to the President for National Security Affairs

Hamilton Jordan, Assistant to the President

Warren Christopher, Deputy Secretary of State

¹ Source: Department of State, Executive Secretariat Files: Lot 84 D 241, Box 9, Vance NODIS Memcons, 1979. Secret; Nodis. Drafted by Thayer and cleared by Sullivan. Vance's luncheon took place in the James Madison Room at the Department of State.

David D. Newsom, Under Secretary of State for Political Affairs

Richard C. Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs

Leonard Woodcock, Chief, Liaison Office

Michel Oksenberg, Senior Staff Member, NSC

Roger Sullivan, Deputy Assistant Secretary of State for East Asian and Pacific Affairs

Harry E.T. Thayer, Director, Office of PRC and Mongolia Affairs, Department of State

Secretary Vance, referring to the morning's meeting with the President,² suggested further discussion of Turkey. We had devoted great attention to Turkey, a subject of serious concern. Last year, the Administration made a major effort to lift the arms embargo, which had prevented us from delivering arms and then limited the amount of arms we could ship. We were able last year to pass legislation to lift the embargo, thus enabling us to deliver more arms than the limit previously set. The new budget this year provides for increased assistance to Turkey.

Secretary Vance said that beyond the issue of assistance, the United States is concerned about the economic problem. Thus, last year, we provided security support assistance to help Turkey in the economic area. Such assistance this year had been increased 100 percent over last year. However, it is quite clear that the problem goes much broader and deeper in terms of meeting economic needs. At the Guadeloupe Summit, it was decided to establish a consortium to provide additional assistance. Mr. Christopher had recently visited Turkey to discuss a number of matters, including military assistance. He asked Mr. Christopher to comment.

Deputy Secretary Christopher said that the economic problem was the principal one now facing Prime Minister Ecevit. He said that there was a lack of foreign exchange to purchase raw materials from which exports would be produced, and Turkey was thus on the edge of bankruptcy. However, Turkey had underlying economic strength, and Prime Minister Ecevit believed that if a financing bridge is provided to enable Turkey to earn foreign exchange, this could put Turkey in a healthy situation. The Germans are taking the lead, with our strong support, to organize a consortium to bolster Turkey's economic strength, and this would in turn enhance the strength at the eastern end of the NATO Alliance.

Secretary Brown commented on military aspects. He said that for the last several years Turkey's armed forces readiness was deficient because of the need for new materiel restricted by the embargo. The

² See Document 202.

supply of materiel never totally stopped but the embargo slowed it down. When the embargo was lifted last year, Secretary Brown said, \$80 million in the pipeline was released. He noted that the Administration's budget this year has a comparable amount of military assistance and foreign military sales, which would enable Turkey's state of readiness to be brought back up, including both air and land forces. This cannot be done in just one year—or just by the United States—but it can be accomplished by the consortium. (Vice Premier Deng asked for clarification of the figure Secretary Brown had given; interpreter Ji told him it was \$80 million.) Secretary Brown said that although Turkey's relations with NATO never completely broke down, it is now possible for us to work more closely to improve NATO's military capability in that area.

Vice Premier Deng asked about Turkey's relations with Greece. Secretary Brown said that they remained strained. Secretary Vance added that relations between Greece and Turkey are very important and that their re-integration into NATO had been slowed by the state of their bilateral relations. Secretary Brown said that the Supreme Commander of the Allied Forces in Europe has been working to strengthen cooperation between the two countries, including constructing an effective Aegean command. Vice Premier Deng noted that a number of Greek islands were just on the border of Turkey. Secretary Vance said that they are fortified, much to Turkey's concern.

Vice Premier Deng commented that this was a complicated situation, made more so by the Cyprus issue. Secretary Vance said there were also troublesome aspects relating to seabeds issues. The United States is trying to facilitate discussions of this important aspect among the parties concerned. Little progress has been made on this, however. Regarding Cyprus, the United States is working, in the UN and with the UN Secretary General and his staff, on new ideas to provide a basis for getting the talks started again. He noted that Mr. Christopher had also dealt with this subject on his trip.

Mr. Christopher said he is relatively optimistic that the talks by the Greek Cypriots and Turkish Cypriots can start again, with some chance of success. Despite longstanding bitterness between them, there are factors conducive to a settlement: Turkey's forces constitute an economic drain; the UN members providing forces are weary of the task; and the Greek Cypriots are aware that the world is looking to them for movement rather than stubbornness. Although the Greeks and Turks differ on many things, he noted, they do recognize a mutuality about security; each recognizes that the other's strength is important, particularly in the NATO context.

Secretary Vance summarized that, in short, we are anxious to strengthen them for NATO's purposes. There are serious obstacles; but

NATO's strong view is that Turkey is of great strategic importance in the region. Obviously, he added, the importance increases as we see the instability in Iran. Concern about this is shown not just by the NATO Alliance but also by the European Community in general.

Secretary Vance suggested that it would be useful, since Secretary Brown would not be joining the meetings with the President, to provide an assessment of NATO, including its current status, a comparison with the past, and projections for the future.

Secretary Brown began by noting that he would concentrate on the military side of the balance. However, he said, there are also many political, economic and social factors affecting both the Warsaw Pact members and the European and North American members of NATO. Certainly those factors have a strong influence on both the Warsaw Pact and NATO. Clearly, the Warsaw Pact nations have made their greatest strides on the military side. Ten years ago they had an unfavorable balance and now they are roughly in balance, especially in conventional forces. In the last five years in particular the Soviets have been moving troops into Eastern Europe; but the differences at confrontation points, Secretary Brown said, are not all that great—about 150,000 troops. He said that the Soviets have modernized. They have moved from artillery, aircraft and tanks with defensive shorter range functions to more modern capabilities, heavily armed and longer range.

Secretary Brown said that NATO in the past few years—particularly the last two years—has stepped up its own modernization. In the last two years, the NATO Allies decided on three things: a) on the goal of expanding their defense budgets, after inflation, by three percent; b) on short term measures such as an increase in anti-tank weapons, readiness and reinforcement, and to increase the stock of war materiel; c) on formulating longer term defense plans, for which they have established ten separate groups dedicated to plans in ten different areas, e.g. improved command and control, and strengthened air defense. These groups have developed long-term plans covering the period through 1985, including how to spend the \$50–\$80 billion that is being added to defense budgets. Secretary Vance intervened to note that the NATO Alliance is now more cohesive and will be focussing on these issues in a more planned, comprehensive and effective manner.

Secretary Brown continued that NATO, as a result of these decisions, has procured many thousands of anti-tank weapons, with ammunition, and all but two or three of the NATO countries have increased their real defense budgets this year over last year. Although the Soviets continue to have more tanks and a few more aircraft, the USSR cannot be confident of overrunning Western Europe in a quick attack. The United States, by 1982 or 1983, will be able to add five divisions in Europe within ten days. He said that, although NATO has no intention

of invading the Warsaw Pact countries, the Soviets must be and are quite concerned, in any plan to overrun Western Europe, that the momentum is now against them. There is evidence that they are concerned, and we and our NATO allies are quite confident.

Secretary Vance said that he thought Secretary Brown's comments might be helpful as background for the Vice Premier's discussions that afternoon.

Vice Premier Deng pointed out that the Soviets might attack NATO on two flanks.

Secretary Brown acknowledged this. He said that the weather was a difficulty on the northern flank, but if the Soviets attempt to attack there NATO has plans to reinforce very quickly by both air and sea. Elsewhere on the northern flank, he said, the United States Marines participated in an exercise in Denmark last summer. On the southern flank, the Greek and Turkish armies are very substantial in size. There must be improvements in the political situation for them to fight effectively, and that flank needs a reinforcement capability, which we are preparing to have by air and sea as well. He noted that it would be very important to close both the Bosphorus and Dardanelles Straits to block the Soviet Black Sea fleet and to isolate the Mediterranean.

Vice Premier Deng said that he had been wondering for many years now if it is accurate to describe the situation by separating strategic from conventional weapons. Secretary Brown replied that in his judgment it would be difficult to keep conventional war from escalating into nuclear war. He said that one can theorize but he thinks it would escalate. Secretary Brown pointed out that this is what helps to deter a conventional attack.

Vice Premier Deng said that NATO had a strategic shortcoming in that the NATO rear, the United States, is very far from Europe and that the Soviet Union is very close.

Secretary Brown responded that this is why we are working on reinforcement capability. If we pre-position supplies in Europe then all we need to do is move troops over there, which we can do in a few days. By 1983, he said, we will have five divisions of equipment pre-positioned so we can double the fighting force in a week or ten days. Subsequently more forces can be moved by ship within 30 days, but the initial move must be quick and we are arranging to do that.

Secretary Vance noted that the obvious complement to this is that NATO must develop an early warning capability of maximum effectiveness.

Secretary Brown said that we believe that any substantial Soviet build-up would become apparent in a few days, but the Soviets can build up rapidly and we must keep our ability to respond in a week or

two. He asked how the Vice Premier looks upon this in respect to China's defensive system, and asked about China's ability to respond and resist attack in a brief period.

Vice Premier Deng answered that China's warning systems are backward but China is always on the alert to possible attack by the Soviets. However, the current Chinese assessment is that it is not easy for the Soviets, with their present armed forces in the Far East, to launch an attack. Their arms in the Far East are less than a quarter of their total, including forces near Iran and East Turkestan. As far as he knew, the Vice Premier continued, the Soviets had not increased their forces in the Far East to a large degree. He said that since the Vietnam question arose, the Soviets were "clamoring" but he had not seen much increase in their forces. Nevertheless, China is ready, and ready for them to go deep. The Vice Premier joked that maybe China has no other merits, but it does have plenty of territory. The Soviets have, however, strengthened their naval and air forces in the Far East similar to what they have done in Europe, with particular emphasis on naval improvements.

Dr. Brzezinski commented that we have some indication that the Soviets have increased their ground forces also, especially in certain areas near the Chinese frontier. This has been a gradual increase over the last few years. Vice Premier Deng said that the addition of one or two divisions along a common boundary of several thousand kilometers would not make much difference. Secretary Brown said we had also noted an increase in their air force, but this did not seem linked to Vietnam. Vice Premier Deng acknowledged this, but said their increase in naval forces is connected with the Vietnam situation. Secretary Brown said the Soviets certainly could reach Vietnam only by air or sea and thus such a build-up was of use in Vietnam. But this began early. Vice Premier Deng said that of course the Soviets don't need so much of a build-up to deal with the United States. Foreign Minister Huang added that Vietnam authorities are already asking residents of the Cam Ranh Bay area to withdraw.

Secretary Vance, turning the conversation back to Southern Europe, said we must look at the whole area, including Portugal, Spain, Italy, Yugoslavia and others who must keep themselves strong politically. He said that, in the last two years, we have been working on Portugal to help build stability there including economic stability, and with Spain, in the process of establishing a new government. He anticipated, from his conversations there, that Spain will seek to join NATO within the next couple of years. He said we have been trying to continue to strengthen relations with Yugoslavia with whom our relations are closer and better than they were two years ago. The United States will continue this effort, especially because of the importance of Yugo-

slavia's particular location and also because of its important role in the non-aligned movement. Vice Premier Deng said he agreed, and recalled that the Yugoslav question was discussed with both Secretary Vance and Dr. Brzezinski. Deng volunteered that the attitude recently taken by both Romania and Yugoslavia was very good. Secretary Vance said he agreed, and thought that Chairman Hua's visits to these countries were constructive and productive. He asked Dr. Brzezinski if he had anything to add regarding the southern tier.

Dr. Brzezinski said that he would just make one point. He told Deng that we were watching Algeria very closely since perhaps Algeria might take a more helpful position following Boumediene's death. He said we would like to encourage China regarding Algeria, and anything China could do would be important, because of Algeria's position in the non-aligned movement. Vice Premier Deng replied that it is a pity that during the previous period Algeria had been rather close to the Soviet Union. Deng said that China hopes that there will be changes for the better, but this would depend on who eventually emerges as Algeria's leader.

(The Secretary reported that Mrs. Vance's luncheon was proceeding more slowly and therefore the Secretary's luncheon group had been asked to wait a few minutes, until 2:00 p.m., before giving toasts in the next room. This prompted a humorous exchange led by Vice Premier Deng about the comparative speed with which those with a military background eat their meals.)

Vice Premier Deng asked about the \$80 million mentioned earlier. Secretary Brown replied that the \$80 million was in foreign military sales credits which now had been released. Most of the new money this year, he said, is credits, but he believed that some is grant aid.

Vice Premier Deng said he believes that these measures with Turkey are beneficial, but he wanted to reiterate what he had said at the meeting in the morning—that Pakistan is no less important than Turkey. In Pakistan it is important to keep Bhutto from being condemned to death; at the same time, we should be aware that toward the end of his rule he leaned toward the Soviet Union. He said that Bhutto's inability to get help from the United States and Europe contributed to this. It is possible also that the new leadership could move in that direction, too.

Secretary Vance recalled that he had said Sunday night that our policy is to assist Pakistan, and this is reflected in this year's budget. But, as he had also discussed at length Sunday night, Pakistan must act in a way to help us, under our law, provide for them. As long as Pakistan engages in nuclear reprocessing our law prevents us from giving economic and military assistance. Vice Premier Deng said: "We can do some work to that effect." (The Secretary intervened to say this would

be “very good.”) Under these circumstances, Deng continued, the United States must give Pakistan effective aid. The Vice Premier noted that the Pakistanis believe the United States previously agreed to provide more aid than we actually did. Deng quickly added that, of course, he did not know the details about that. Secretary Vance took note of the Vice Premier’s comment, then turned back to the subject of Bhutto, saying that the United States had urged General Zia to exercise clemency once his case was decided by the Supreme Court even though Bhutto had attacked the United States. Vice Premier Deng said that Bhutto is a man of emotion: sometimes he curses the Chinese also. Secretary Brown concluded the discussions by saying that if all those in other countries who had cursed the United States were executed there would be few people left in the world.

(The Secretary then led Vice Premier Deng to join Mrs. Vance’s luncheon for the toasts.)

204. Memorandum of Conversation¹

Washington, January 29, 1979, 3:35–4:59 p.m.

SUBJECT

Summary of the President’s Meeting with the People’s Republic of China Vice Premier Deng Xiaoping

PARTICIPANTS

President Jimmy Carter
Vice President Walter Mondale
Secretary of State Cyrus Vance
Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
David Aaron, Staff Member, National Security Council
Michel Oksenberg, Staff Member, NSC
Trudy Werner, Notetaker, NSC

Vice Premier Deng Xiaoping
Vice Premier Fang Yi

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: President’s Meeting with Vice Premier Deng: 1–2/79. Top Secret; Sensitive; Eyes Only. The meeting took place in the Cabinet Room. Brzezinski gave Carter suggested talking points for this meeting, which were initialed “C.” (Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: 1/25/79 Briefing Book [III])

Foreign Minister Huang Hua
Ambassador Chai Zemin
Vice Foreign Minister Zhang Wenjin
Acting Head of Department of American and Oceanian Affairs Zhu Qizhen
Head of the Department of Protocol Wei Yongqing
Pu Shouchang, Member, State Planning Commission
Lien Zhengpao, Notetaker

President Carter: Mr. Vice Premier, we are very excited about the gifts. They are very beautiful.

Vice Premier Deng: They are very little gifts.

President Carter: This afternoon I thought we might go over the range of world problem areas. Let me try to explain our own attitudes toward them and in some circumstances outline what steps we are taking to alleviate the problems.

I understand that Secretary Brown gave you a description of what we are doing in Europe with our NATO allies to strengthen our defense.²

We have a very good spirit and a sense of purpose and cohesion in NATO that was not there several years ago. As Secretary Brown undoubtedly told you, we have about 340,000 men, armed forces personnel, in the European Theatre.

Concerning the Soviet Union, we are also deeply concerned about recent developments in Afghanistan and Vietnam, Ethiopia, South Yemen, earlier of course in Angola and we share your concern about these developments.

I think, though, in an effort to be accurate, all of the trends in recent years have not been in favor of the Soviet Union.

Several countries have moved from a closer allegiance to the Soviet Union more and more to an allegiance to the Western world and indeed with your country as well.

A few years ago, for instance, Egypt was a very close permanent ally of the Soviet Union. Now, of course, it is a very close friend of ours and yours as well. I think it is accurate to say that since Madame Ghandi's departure, with her replacement by Desai, that India has taken a much more positive attitude toward the United States than it had before.

I won't mention the countries one-by-one because you know them as well. But I think in the case of Indonesia their relations with us are better. In several countries in Eastern Europe, Romania and others, their relations with us have improved. Yugoslavia has increased its friendship toward us. Nigeria is much more friendly toward the West.

² During the luncheon meeting at the Department of State; see Document 203.

So too is Guinea, North Korea, formerly dependent on the Soviet Union, is much more friendly with you. Perhaps we have our best relationship with Japan in recent years. The ASEAN nations are much more cohesive, much more independent economically. I think their recent action in the United Nations concerning Vietnam's invasion of Kampuchea was encouraging. Somalia, for a while very closely dominated by the Soviets, now is much more independent. And in the Middle East, the Soviets complained because they have been excluded from deliberations there. While many trends favor the Soviet Union, in many other ways, I think Soviet influence has been decreased.

We have also been pleased lately to conclude our naval base agreements with President Marcos in the Philippines. So our military presence in the Western Pacific is on as secure a basis as it has been in many many years.

We are very pleased that for the first time that I can remember we have a good relationship with China, Japan and India all at the same time. And we believe those friendships will grow stronger as time goes by.

But we obviously have problems and challenges from the Soviet Union that we need to address together. We think it would be a mistake to form an alliance against the Soviet Union but there are many areas of the world where we can act in concert without intruding on the rights of the people involved in a troubled region.

We feel that in many ways the Soviet Union has become increasingly isolated from their formal staunch allies and friends. The recent vote in the United Nations we think was highly significant when for the first time the developing nations of the world voted overwhelmingly against the Soviet Union and against the invasion by the Vietnamese of Kampuchea.

Our working together with you and others made it possible for the first time recently for the Cubans to be halted in their obvious effort to take over the nonaligned movement and to dominate it.

When I was in Guadeloupe with the leaders of West Germany, Great Britain and France, we had long discussions about the problem in Pakistan and Turkey, two nations that are of concern to you.

We are working now with the West Germans and others to try to alleviate some of Turkey's economic problems and also to cooperate with the International Monetary Fund in this effort.

We are trying through the United Nations to alleviate the tension that divides Turkey and Greece and to bring both those nations back into a closer relationship with NATO. The Turkey–Greece problem is similar to the one that divides Pakistan and India. And we hope that everything will be done by you and us to bring about closer relations be-

tween Pakistan and India. We are resuming our efforts to renew our strong ties with Pakistan and here we can work in harmony with you. The British and French and others are also interested in having a strong Pakistan, both economically and militarily.

General Zia has sent me a very valuable message through you. We are very pleased to hear about the prospects for President Bhutto's life being spared.

There is a very serious problem in Pakistan which has already been discussed with you by Secretary Vance concerning their developing nuclear force. As you know, India already has that capability. We will try to do everything we can to have a mutual agreement between those two nations, that neither will go down the road to becoming a nuclear power.

When Prime Minister Desai was here and when I was in India earlier last year, he expressed his desire to work closely with Pakistan's leaders to communicate better and alleviate tensions and your good influence in Pakistan would be very valuable. We would like to have your advice and information as the possibility for peace is explored.

Vice Premier Deng: Pakistan's problem is this. What Pakistan is dissatisfied about is that they feel American aid to India is quite a lot, whereas your aid to Pakistan is very very small.

If, for instance, the United States gives the same amount of aid to Pakistan as it is giving to India, I think our advice to the Pakistanis not to develop a nuclear capability would be effective.

President Carter: I am not sure we can equate the levels of aid because of the greater population in India. We have a law recently passed by Congress which we cannot violate which would require us almost completely to terminate our aid to Pakistan if they developed a nuclear capability.

Secretary Vance was telling me that on the basis of population, the economic aid to the two countries is about equivalent—\$120 million of aid to India and \$40 million of aid going to Pakistan.

Vice Premier Deng: But I hope that you consider that you should not calculate it on a per capita basis. Because the threat which Pakistan is facing is from India and they went through the bitter experiences of being dismembered by India. And now Pakistan is faced with the danger of being dismembered once again, of course, this second dismemberment, this danger, does not come from India alone but emanates from the north. For instance, there is the danger of a separatist movement in Buchistan encouraged by outside assistance.

And so that if you give aid in accordance with the population, then Pakistan will always be under the threat of India.

President Carter: The aid I referred to was economic aid, not military aid. We have encouraged our European allies to join with us recently in Guadeloupe to increase the aid we give to Pakistan.

Vice Premier Deng: If the United States or, through your allies, you could give really down-to-earth, solid assistance to Pakistan, then I believe it would be possible not to develop a nuclear plant. I hear that General Zia plans to come to Washington.

Secretary Vance: There is not a definite date set.

President Carter: Recently we have moved to Pakistan two squadrons of F-5 fighter planes and the French have decided to sell their most advanced Mirage airplanes. I think the 2000.

Vice Premier Deng: That is good.

President Carter: We agree with your concern.

Vice Premier Deng: As I was saying this noon time to the Secretary of State and Dr. Brzezinski, if we look back in the history of Pakistan we can see that at the beginning Mr. Bhutto was opposed to the Soviet Union, but later when Bhutto felt he was getting more and more isolated, he depended more upon the Soviet Union. At the present time, General Zia's regime is still independent. At the same time we note the internal struggles are still very complicated. If one does not give him real effective aid, General Zia will be vulnerable to internal and external pressures.

President Carter: I would like to say a word about the Middle East. I have spent hundreds of hours trying to bring the Arab countries together to resolve the differences that have been so explosive, differences which prompted war four times in the last 30 years.

It is a very difficult challenge, as you know. But I think at this point we have continued steadily to make very slow progress and both the Israelis and Egyptians are determined to reach an agreement as a first step toward a comprehensive peace agreement. We are determined to resolve the Palestinian question, West Bank, Gaza and also to lay the basis for a peace agreement between Israel and Jordan and Israel and Syria. The comprehensive nature of this peace has been a basis for the Camp David meeting and both the Israelis and Egyptians still are committed to carry out the terms of that agreement.

Unfortunately, many of the Arab countries still waste their military and political strength in trying to destroy Israel, rather than combining their strength to prevent Soviet intrusion into the Middle Eastern areas.

Our efforts are to make sure that Israel and the Arab countries—even as far away as Morocco, Sudan, Saudi Arabia, Jordan, Syria, Iraq and others—recognize that they must alleviate tension among them—

selves based primarily on the Camp David accords in order to face a common challenge to their own safety and their own independence.

Your encouragement of President Sadat in his very courageous action has been very helpful.

Vice Premier Deng: Our relations with President Sadat are very good. And we trust each other. The question now is that we must not increase the difficulties of President Sadat. If President Sadat does not insist upon the restoration of the rights of the Palestinian people and if President Sadat does not insist upon the return of the lands occupied since the war, then President Sadat will become isolated among the Arabs.

President Carter: As you know, he insists on both these goals.

Vice Premier Deng: And we told this to President Sadat himself because he is persisting in these two points. That is why we have the courage to support the position of President Sadat. And it is precisely because of this position that I have been able to maintain good relations with both Iraq and Syria.

And so the crux of the problem is still to persuade Mr. Begin and to quickly reach agreement on these two points. That is, first, to return the occupied lands to the Arab nations and second, to agree to the creation of a Palestinian entity on the West Bank of the Jordan and to restore to the Palestinian people their national rights.

President Carter: In the opinion of President Sadat, and we agree with him, the Camp David agreement signed by Sadat and Israel accomplishes these goals adequately and we would hope that you could continue to use your own good influence among the other Arab nations to encourage and support the Camp David accords. It is very difficult for President Sadat in having the cooperation of the Palestinians and the Jordanians to carry out the agreements reached at Camp David. Quietly the Saudi Arabians have expressed their support, but because of the intense pressure placed on them by Libya and by Iraq, they have been much more neutral, for instance in the Bagdad conference. But we believe that the Camp David agreement must be the basis for a settlement in the Middle East. The only alternative is to bring the Soviet Union into the discussion as was originally envisioned by the U.N. call for a Geneva Conference. Neither Egypt nor Syria, none of them wants to see the Soviet Union come in and be a full partner in the future discussions.

Vice Premier Deng: That is very good. Don't let the Russians meddle in.

I think we can work together towards this end. As for Israel itself, it is an existing entity. We cannot just wipe it off the face of the earth. We have never approved such an approach. Israel is an objective reality which exists. We have already made clear our position.

President Carter: Can you establish any sort of communications with the Israelis?

Vice Premier Deng: We cannot do it at the present time. Because if we were to do so, we could not conduct any work at all.

President Carter: And the same with the Saudi Arabians?

Vice Premier Deng: No. Saudi Arabia is different. It is the Saudi Arabians who do not want to have contacts with us.

But if you can do some promotion work there, we would be grateful.

The Saudi Arabians say they do not want to establish diplomatic relations with an atheistic country.

President Carter: I think to summarize what I said so far, there are many areas of the world where you and we have a common goal and where we can cooperate. In Pakistan, in strengthening the ASEAN nations, in the Middle East, among the non-aligned countries who look to you for leadership and guidance quite often. The recent Kampuchea issue in the U.N. was an encouraging development. In Korea, I would like to hear your idea of what we might do to assure future peace and non-aggression in Korea.

Vice Premier Deng: While I was in Japan, former Prime Minister Fukuda raised this question; a number of U.S. Senators and others raised this question with me. Here I can say in clear and explicit terms that there does not exist a danger of North Koreans preparing to launch a war. Even should the United States withdraw all its armed forces from South Korea, leaving only the South Korean armed forces there, under those circumstances there still would be no possibility of the North Koreans attacking South Korea. I am sure that Mr. President has already noted the Democratic People's Republic of Korea has suggested a new proposal for resuming negotiations and put forth concrete suggestions. And the North Koreans hope to engage in negotiations with the United States. And they are even more eager to engage in a dialogue with South Korea.

But because the Park Chung-hee government in the past rejected negotiations with the Democratic Republic of Korea, so this time North Korea hopes that should such negotiations be resumed, they should not only be conducted on a government basis but that different parties and various peoples' organizations could also take part in negotiations on both sides.

President Carter: This makes it difficult if not impossible for the South Koreans to agree because of the inadmissibility of North Korea's deciding who should represent the South Koreans in the discussions. If it was possible for the government authorities to negotiate directly, this would open up immediate possibilities for fruitful discussion.

President Carter: Are you in a position to have any communications directly with the South Koreans?

Vice Premier Deng: For similar reasons, like Israel, we cannot have direct contacts with the South Koreans because if we were to do that we would lose the possibility of doing work with regard to other parties. These are very sensitive problems.

President Carter: Yes, I know. Of course we would be very glad to have a trade relationship with North Korea if you could have a similar relationship with South Korea, and perhaps these openings might provide new avenues of choice and new ways to resolve differences.

Vice Premier Deng: It would be best for us not to create a situation in which it would make it even more difficult for North and South Korea to contact each other.

President Carter: We will continue to use our good offices to bring the two governments together for discussion and to the extent you can, you will do the same. We will cooperate and share advice.

Vice Premier Deng: While in Japan, Prime Minister Fukuda also made a similar suggestion that they will work with regard to South Korea and we with regard to North Korea. But we did not agree to this. The Japanese could work with the South Koreans but if we were to do the same with the North Koreans, results would be just the opposite of what we would want.

I would like to explain this point. Some think the Soviet Union is increasing its influence in North Korea. That is not correct. Actually, the Democratic People's Republic of Korea has all along maintained a relationship of trust with China. And there is no secret to that. We never interfered in the internal affairs of North Korea and we never took a part in their decision making. Whatever aid we gave them, it was totally devoid of any conditions. Whereas, Soviet aid always has strings attached. In fact, some of those conditions were very hard indeed, which involved Korean internal affairs and that is why the North Koreans became unhappy with the Soviet Union.

President Carter: Do you think it would be inappropriate for you to encourage the North Koreans to meet with the South Korean government officials or authorities?

Vice Premier Deng: We can just express our support for the North Koreans' position for independent, peaceful reunification. Mr. President probably has already noted that the promise of the recent North Korean proposals is that the two sides should engage in peaceful consultations. And in this field, I think we can do work that includes Japan to encourage them to engage in direct negotiations.

President Carter: The last thing I would like to discuss with you, and you can raise other items if you wish, is our own general relationship with the Soviet Union.

I notice in the interview that you gave to Hedley Donovan of *Time* Magazine that you expressed your displeasure with the SALT agreement and your support of the letter written by the retired generals.³ This causes us some problem. This morning I noticed that you said you did not object to a SALT II Agreement and that it might be necessary. If you could let your views be clarified when you speak to the members of Congress and to the public it would be very helpful to us. We believe that the SALT Agreement is not only important for us and for the Soviet Union but for you and other nations as well. And I would like to explain briefly why I believe that this is true.

Vice Premier Deng: But I would like to make clear that, in my interview with Mr. Donovan, I did say that we do not object to the United States concluding this or that agreement with the Soviet Union. Rather, I said to Mr. Donovan that just by signing agreements with the Soviet Union, no matter how many agreements, you cannot by means of those agreements put restraints on the Soviet Union. I told Mr. Donovan I do not object to the signing of this or that agreement.

President Carter: In the *Time* Magazine coming out this week and in the afternoon Washington newspaper, the emphasis was on the opposition to SALT and if this could be clarified with statements about your true attitude, it would be very helpful.

Vice Premier Deng: Yes. I can do that.

President Carter: As you know, we have had several agreements with the Soviet Union. This particular agreement brings the limit on the Soviet Union and us much more directly in balance. It does not prevent our own nation from developing and deploying the strategic weapons which we would like to have. As you know, the Soviets' agreement with us limits them and us, but does not limit the French or the British. And, as already published in the news, it does not include tactical or theatre nuclear weapons under this agreement. The Soviets would have to dismantle about ten percent of their total transcontinental missiles and the development of new missiles in the future would be restrained.

We feel, perhaps contrary to your own belief, that the Soviets have complied with the previous agreements, including the Limited Test

³ In the interview published in *Time* Magazine (see footnote 4, Document 202), Deng said, "I suppose that you have already read the letter of 170 retired American generals and admirals. I have read it myself, and I very much approve of that letter." According to *Time*, "The open letter, warning that the Soviets were 'heading for superiority, not parity, in the military arena,' ran a full page in *The New York Times* last week and was signed by 178 retired generals and admirals. Among them: Admiral Elmo R. Zumwalt Jr., former Chief of Naval Operations; General Albert C. Wedemeyer, China theater commander in World War II; Major General George J. Keegan Jr., former Air Force chief of intelligence."

Ban, the Anti-Ballistic Missile Treaty, SALT I and the agreement reached at Vladivostok. We believe there was adequate means of verification of their compliance and of course we would monitor constantly the Soviet agreement or compliance with SALT II as well. I think this type of limit, mutually placed on ourselves and the Soviet Union is much more constraining on them—for they desire to build up armed forces rapidly—than it is on ourselves and other nations who do not have this desire but must maintain a strategic balance. We have not yet concluded all the SALT terms. Most of them have already been revealed in the news media and, of course, we would be glad, at a later date, to give Ambassador Ch'ai a briefing on the terms of the SALT Agreement as soon as it is concluded with the Soviet Union. But my judgment is that this type of agreement, although not perfect and not adequate, is a step in the right direction.

Vice Premier Deng: We are not opposed to negotiations. And we are not opposed to your reaching this or that agreement. At the same time we believe that such an agreement cannot really restrain the Soviet Union. Because with regard to these nuclear strategic weapons, you have already reached these agreements with them. This will be the fourth. The first in 1963, in 1972 with SALT I, in 1975 at Vladivostok and now this will be the fourth.

President Carter: Yes, I know. That is true.

Vice Premier Deng: And after each agreement, the Soviet Union stepped up its efforts to catch up.

President Carter: Yes.

Vice Premier Deng: And there may be the fourth, fifth, or sixth agreement and we are not opposed to those. But so far as we are concerned, we do not believe that these agreements can restrain the Soviet Union from carrying out its expansionistic policies. Even if you are able to carry out effective supervision on the question of nuclear weapons, they will still look for loopholes in another direction. For instance, Afghanistan, Iran, South Yemen, Angola, Vietnam, Ethiopia and so on, they constantly engage in such actions. So we repeatedly said that what we really need to do is real, solid, down-to-earth work.

And when we talk about doing real, solid, down-to-earth work, that means such actions as normalizing relations between our two countries, concluding the Japanese Peace and Friendship Treaty, and uniting ASEAN, including breaking up Soviet strategic plans for launching war. Wherever the Soviet Union sticks its fingers, there we must chop them off.

President Carter: Let me say that we do not depend on the arms control agreements to remove all the threats to world peace. We are at the same time maintaining and even increasing the military capability of the United States. We encourage our NATO allies to do the same. We

are encouraging the Japanese, within their own prescribed limits, to improve their own defense capability. We are pleased with your Peace and Friendship Treaty with Japan. I think that as we deal with countries where the Soviets now have a foundation, you can help us and vice versa to replace or reduce the Soviet influence.

It would be a mistake for us to forget about Tanzania. Our belief is that Nyerere has not shifted completely away from us to the Soviet Union. Machel has a very strong nationalist capability. There are countries where the Soviets have an influence, where you in your way and we in our way can encourage friendship instead of domination by the Soviets.

I think a prompt approach, as you point out, is a very good approach. We also let the Soviets know that their adventurism is contrary to their desire for détente, friendship, trade, and peace with the Western nations and we do everything we can to alleviate tension in the trouble spots around the world because often the Soviets take advantage of disharmony or an outbreak of violence or instability in a country to move in—hopefully temporarily. I think in all these areas, as our own relations become strong and more normal, a shared effort by the two of us can be very helpful to ourselves, to both our countries, and to the entire world. We want to avoid war permanently if possible, not just postpone war for a couple of decades and I am sure this is your desire as well.

Vice Premier Deng: I agree to what you have just said. I would like to just say something supplementary. We believe that the experience of Angola merits summarizing. We see some changes now in Angola. There are now signs already that we may be able to improve relations with Angola. The Foreign Minister is thinking of developing relations with Angola. As we see it, there are two factors leading toward this. One fact is that both the Soviets and the Cubans are not popular there because, with the exception of providing them with munitions and weapons, economically speaking, the Soviets and Cubans cannot help them solve any problems. Then, the second factor is holding the flag of the Angolans. Actually the Cubans invaded Zaire and they were defeated. And so this shows the strategic aims of the Soviet Union. If we are to adopt a tit-for-tat policy toward the Soviets, then it would further change. Frankly speaking, as for this incident of Angola invading Zaire, those who were most cursed were China and France. But it would have been better if not only China and France were cursed but if the United States were also cursed.

President Carter: We were. We moved troops into Zaire.

Vice Premier Deng: But you are cursed not so vehemently. Further, in the future, let's suffer in common from curses.

President Carter: Mr. Vice Premier, it might be good for us to move into the Oval Office to discuss the Vietnamese question if this is satisfactory to you.

Vice Premier Deng: Fine.

The President, the Vice President, Secretary Vance, Dr. Brzezinski, Vice Premier Deng, Foreign Minister Huang, Vice Foreign Minister Zhang, and Mr. Chi (translator) adjourned to the Oval Office to meet from 4:59 p.m. to 5:49 p.m.

205. Memorandum of Conversation¹

Washington, January 29, 1979, 5–5:40 p.m.

PARTICIPANTS

The President
The Vice President
Secretary of State Cyrus Vance
Assistant to the President for National Security Affairs Zbigniew Brzezinski
Vice Premier Deng Xiaoping
Vice Premier Fang Yi
Foreign Minister Huang Hua
Vice Minister of Foreign Affairs Zhang Wenjin

SUBJECT

Vietnam

The President: We are doing what we can to encourage other nations to reduce foreign aid to Vietnam as long as the Vietnamese are the invaders.² It is significant that LDCs now condemn Vietnam as the aggressor. We will not pursue discussions regarding normalization under these circumstances. We are encouraging the ASEAN countries to stand united against Vietnam, and we are increasing military aid to Thailand. We have also warned the Soviet Union in strong terms about the damage to their relations with us if they pursue their aggression against Cambodia.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: President's Meeting with Vice Premier Deng: 1–2/79. Top Secret. At the top of the page, Brzezinski wrote, "ZB's notes, reviewed by P," to indicate that he had taken these notes, and Carter had reviewed them. Carter's additions are noted in the footnotes below.

² Carter added "to encourage other nations."

Deng: What was the Soviet reaction?

Vance: They will report to the Politburo and then respond.³

Deng: There probably will be no reply.

In the small circle let me state our view and possible measures we may adopt. These are very serious questions. We want to discuss them with the U.S. Government. We find that Vietnam has become totally Soviet controlled, and the fact of its flagrant invasion of Cambodia, its plot to establish an Indochinese Federation under Vietnamese control is more grave than you think. At least a majority of ASEAN countries assesses this an extremely grave matter. Not long ago I visited Thailand, Malaysia and Singapore. At that time, they believed Hanoi's promises. But when Vietnam attacked Cambodia, they realized they had been taken in.

At the same time, they expressed the hope that China will be able to do something. Some friends even criticized China for being too soft. Thus ASEAN countries are now in the front line.

I don't know if you know that the so-called Indochinese Federation is to include more than three states. Ho Chi Minh cherished this idea. The three states is only the first step. Then Thailand is to be included. Thus, in Ho's views, the Federation goes beyond three states.

Vietnam, despite internal difficulties is beefing up its military capabilities. They claim one million men under arms; actually they have 500,000 men. Their economic situation is extremely difficult. Food is in short supply; only armed forces are supplied well insofar as nourishment is concerned. Yet they engage in expansionism. They have increased the military age for mountain people up to 37; for people living on the plains up to 45.

In the international arena, many feel Vietnam will fall more deeply into Soviet arms. That is actually not the question. The bases have already been built by the Americans. Vietnam has many new modern airports and naval bases.

Vietnam is playing the role of Cuba. Of course, the Soviet Union will make use of Vietnam to harass China. Vietnam is also an important factor in the Soviet "Asian collective security system."

If Vietnam is allowed to continue on its unbridled path, there will be changes in the ASEAN countries. They have complicated internal situations. There are thus loopholes for the Soviets to exploit.

Our general view is that we must disrupt Soviet strategic dispositions. If we do not disrupt with strength, we will only create more trouble.

³ Carter added "and then respond."

The Thais are worried about Vietnamese aggression and also about changes within Thailand.

As for China, there have been constant boundary problems, with no end. The Vietnamese create trouble for us day in and day out. There are continuous incidents and small scale conflicts. The Vietnamese now are extremely arrogant. They now claim to be even the third most powerful military nation in the world, after the United States and the Soviet Union.

The Vietnamese thus are very conceited. They even say that one Vietnamese soldier can fight 30 Chinese soldiers. When faced with such rampant ambitions, not putting a halt on them won't do. Proceeding therefore from global strategic as well as from Asian considerations, we consider it necessary to put a restraint on the wild ambitions of the Vietnamese and to give them an appropriate limited lesson.

And, of course, we have considered whether this will give rise to a chain reaction. We have reviewed this in detail.

The lesson will be limited to a short period of time. Thus, the problem of a chain reaction is mainly the question of the North. Your information is better. You know we have concentrated some forces. You also know what the Soviets are doing. It is not conceivable for the Soviets not to react at all. But we do not expect a large reaction.

It is now winter time. Large-scale operations in the North are not easy. If our action in the South is quickly completed, they won't have time to react.

If we do not punish them, their violent actions will continue on a greater scale. They will expand their activities also on China's borders. Border incidents will continue and become larger.

Morally speaking, to sit idly when Cambodia is being overrun is not right. Now two thirds of the Vietnamese forces are in the South; one third is in the North.

Some punishment over a short period of time will put a restraint on Vietnamese ambitions.

We have considered the possibility that reaction from the North might be big. We are not afraid—they could not shift their forces to the Far East that quickly. Their existing forces in the Far East are too limited. However, we must consider the worst possibility. Even if they increase their numbers, we can hold out.

We need your moral support in the international field.

The President: This is a serious issue. Not only do you face a military threat from the North, but also a change in international attitude. China is now seen as a peaceful country that is against aggression. The ASEAN countries, as well as the UN, have condemned the Soviet Union, Vietnam, and Cuba. I do not need to know the punitive action

being contemplated, but it could result in escalation of violence and a change in the world posture from being against Vietnam to partial support for Vietnam.

It would be difficult for us to encourage violence. We can give you intelligence briefings. We know of no recent movements of Soviet troops towards your borders.

I have no other answer for you. We have joined in the condemnation of Vietnam, but invasion of Vietnam would be very serious destabilizing action. What is your response to my comments? This matter requires more study. It's of greater concern to you than to us.

I should note that eight of the nations we approached to cut off aid to Vietnam have already done so.

Deng: We have noted what you said to us, that you want us to be restrained. It is not that we did not consider this. We feel that looking at the world situation—for example, Cuban presence has grown to 50,000 troops in Africa, yet they have never been punished—and now the Cubans have even expanded their activities without anyone stopping them—it follows that if they are not restrained, they will continue.

We intend a limited action. Our troops will quickly withdraw. We'll deal with it like a border incident.

Some will curse us—but more people will recognize the necessity of the action. After we fought with the Indians,⁴ we withdrew very rapidly and released all the POW's (even repaired captured equipment and returned it).⁵

Therefore what we plan to do is a limited short time action, to give them a lesson. If done properly, it might even give rise to some changes within Laos and Vietnam.⁶ There are different viewpoints in Vietnam still, the North is against the South, their ethnic conflicts, and the morale of the armed forces is not very strong. Accordingly, a lesson along the border might bring about changes in Vietnam also. There is not too much difficulty in giving them a lesson along the border.

The problem might be the North. We do not expect a major reaction. But if there is to be one, they will have to withdraw troops from Europe. If they withdraw troops from the West, that will be beneficial to Iran and Europe.

We understand it will be difficult for you to give an affirmative answer. Sometimes one has to do something one does not wish to.

Our warnings to Vietnam were of no use. We are happy about persuading countries not to give aid, but that doesn't put restraint on Viet-

⁴ Deng is referring to the 1962 Sino-Indian border conflict.

⁵ Carter added the parenthetical note.

⁶ Carter added "Laos and."

nam. There is the question of timing: if we wait until Cambodia is subdued, they can use all of their forces against us. If we do this well and quickly, we will have a more tranquil boundary.

The President: I would like to talk to you tomorrow—privately.⁷ In the meantime, I would like to assess American reactions, of my own people. The situation is serious. I understand you cannot allow Vietnam to pursue aggression with impunity.

⁷ See Document 207.

206. Oral Presentation by President Carter to Chinese Vice Premier Deng Xiaoping¹

Washington, January 30, 1979

To Vice Premier Deng Xiaoping:

You asked my opinion about a possible punitive strike against the Viet Nameese.² I think it would be a serious mistake for the following reasons:

a) Success would be unlikely if one of the objectives is to interrupt the action of the Viet Nam invading forces now in Kampuchea. A token action would not be considered as significant “punishment.”

b) The peaceful image of the PRC and the aggressive invader image of Viet Nam would both be changed. Now—for the first time—Viet Nam stands condemned by most of the nations of the world. The Soviet Union and Cuba are seen as co-conspirators.

c) The long range result of this U.N. and worldwide condemnation will have some significant adverse effect on Viet Nam provided a concerted effort is made among industrialized nations to curtail economic aid and among the “non-aligned” nations to take U.N. action and to invoke sanctions.

d) A serious incident may escalate into regional conflict.

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People’s Republic of), President Meeting with (Vice Premier) Deng Xiaoping: 12/19/78–10/3/79. No classification marking. Handwritten by the President on White House stationery. At the top of the page, Carter wrote, “Read by me to Deng. Interpreter transcribed for him. JC.” Carter made this presentation near the beginning of the meeting on the morning of January 30. See Document 207.

² See Document 205.

e) Plans for a brief and limited action may have to be abandoned if China is given an ultimatum to withdraw. This would make it very difficult to withdraw.

f) Armed conflict initiated by China would cause serious concern in the United States concerning the general character of China and the future peaceful settlement of the Taiwan issue. Our claim of peace and stability resulting from normalization would be refuted to some extent.

g) The Kampucheans seem to be doing better than expected as guerilla fighters.

h) Your border threats can create problems for Viet Nam even without intrusion into Viet Nam.

i) Such action may create an additional excuse for greater Soviet presence in Viet Nam.

Because of these reasons the United States could not support such action, and I strongly urge you not to approve it.

In my opinion, Vice Premier Deng, a concerted effort through United Nations or other international fora could prove to be much more damaging to Viet Nam and her allies.

Respectfully,

Jimmy Carter

207. Memorandum of Conversation¹

Washington, January 30, 1979

January 30, 1979; the President Reporting on His Conversations with Deng

The President said that he read to Deng his own notes indicating the U.S. position.² Deng listened without interruption.

Deng then said that because it was very serious he wanted to tell the U.S. the Chinese considerations. China must still teach Vietnam a lesson. The Soviet Union can use Cuba, Vietnam, and then Afghanistan will evolve into a proxy. The PRC is approaching this issue from a position of strength. The action will be very limited.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: President's Meeting with Vice Premier Deng: 1-2/79. Top Secret. According to the President's Daily Diary, this meeting took place in the Oval Office with Deng and the Chinese interpreter, Ji Chaozhu, from 9:05 to 9:40 a.m. (Carter Library, Presidential Materials)

² See Document 206.

If Vietnam thought the PRC soft, the situation will get worse. Cambodia is now changing its “past unpopular policies,” and its resistance is gaining support.

The action will be quick, lasting 10–20 days, to be followed by withdrawal. Deng expects divided international reactions. At first, they will be negative, but in time they will turn more favorable. This matter has been thoroughly vetted at the top of the Chinese government.

The Chinese will study the U.S. views very carefully. Deng will also discuss this matter with Ohira, though he expects Ohira’s views to be similar to the President’s.

Deng would appreciate having an intelligence briefing and his Foreign Minister will listen to it.³ It is reassuring to have a friend with whom things of this sort can be discussed so frankly.

The President said our position is not based on fear of the Soviet Union or Vietnam. We think isolating them is a better form of punishment.

Deng then asked for U.S. aid to Cambodia through Thailand. The President asked if the Thais could accept and relay it to the Cambodians. Deng said yes and that he has in mind light weapons. The Thais are now sending a senior officer to the Thai-Cambodian border to keep communications more secure.

³ Carter added, “an intelligence.”

208. Memorandum of Conversation¹

Washington, January 30, 1979, 9:40 a.m.

SUBJECT

Summary of the President’s Third Meeting with the People’s Republic of China Vice Premier Deng Xiaoping re: Economic Relations, Claims Assets, Immigration, Technology Transfer, Civil Aviation and Maritime Agreement, Student Exchange, Journalists, Consular Arrangements, Refugees, Nuclear Testing, Taiwan, Communication, SALT and Taiwan

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: President’s Meeting with Vice Premier Deng: 1–2/79. Top Secret; Sensitive; Eyes Only. According to the President’s Daily Diary, the meeting took place in the Oval Office and lasted until 10:52 a.m. (Carter Library, Presidential Materials) Carter received talking points from Brzezinski before the meeting. (Carter Library, National Security Affairs, Brzezinski Material, VIP Visit File, Box 2, China: Vice Premier Deng Xiaoping, 1/28/79–2/1/79: 1/25/79 Briefing Book [III])

PARTICIPANTS

President Jimmy Carter
 Vice President Walter Mondale
 Secretary of State Cyrus Vance
 Secretary of Treasury Michael Blumenthal
 Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
 Leonard Woodcock, U.S. Ambassador to the PRC
 Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
 David Aaron, Deputy Assistant to the President for National Security Affairs
 Jody Powell, Press Secretary
 Hamilton Jordan, Assistant to the President
 Robert Lipshutz, Assistant to the President
 Jerrold Schecter, Staff Member, NSC
 Frank Press, Director, Office of Science and Technology Policy and Science and
 Technology Advisor to the President
 Michel Oksenberg, Staff Member, NSC
 Charles Freeman, Director, PRC Desk, Department of State

 Vice Premier Deng Xiaoping
 Vice Premier Fang Yi
 Foreign Minister Huang Hua
 Ambassador Chai Zemin
 Vice Foreign Minister Zhang Wenjin
 Acting Head of Department of American and Oceanian Affairs Zhu Qizhen
 Head of the Department of Protocol Wei Yongqing
 Pu Shouchang, Member, State Planning Commission
 Lien Zhengpao, Notetaker

President Carter: Mr. Vice Premier, the visit so far for us has been one of pleasure, gratification, and delight. Our whole nation was moved last night with emotion and friendship because of the obviously good relationship that exists.²

Vice Premier Deng: And we are indeed very grateful, Mr. President, to you and to the American Government for having such a good and cordial arrangement. We had indeed a very happy time yesterday. Not only yesterday, but the day before yesterday was a happy day.

Economic Relations

President Carter: One of the immediate benefits to both our countries will be to establish normal trade relations. This morning perhaps we can spend our time together discussing some of the bilateral issues which will lead to the maximum benefit of such relations. The first obstacle that must be overcome is to resolve the claims and assets question, a matter that has been under discussion for several years. I think that both sides need to maintain a flexible and constructive approach if an early resolution of these differences is possible.

² For the text of the toasts by Carter and Deng at the state dinner the evening of January 29 and their remarks after a performance at the Kennedy Center, which were broadcast live on nationwide television, see *Public Papers: Carter, 1979*, pp. 192–195.

Claims/Assets

Vice Premier Deng: We can discuss this now.

Secretary Vance: Mike, you might want to say a few words on this.³

Vice Premier Deng: We have noted that you have said that both sides should take a constructive and flexible approach to this problem.

President Carter: I think the many technical details could best be discussed at another session. Secretary Blumenthal will be representing our government and will be working on this even before he comes to China next month. Also, this claims problem is related to an overall trade agreement. We think it would be advisable to establish, in addition to resolving claims, a commission representing both nations to take maximum benefit from all trade questions, and I have asked Secretary Blumenthal to be the Chairman of this commission from our side. So I think we can let the Secretary and your representatives discuss the details of the claims question. That might be better than to take our time this morning.

Vice Premier Deng: I do not think there is much difficulty on this matter. It will not be difficult to solve this assets question. We also have the practice of establishing a joint commission with other countries so we agree to your suggestion of this economic commission. Fine. On your side the co-chairman will be Mr. Blumenthal of the Treasury Department, and our side will be our Minister of Finance Mr. Chang Ching-fu. Frankly speaking, we also have the idea that we could sign a long-term trade agreement, such as the long-term trade agreement we reached with Japan, at least equal in magnitude, in volume of trade.

President Carter: That is very encouraging. We hope to have maximum trade with China also. The trade opportunities will be greatly affected by Congressional decisions, and your meetings with the leaders of Congress will be very important in determining the flexibility we have in trade with China.⁴

Immigration

Vice Premier Deng: On the amendment supported by Senator Jackson, it really has nothing to do with China. The Jackson amendment demands that the Soviet Union allow free emigration.⁵ Would you like to import ten million Chinese? There is no question like that for China. We have a number of Chinese who are moving to Hong

³ Vance is referring to Michael Blumenthal.

⁴ Later on January 30, Deng met privately with Senator Byrd and attended a luncheon with 85 Senators. ("Teng, on Capitol Hill, Says Peking Must Keep Taiwan Options Open," *The New York Times*, January 31, 1979, p. A1)

⁵ See footnote 4, Document 189.

Kong every year. The Hong Kong authorities are complaining that too many Chinese are going to Hong Kong. In response to such questions by the Hong Kong authorities, we have imposed a number of restrictions. And indeed if Chinese were to swarm into the United States like a tidal wave, I do not think you would agree to it either. And the Foreign Minister says Canada faces a similar problem. At first the Canadian Government wanted us to let more people go to Canada to join their families. Now they say too many are coming and they want to put restrictions on people coming to Canada. I can very frankly tell you, Mr. President, that in the past, at the time of the Gang of Four, indeed we had very strict restrictions with regard to people who wanted to emigrate. This is now changed, as has the question of intermarriage of Chinese and people of other nationalities, and allowing Chinese to visit families abroad. All such questions have been solved.

Another change in our policy is with regard to people whom we considered in the past to have betrayed the country in escaping abroad. Our policy has changed toward these people as well. The Dalai Lama is one case. If he wants to come back to China, we are ready to welcome him. For instance, a Chinese musician who ran away from China has expressed some desire to come back. We would welcome him back to China to remain, or for a short visit, or just to come back for some musical performances.

Claims and Assets

President Carter: One point I wish to make clear on the claims and assets question is that the blocked assets may not be adequate to cover the claims. This is one of the questions we need to pursue—Secretary Blumenthal and the Finance Minister.

Vice Premier Deng: With regard, however, to specific items, I do not think that this question would affect the specific items. For instance, General Motors in considering various corporate projects discussed with us only on the specific items of cooperation without discussing this claims-assets problem. Also Pan Am; the question of payment is now considered to be solved through the profits gained by tourism. As for the individual items, they can be considered solved in that way. With regard to payments, it could be done either by the means of compensatory trade or means of joint investment or even we could consider having some U.S. businessmen opening up some factories in China. We would welcome all that.

President Carter: That may not be adequate, but I think it is best to just leave it as a question not yet resolved, and let the negotiators pursue it.

Vice Premier Deng: I would like, however, just to say a few words in principle; that is, the discrepancy in the assets frozen by the two

sides is not so large. For instance, my understanding is that we took over around \$200 million worth of your properties and our property, which has been frozen in the States, is something around \$70 or \$80 million. The discrepancy is only around \$100 million or so. Under those circumstances maybe we could even solve this question today.

If the discrepancy in the assets is not so big, maybe we can consider the following methods: U.S. property which we confiscated can be looked upon as an interest-free loan which we will return to you within a certain period of time, or maybe with a token interest. Anyway, we should not have such a question affecting development of trade between our two countries, but as for specific details we can let them consider them.

President Carter: I would like to say the result of that would be very beneficial and perhaps before another meeting tomorrow there could be some resolution of the difference at least in principle and perhaps we can set that as a goal.

Vice Premier Deng: I believe there will be no difficulties.

President Carter: Who can represent you in discussions with Mr. Blumenthal?

Vice Premier Deng: If Secretary Blumenthal will be your representative, then Foreign Minister Huang Hua will be our representative.

Technology Transfer

President Carter: Very fine. We have some restrictions, as you know, on the export of high technology items, but we will make these restrictions under our existing law as flexible as possible. If an advanced computer, for instance, is certified by our Secretary of Commerce, Mrs. Kreps, to be used for civilian purposes only, then there would be no problem with the sale of this type of equipment.

Vice Premier Deng: It is really a question of interpretation.

President Carter: Sure. And if there is a doubt, then instead of a direct sale other possibilities are available, such as a long-term lease from the computer manufacturer. We will do everything we can to make this restriction flexible.

Vice Premier Deng: This is also acceptable to us, this method.

Civil Aviation and Maritime Agreement

President Carter: Another item we need to resolve as soon as possible is the question of civil aviation. We would like to have maximum opportunity for travel to China. From our perspective, it is necessary to have multiple airlines and not just one, and we would of course like to have the air fares as low as possible to encourage more travel. We also look forward to a maritime agreement, if China believes it would be in

the interest of both nations to encourage the use of ships to transport goods between our two countries.

Vice Premier Deng: I can reply right away that we agree to sign an aviation agreement and a maritime agreement.

President Carter: Very good.

Vice Premier Deng: But probably there is no time to do it this time.

President Carter: Perhaps when Secretaries Kreps and Blumenthal come to China we can have the basic work done to conclude an agreement.

Vice Premier Deng: I agree.

Student Exchange

President Carter: We are also quite pleased at the resolution of the problem concerning exchange of students, and I want to express my thanks to you for that. We want to have maximum opportunity to have student exchange, which will greatly enhance our science and technology cooperation in the future.

Vice Premier Deng: But at the present time, there can be no real reciprocity as yet on the exchange of students. We lack the conditions to accept a great number of students at the present time, but we will create the conditions for American students to come to China.

President Carter: We hope you will encourage our students to come to your country not only for academic instruction and in advanced sciences but also to learn more about your people and your country.

Vice Premier Deng: But when a student comes to China, there must be some minimum living conditions available, and we do not have enough of that so we still need at least a short period of transition before we can accept more.

President Carter: One thing that concerns us, once you decide how many of our students can come to China: We want you to be flexible and not exclude some students unless it is absolutely necessary.

Vice Premier Deng: We adopt an open attitude, and these students will not be affected by their political or ideological beliefs. We have no worries of being influenced by your social system or your ideology, just like you are not expressing any worries about our students expressing their point of view and ideology.

President Carter: I think both our nations are committed enough to our ideologies not to be concerned about the students' attitudes.

Vice Premier Deng: Anyway, our students in the United States will not be able to play a subversive role, nor will your students in China.

Journalists

President Carter: We would also like to have maximum exchange of journalists. I would be very pleased to send you 10,000 journalists.

Vice Premier Deng: That would be a bit too much.

President Carter: But they have a great commitment to maximum freedom of reporting without censorship and with an ability to report accurately the news from both sides. We will do everything we can to give this freedom to Chinese journalists who come here, and we would like a spirit of reciprocity.

(Vice Premier Fang Yi and Vice Minister Chang Wen-chin converse with the Vice Premier.)

Vice Premier Deng: The Vice Premier was saying that there will be no such limitations and Vice Minister said that only trouble now is because of limited conditions travel is still not possible to every part of the country at the present time. But gradually we will create conditions for broader travel. We will have no censorship. For instance, you may know that there is the so-called “democratic wall.” There many views are expressed and reporters report on it, and we are not worried about such reports. But I would like to advise our American friends to realize that some of those posters express views of only a few individuals. That does not matter. It will not affect the overall situation.

President Carter: We have the same circumstances here.

Vice Premier Deng: You have many more such.

Consular Arrangements

President Carter: We observe with great interest the freedom of expression. I understand that consular arrangements have been concluded.

Secretary Vance: We will be signing that tomorrow.⁶

President Carter: We would hope that our Embassy could expand to accommodate the increase of trade and relations with your country. We recognize that you have trouble with space, but we hope you will make space for more people on our ambassadorial staff and hope that your government will assure that they have adequate living space.

Vice Premier Deng: Ambassador Woodcock mentioned that to me personally. And I agreed that we will think of ways to solve this problem.

President Carter: If you can satisfy Ambassador Woodcock, then I will be satisfied.

Vice Premier Deng: Of course that is still difficult. But anyway we will think of a way.

⁶ See Document 210.

Refugees

President Carter: Is there any possibility of China accepting more refugees who are leaving Vietnam who are Chinese?

Vice Premier Deng: This is a complicated question because the numbers are too great. You know that at present we do not have full employment. And for us it is quite a heavy burden. The Foreign Minister says that already 200,000 refugees of Chinese descent have come to China, including some of them who are even Vietnamese. This question not only concerns Vietnam; in Southeast Asia as a whole, we have ten million people of Chinese descent. A lot of these refugees are really the bad elements in Vietnam—those who do not work or even hooligans—and those who really do honest work are left behind. And those refugees who escape or are driven out come with practically no property whatsoever—just the clothes on their back and maybe one shirt. So we have a strong reaction to this.

President Carter: We have accepted about 180,000 of the refugees, and Malaysia and other countries are overrun with refugees who leave Vietnam and cannot go back.

Vice Premier Deng: That is a big problem.

President Carter: We will take even more this year and sincerely hope that you would establish some strict requirement to accommodate a substantial number of these refugees if they meet standards you establish.

Vice Premier Deng: At the beginning we did accommodate great numbers of refugees. In fact, even more than the number you mentioned. But it is really very difficult for us to accommodate more. And what is more, we are worried about a chain reaction.

President Carter: I would like to emphasize my encouragement to China to cooperate in accepting these refugees, many of whom are responsible and substantial business leaders and trained persons. If you do not accept any of them, it means the rest of us have to accept all of them, and I would like you to be as flexible as possible on this.

Vice Premier Deng: But these businessmen, when they have left Vietnam, they have been completely deprived of all their property. But we are ready to accept some of such businessmen with managerial abilities. The Foreign Minister said it is also a question of nationality. Many of these people are Vietnamese citizens, who lived in Vietnam for generations, but yet they have been driven out in great numbers.

President Carter: We face the same problem, and we would like to face it together with you.

Vice Premier Deng: We will study this problem. We have already accepted more than 200,000 of them and some who came to China now want to leave China.

Nuclear Testing

President Carter: I understand. One other sensitive matter is the nuclear testing that you conduct in the atmosphere. Each time you conduct a test, the nuclear fallout comes on my people. If it is possible for you to conduct such tests underground as we ourselves do, this will be a very fine announcement that could be made. I know that you have the technology to do so, and this is a very serious symbolic problem for our people when the fallout comes.

Vice Premier Deng: For the time being, that is still difficult; but our atmospheric tests are very limited.

President Carter: Dr. Press is an expert on this subject and, within the bounds of our national security laws, he would be glad to consult with you on how the change to underground tests might be made more easily.

Vice Premier Deng: We may consult with Dr. Press, but at the present time we are not able to commit ourselves not to conduct atmospheric tests. If we were to talk reason on this matter, we could say that the Soviet Union and the United States have conducted so many atmospheric tests whereas the number of tests we have conducted is very small. But we would be prepared to have consultations with Dr. Press.

President Carter: It is a problem for us when Chinese radioactivity falls on our people, and we want you to know that.

Vice Premier Deng: If you are able to supply us with some technical help in this respect, maybe it could be solved easier. Anyway, we will consult on this problem.

Taiwan

President Carter: The only other problem I have on my list concerns Taiwan. I think we have negotiated long enough to understand the attitude of each other and as far as our public approval for normalization and the approval by the Congress of necessary legislation, any reference to patience or peaceful resolution on your part to the Congress or to the public would be very helpful. Just to repeat the statements that the Vice Premier has made since our announcement would be completely adequate. They are very fine, very constructive statements.

Vice Premier Deng: What I have already said I said from a responsible position—as an authoritative spokesman—and I will repeat it. But it also includes what I have said, namely that we Chinese cannot hide that Taiwan is part of China and in saying that it is really beneficial to a peaceful resolution of the problem. I believe in this respect both the American Government and the Japanese Government can make a contribution; that is, to urge Taiwan authorities to engage in negotiations with our government. Here we have a wish we would like to express to

the American Government. Please do not create a condition under which Chiang Ching-kuo could thrust his tail to the skies and think he has nothing to fear and thereby prevent negotiations. Because if Chiang Ching-kuo simply refuses to conduct negotiations with us, what else can we do?

I said previously that there are two conditions under which we will be forced not to use peaceful means. One situation is when the Taiwan authorities just absolutely refuse to talk with us. We believe that the methods of reunification which we have put forward and the various methods given were very magnanimous. But if under those circumstances they still will not negotiate with us, what choice do we have? Of course, we do not mean that such changes will take place in one or two years time. But if such a state of affairs continues over a long period of time then we cannot consider other possibilities. Another situation would be for the Soviet Union to go into Taiwan. I think if that were to take place then maybe both our countries will work together to solve the problem. Just those two circumstances.

And then with regard to providing weapons to Taiwan authorities. With regard to those you have already promised to deliver, there is no problem with completing your commitment. But after that we hope the American Government will be very prudent. As for whether the weapons are defensive or offensive, there is really no clear line of demarcation. Regardless of what defensive weapon it might be, it would not be difficult for them to cross Taiwan Straits.

President Carter: There is a great difference in F-5 and F-15 airplanes. We intend to be prudent.

Vice Premier Deng: We just want to express our wish. Anyway, both our sides have openly expressed our positions on this matter and will continue to express such a position.

Communication

President Carter: One thing I would like to suggest—in the future, after your visit is concluded, I would like to exchange private letters or communications with you if a problem arises that would be of concern. It would be helpful for me to have a channel of communication with you.

Vice Premier Deng: Very good. And then there is, of course, Ambassador Woodcock and Ambassador Chai Zemin.

President Carter: Very good, and I hope you will extend this invitation to communicate directly to Premier Hua Guofeng. Are there other items that you would like to stress this morning?

Vice Premier Deng: I do not have anything more. And I believe that our discussions have been very frank.

President Carter: I am very pleased.

Vice Premier Deng: And we could also say that our discussions have been cordial. But, of course, it is impossible for us to be completely unanimous on every question. You cannot expect that. But we could say, as you yourself have said, that we have many common points of global strategy and global interest.

SALT and Taiwan

President Carter: I think the discussions have been frank, cordial, and very constructive. I look forward to seeing you again tomorrow for the signing ceremonies. I am sure you will enjoy your visit to Congress and the people of Atlanta, Houston, and Seattle. I remind you of the two sensitive issues—one concerns SALT, and you said you had no objection to SALT as being necessary; the other concerns Taiwan and your emphasis on patience even if they do not negotiate would also be very helpful. Those were the two items where your comments to the Congress would be very helpful for our friendship.

Vice Premier Deng: With regard to the first question, we will say that there is nothing to be said against negotiations between the U.S. and the Soviet Union but at the same time we would like to say that we do not believe that such negotiations will be able to restrain the Soviet Union. If I were to say something more, I would say that it was really to put restraint on hegemonism, to hold back hegemonism we need to do some down-to-earth things. With regard to Taiwan, I will reiterate that we will adopt a fair and reasonable policy and will try our very best to use peaceful means to solve the Taiwan question. And on this question we have patience, but this patience cannot be unlimited. You say we Chinese have two hats, just like Americans. We all have two hats.

President Carter: Thank you.

209. Memorandum of Conversation¹

Washington, January 31, 1979, 8–9 a.m.

SUBJECT

Summary of Cabinet Members' Meeting with Chinese Vice Premier
Deng Xiaoping

PARTICIPANTS

United States

Michael Blumenthal, Secretary of the Treasury
Bob Bergland, Secretary of Agriculture
Juanita Kreps, Secretary of Commerce
Joseph Califano, Secretary of Health, Education, and Welfare
Patricia Harris, Secretary of Housing and Urban Development
Brock Adams, Secretary of Transportation
Andrew Young, U.S. Representative to the U.N.
Robert Strauss, Special Representative for Trade Negotiations
Richard Holbrooke, Assistant Secretary of State for East Asia
Michel Oksenberg, Staff Member, NSC
Frank Press, Director, Office of Science and Technology Policy
Richard Chen (Notetaker)

People's Republic of China

Vice Premier Deng Xiaoping
Vice Premier Fang Yi
Foreign Minister Huang Hua
Deputy Foreign Minister Zang Wen Jin
Chai Tse-min, PRC Ambassador to the U.S.
Pu Shou Chang, Special Assistant
Chen Hui, Interpreter

Deng: Welcome, welcome. It ought to be me hosting, but Secretary Blumenthal is very gracious in taking care of the bill for this breakfast. I am very grateful.

Blumenthal: The Secretary of the Treasury usually doesn't like to take care of bills, but for our special guest, I am glad to do so. Mr. Vice Premier, thank you very much for taking time to meet us this morning. On behalf of all the Cabinet members, I welcome this opportunity to meet with you to exchange views on matters of mutual interest to the United States and China. The Cabinet members represent Departments of the United States Government, and we are all looking forward to the development of the US–China relationship. Some of us have already been to China; some will go in the future. They are all eager to help you

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: President's Meeting with Vice Premier Deng: 1–2/79. Secret. The breakfast meeting took place at Blair House.

and President Carter do things that are of interest to both our peoples. I wish you would tell us what we can do to help you. Of course, I know already that the Departments of Treasury and Agriculture, and the Ambassador to the United Nations have certain contact with your government.

Deng: There are a lot of areas in which all of you here can help us. Since normalization, you are now able to cooperate with us. The Department of Treasury is important. I wish that in your consideration you would not use computers but political consideration. I'm referring to the assets problems and the package deal solution.

Blumenthal: We are trying to solve these problems. You went to the Congress yesterday, and I am sure you know that our solution would require their approval.

Deng: We need to solve these asset problems. Then it will be possible for trade agreements. I hope that we can come to some understanding before you come to China. I have discussed this matter with President Carter, and I have given my thoughts. Have you given yours?

Blumenthal: We are discussing this with your Foreign Minister, and we will discuss it further today. I even anticipate that there might be some announcement on this matter before you leave.

Deng: We were not in agreement yesterday, and we should continue the discussion today.

Blumenthal: Yes, we need to continue working.

Deng: The difference is still too big. The difference should be handled in the form of an interest-free loan that we repay in the future. China, even though poor, is not concerned with this small sum of money.

Blumenthal: I think we may proceed in this direction.

Deng: Among you Secretary and Minister, you can talk about it again. Now on trade, *our anticipation is that the amount of trade between the United States and China should not be lower than that of Japan.*

Kreps: We should accelerate our pace. Japan's export is far greater than ours.

Deng: Once the most favored nation issue is resolved, your competitiveness is better than the Japanese.

Kreps: Yes. And we are working with American businessmen. They hope to expand trade with China and we will cooperate with them. Of course, we need to solve these problems first.

Deng: First, we have to take care of letting Chinese goods into the U.S. market, because somebody has raised the issue of how the Chinese are going to pay for all of this. For instance, Taiwan is a small place, and yet it can still do quite a sizable amount of business with you. If our

problem is solved, I believe our trade will be ten times greater. If this is an exaggeration, we should at least be able to double that amount.

Kreps: We will strive for ten times greater.

Blumenthal: May I introduce you to Ambassador Strauss, our Special Trade Representative, who works very closely with the Department of Commerce on trade matters. Mr. Strauss, do you have some remarks you wish to make?

Strauss: Mr. Vice Premier, I am the Special Trade Representative. We have begun informal talks on textile issues, and I would like to follow your advice. That is, we should not rely on computers but rather on political consideration.

Deng: I agree with you.

Strauss: President Carter asked me to accompany you during your trip so that I may continue discussion on trade matters.

Deng: That is very good. Thanks.

Blumenthal: I would now like to introduce you to Mr. Bergland, our Secretary of Agriculture.

Bergland: Last October until the beginning of November I was in China.² During that time you were visiting other countries. I had the pleasure of meeting with Chinese leaders in agriculture, foreign trade, and the light industry. We talked about how to help your modernization in agriculture, and we had informal agreement. We had developed schedules for the exchange of agricultural scientists between our countries. In March the Chinese agricultural scientists will come to our country to learn our advanced techniques in agricultural machinery, and they will stay until 1980. They will also learn the advanced irrigation technique and the seeds, feedstocks, and food processing. During the same period the U.S. agricultural scientists will go to China to learn and teach these key areas. The yield of your land is among the highest in the world. However, you need enormous labor to achieve that. In February we will have five groups going to China to work in five areas, i.e., agricultural machinery, bakery design, soybean, feed processing, food processing and cannery, and start the cooperation between China and the United States. They are not marketing people, but rather engineers, scientists, chemists, and management personnel. They will cooperate with your proper departments, and I believe there are areas that we can learn from each other. The Chinese agricultural methods are ancient ones. However, some of your methods are worth learning. For example, plant breeding that renders high yield of grains was developed by the Chinese. One problem that we should be careful of is the modernization of agriculture; that is, how to introduce machinery which re-

² See Document 156.

duces labor and at the same time maintain a high yield, because the Chinese land has already had a very high yield. I wish we could share our knowledge. Thank you.

Deng: I hope you will help us as best you can. On agricultural machinery and scientific research related to agriculture after our careful evaluation, we consider yours is better. In China, the per capita arable land is too small. Therefore, during the introduction of mechanization for agricultural modernization, we need to keep in mind how to obtain an even higher yield. These can only be solved by science, in such areas as seeds, fertilizer, and pesticides. In seeds, whether we should have three or four harvests is worth studying. Maybe it is the other way around—you may have one harvest which is better than two, or two better than three, as long as it gives a higher yield. In short, to solve the agricultural problem is one of the most fundamental of our four modernizations. Of course, all four modernizations are inter-related. However, if we do not increase production in agriculture, other modernization would be affected. We hope you can help us.

Blumenthal: We will sign an agreement in the area of science and technology during your visit. In addition to the cooperation of agriculture, it is another fine relation our countries have started. I wonder if Mr. Press, our science advisor to the President, has anything to say.

Press: Mr. Vice Premier, in this area I think that you probably would agree to use computers instead of politics. (Laughter)

Deng: We have mentioned this for many years. It is you who are unwilling (to consider our use of computers). (Laughter)

Press: I commend your choice of science and technology as one of your four modernization programs because it is the foundation of industry and agriculture. It has been the reason of our achievement in this country. We are glad that this agreement will help your modernization as well as be mutually beneficial. The Science and Technology Agreement will lead to commercial activities, particularly in the advanced technology areas. On a global point of view, regardless of whether it is the Chinese scientists or the American scientists who discover a cure for cancer or new sources of energy, the results would be, namely, benefit to the world. Collective intelligence will certainly help earlier achievements of these goals. Even though we are going to sign the Science and Technology Agreement this afternoon, in reality the cooperation between our two countries has already begun. For instance, China has sent over 100 students and scholars to this country, and we will start sending our students to China. In the development of science and technology, I urge your attention on management and organization. Through these considerations, you can better import and fully utilize new technology.

Deng: That is correct. You have touched the key point. Without proper management, regardless of how good the technology, it will not have its usefulness. *This is exactly our weakness.*

Blumenthal: Mr. Califano is the Secretary of Health, Education, and Welfare. His Department is the biggest Department in our government. He has many areas of interest that he wishes to learn from China; for instance, the public health service that China gives to its vast population at a very low cost.

Califano: Mr. Vice Premier. We have many common interests in the area of education. There are many groups who have visited China from my Department. I wish that we would increase our contact. We also would encourage in the future students to go to China through our grants, and through the Science and Technology Agreement. We are interested in your early education for those children who are under six years old. We are focussing our attention in this area. These children are our future strength. In the area of higher education we have excess capacity and would encourage foreign students to come to our colleges. You have successfully provided public health services to the remote villages. We are also interested in your prevention of contagious disease and general medicine. We have the most advanced medical equipment and technology in the world and we wish to share them with you. Like Mr. Press said a moment ago, management is important in our area. We want to apply technology to our social needs, but in the meantime make sure that it does not incur a great expense. Mr. Vice Premier, our Department has one of the largest computers which helps us better manage and we would also like to share with you. I believe that bio-medicine is included in the Science and Technology Agreement, and we are looking forward to meeting with Mr. Huang Xia Si, Chief of your Academy of Medical Science.

Deng: Yes. I know him. He is one of our better-known scientists.

Califano: I hope that Vice Premier Fang, while visiting Houston, will go to one of our most famous medical facilities, Texas Medical Center. In short, we are looking forward to providing a foundation for a closer relationship for the good of future generations.

Deng: I am willing, and we should cooperate. Recently you sent your advance medical team to provide medical care for Mr. Boumediene. We sent our acupuncture team. (Laughter)

Blumenthal: We have only five minutes left. I wonder if Secretary Harris has any comment?

Harris: Mr. Vice Premier, I was very happy to receive your Mayor's delegation; our exchange has been instant. We have many problems in common and my Deputy Secretary for Policy and Research will be visiting China. We wish to study the building construction in seismic area. In the trends of development, there are differences be-

tween our countries. Our trend is moving from the city to the suburbs and not from the country to the city. Yet we can still exchange our experience.

Deng: That is fine.

Blumenthal: We have already had discussions in the area of transportation, so Mr. Adams, if you will permit, we will not discuss transportation at this meeting.

Ambassador Young, do you have any remarks to make?

Young: Thank you, Mr. Secretary. Mr. Vice Premier, we have been in very close cooperation, especially on the Kampuchea issue. We are grateful for your cooperation on African issues, particularly Namibia. We have spent many hours together during Prince Sihanouk's visit. We wish to learn from your experience how to deal with Non-Aligned Nations, to be friends with them and not having them end up with the Soviet Union. Prince Sihanouk explained very clearly the Vietnam invasion of Kampuchea, as well as the roles played by the Soviet Union and Cuba in general. We are looking forward to continuing the cooperation between our two countries.

Deng: I am aware that the United States mission to the United Nations has cooperated effectively with our mission. I hope that this will continue.

You have expressed a lot of your aspirations and many comments to me. Let me say a few words to you. I hope all of you present will provide, in your corresponding area, the very best. Of course, you do not have things that are of 1950 vintage. We still have many facilities of that period. I wish that you would provide us the 1970's rather than the 1960's. I hope you will provide the late 1970's rather than the early 1970's. Do you understand?

Multiple Response: Yes, we understand.

Deng: If you understand that, I thank you.

Blumenthal: Thank you very much, Mr. Vice Premier, for this opportunity to meet with you. I hope your visit is a successful one in which you will see many things of interest to you. I am sure that the American people will welcome you with both arms.

210. Editorial Note

U.S. and Chinese officials signed several agreements at a ceremony at the White House on the afternoon of January 31, 1979. President

Jimmy Carter and Vice Premier Deng Xiaoping signed an agreement on cooperation in science and technology and a cultural agreement, and Secretary of State Cyrus Vance and Foreign Minister Huang Hua signed an agreement on the establishment of consular relations and the opening of Consulates General. The United States subsequently opened Consulates in Shanghai and Guangzhou (Canton), and China opened Consulates in Houston and San Francisco. The President's Science Adviser Frank Press signed a letter to Vice Premier Fang Yi implementing understandings on the exchange of students and scholars, agricultural exchange, and cooperation in space technology. Secretary of Energy James Schlesinger and Fang Yi signed an implementing accord between the Department of Energy and the Chinese State Scientific and Technological Commission on cooperation in the field of high-energy physics. For the text of all these agreements and remarks by Deng and Carter at the ceremony, see *Public Papers: Carter, 1979*, pp. 200–212.

A joint press communiqué was issued on February 1. The final paragraph of the communiqué noted that President Carter had accepted Vice Premier Deng's invitation to Carter to visit China and Deng had accepted an invitation on behalf of Premier Hua Guofeng to visit the United States. The communiqué is *Public Papers: Carter, 1979*, pp. 212–213.

Deng left Washington on February 1 and traveled to Atlanta, Houston, Seattle, and Los Angeles, returning to Seattle on February 4. He left the United States on February 5.

211. Memorandum From the President's Adviser for Science and Technology (Press) and the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, February 1, 1979

SUBJECT

Nuclear Testing Assistance to China

This is in response to your request² for an analysis of the possibility of furnishing technical assistance to the Chinese to enable them to cease

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Brown (Harold) 1/80 Trip: 8–9/79. Top Secret. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² Not further identified.

atmospheric nuclear testing at an earlier date than could otherwise be possible. It is clear that we could help the Chinese greatly in this area, but it is equally clear that there could be very damaging legal and political issues involved. Following is a brief assessment of the issues involved in such cooperation along with our recommendations.

In two previous instances, we have provided such assistance but only to our closest allies, the UK and France. The UK cooperation, which you recently agreed to extend, was explicitly sanctioned by Congress in recognition of our unique historical relationship with the UK in nuclear weapons development. It extends to most phases of weapons development including sharing of nuclear material, exchange of weapons design information and carrying out underground tests for the UK at the Nevada Test Site.

[1 paragraph (7 lines) not declassified]

There is considerable information of an unclassified nature on soil mechanics and excavation technology which we could share with the Chinese. In addition there is a large body of PNE information, much of which we have exchanged with the Soviets, which would also be helpful to them. This includes data on formation and collapse of craters and on avoiding venting of radioactive debris into the atmosphere. The Chinese would also probably request assistance in the more sensitive area of technology for getting diagnostic information from underground explosions, but it is unlikely that this would need to extend to weapons design information.

The area in which the Chinese are most likely to request our assistance is in furnishing modern large bore drilling equipment. The Chinese have been moving slowly towards underground testing but have been limited by their obsolete Soviet-supplied drilling equipment. *[7 lines not declassified]*

They have obtained some oil-drilling equipment *[less than 1 line not declassified]* including large drill rigs which could be helpful for this purpose. However, they would need bigger drill rigs with large (6 to 8 foot) boring equipment for high yield shots with extensive down hole diagnostic gear. Although it does not require an export license, this is costly, special order equipment that is difficult to obtain on a timely basis. *[1½ lines not declassified]*

Thus, there is a considerable amount of information and technology of a relatively non-sensitive nature that could be shared with the Chinese. However, there are major political problems associated with even this limited form of cooperation. Congressional sensitivities would be much greater to sharing information with China than with either the UK or France. We would probably have to make a full disclosure to Congress together with your approval and determination that cooperation would "promote and not constitute an unreasonable risk

to the common defense and security” in accordance with the requirement of the Atomic Energy Act of 1954.

Even without Congressional disclosure, it is unlikely that we could successfully carry out the assistance without it becoming a matter of public record—in fact the Chinese might find it in their interest to have the fact of the cooperation made known to the Soviets. This would greatly heighten Soviet sensitivities surrounding our relationship with the Chinese and could seriously undermine prospects for the SALT and CTB negotiations. We could explain to the Soviets that the cooperation was very limited in scope and intended solely to accelerate Chinese abandonment of atmospheric tests but it is unlikely that this would alleviate their concerns.

A CTB treaty would pose a unique problem in that in addition to prohibiting testing by the parties, it would also prohibit furnishing assistance to other states in conjunction with their testing. [*1 line not declassified*] This problem could be avoided by having a crash program during the year or so that might be available prior to completion of a CTB. However, this would give it greater visibility and would only intensify the Congressional and Soviet concerns discussed above.

Consequently, we recommend that we defer further action for the next few months, until after your summit with Brezhnev and Senate consideration of the SALT treaty. If the Chinese wish to pursue this issue in the interim we can proceed very cautiously to implement a modest program of cooperation, limited to assistance in obtaining drilling equipment applicable to oil or mining and furnishing unclassified PNE-related reports.³

Alternatively, if you disapprove the above recommendation, Frank could work with Harold and Jim Schlesinger to develop a more forthcoming program for your review consisting of furnishing more sensitive information and technology, and providing assistance in obtaining large bore drills and other equipment such as cables and casing material needed for underground nuclear testing.⁴

³ Carter checked the Approve option under this recommendation and initialed “J.”

⁴ Carter left the second option blank. The Harold to whom the memorandum refers is Harold Brown.

212. Oral Message From Chinese Vice Premier Deng Xiaoping to President Carter¹

Washington, undated

Vice Premier Deng Xiaoping has sent an oral message to President Carter.

“I was glad to receive the letter of Mr. President.² Mr. President, your suggestion about remaining in close touch on matters of common concern is very good. Premier Hua and I also share the same aspiration.

During my visit to Washington, D.C., I exchanged views with Your Excellency on the Indochina situation.³ At that time, I mentioned the consideration that one cannot sit on one’s hands without doing anything regarding the Vietnam aggressors and that one must give them an appropriate lesson.

I also listened carefully to the views stated by Mr. President. Now the situation on the Sino-Vietnam border has further deteriorated.

The armed provocations of the Vietnam troops inside the Chinese territory have been constantly escalating. We are forced to make the decision to take necessary self-defense operations against Vietnam.

This operation will be restricted and limited in scope. What we seek is a tranquil border.

This move will not affect the general situation. It may play a certain role to check the ambitions of Vietnam and will benefit peace and stability of this region. In view of the common concern of our two countries in the region, we especially inform Mr. President of the above consideration.

We expect to have the understanding and support of you and the U.S. Government.

Mr. President, we have still kept our recent visit to the United States in beautiful memory. My wife joins me in sending heartfelt thanks for your warm hospitality.”

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 47, China: Sino-Vietnamese Conflict, Heads of State Exchanges: 2/79. Secret. Delivered by Chai on the morning of February 15 to Oksenberg since both Vance and Brzezinski were in Mexico with Carter. (Brzezinski, *Power and Principle*, p. 411)

² Not further identified. This may be a reference to a February 7 letter from Carter to Deng, which discussed the success of Deng’s visit and reiterated Carter’s view of the next steps in the economic, cultural, and political relations between the United States and China. Carter also expressed his appreciation for the invitation to visit China and his pleasure that Hua had accepted an invitation to visit the United States. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 38, Deng Xiaoping 1/79 Visit: 2/1–8/79)

³ See especially Documents 205–207.

213. Editorial Note

Following the announcement on December 15, 1978, that the United States would break diplomatic relations with the Republic of China, the United States sought means to protect its interests relating to Taiwan and to safeguard the well-being of the residents of the island. As a result, the administration of President Jimmy Carter sought “Taiwan omnibus legislation” that would allow the U.S.–ROC relationship to continue on a non-official basis. A January 3, 1979, memorandum from Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs, and Herbert Hansell, Legal Adviser of the Department of State, contains “draft ‘omnibus’ legislation to facilitate the maintenance of commercial, cultural and other relations with the people of Taiwan on an unofficial basis,” as well as “draft Articles of Incorporation and By-Laws for the American Institute in Taiwan.” (Memorandum from Holbrooke and Hansell to Aaron; Carter Library, Staff Office Files, Counsel, Lipshutz, Box 7, China [1/4/79 Ad Hoc SCC China Working Group Meeting], 1/79) On January 26, President Carter transmitted the proposed legislation to Congress to continue commercial, cultural, and other unofficial relations with the people on Taiwan. For the text of his transmittal message, see *Public Papers: Carter, 1979*, pages 165–166.

To get this legislation passed, the Carter administration required the support of Congress on an issue about which many Senators and Representatives felt they had been inadequately consulted, due to the secrecy surrounding the Sino-American negotiations on normalization. Furthermore, the administration’s request for legislation provided an opportunity for the many supporters of Taiwan within Congress to challenge Carter’s decision. In particular, supporters of Taiwan sought to restore at least an element of government-to-government relations between the United States and Taiwan. On February 3, Madeleine Albright, a National Security Council Staff member working in the Press and Congressional Liaison Office, discussed this issue in the “Weekly Legislative Report” that she sent to Zbigniew Brzezinski, the President’s Assistant for National Security Affairs: “The China Omnibus Bill has been formally introduced by Senator Church (S. 245) and Congressman Zablocki (H.R. 1614) and both Houses have scheduled hearings on the Bill.” Albright further noted, “At this moment, Congressional concerns are focused on three main areas:

- “1. Guarantees for the future security of Taiwan. It is virtually certain that some language will be added to the Bill on this issue, but we believe it can be kept consistent with our agreement with the PRC. At this point it is still important not to endorse any resolutions.

"2. The question of privileges and immunities for representatives of the people of Taiwan. Here we also face the likelihood of an amendment.

"3. There are moves to make the instrumentality on Taiwan into a Liaison Office—i.e., reverting to government-to-government relations." (Memorandum from Albright to Brzezinski, February 3; Carter Library, National Security Affairs, Staff Material, Press and Congressional Relations, NSC Weekly Legislative Reports, Box 1, 1–2/79)

On February 17, a large military force of the People's Republic of China attacked northern Vietnam. Albright's February 18 "NSC Weekly Legislative Report" to Brzezinski stated, "Until Saturday morning [February 17] there was general Hill support for the fundamental act of normalization. It is hard to tell what the effect of Chinese actions in Vietnam will have on the omnibus legislation. There may be a general feeling that we should not confirm Woodcock as ambassador at this moment. Even before the recent events Congress remained frustrated and uncomfortable about our handling of Taiwan. They are afraid 'abandonment of Taiwan' contributes to a general decline of US prestige and security in the world; as lawyers they are frustrated by having to cope legislatively with the fiction that Taiwan is not a foreign country. They suspect we could have pushed harder in our negotiations for a pledge on Taiwan's security, and miss no opportunity to complain about lack of consultation. In the House committee [the House International Relations Committee], particularly, there will be an effort to write into law the pledges made by Deng regarding Taiwan's future. The bottom line is that we are likely to get a piece of legislation just barely within the limits of what the President can sign." (Ibid.) For examples of Deng's statements regarding Taiwan, see Documents 191 and 208.

At a Special Coordination Committee meeting on February 18 to discuss the Sino-Vietnamese conflict, "Holbrooke asked about the situation on the Hill with respect to normalization legislation." Deputy Secretary of State Warren Christopher "reported that conversations with Javits and Church revealed no indications that the recent events would affect either the Omnibus Legislation or the resolutions to be attached to it." Later in the meeting, "Holbrooke reported that the most immediate and troublesome issue is securing funds for the American Institute on Taiwan. Reprogramming is being held up by Senator Hollings, who chairs a committee consisting of DeConcini, Garn, and Weicker. There is no chance to secure reprogramming prior to passage of the Omnibus Legislation. This means that all operations on Taiwan may close down on March 2." (Minutes of a Special Coordination Committee meeting, February 18; Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 14, Folder 19, SCC Meeting #140 Held 2/18/79, 2/79) This indeed happened. Hollings refused to

allow the Department of State to transfer funds that had been budgeted for the Embassy in Taipei to the American Institute in Taiwan, a private agency incorporated on January 16 to manage U.S. relations with Taiwan after the closure of the Embassy. Hollings did not release the funds until Congress passed the Taiwan Relations Act and Carter signed it on April 10. (*Congress and the Nation: 1977–1980*, volume 5, pp. 65–67) The Summary of Conclusions of the February 18 SCC meeting is Document 218.

On March 3, Albright notified Brzezinski that the House and Senate versions of the Taiwan omnibus legislation was on the verge of leaving Congressional committees for the House and Senate floor, where they would be debated and voted upon. She warned, “Although there are problems with both bills, they can only get worse through floor amendment. We therefore anticipate supporting the Chairmen in both cases, but alerting them that we will need to clean up the legislation in conference. Thus, the word in both Houses is to pass the bill as reported from Committee.” (Weekly Legislative Report from Albright to Brzezinski, March 3; Carter Library, National Security Affairs, Staff Material, Press and Congressional Relations, Chron File, Box 3, 3/79)

214. Record of a National Security Council Meeting¹

Washington, February 16, 1979, 4:30–5:15 p.m.

SUBJECT

Sino-Vietnamese Conflict; Iran

PRESENT

The President
The Vice President
Secretary Vance
Assistant Secretary Holbrooke
Admiral Turner
Deputy Secretary of Defense Duncan
Deputy Assistant Secretary Armacost
General Lucius [*Lew*] Allen
General William Smith
David Aaron
Michel Oksenberg

¹Source: Carter Library, NSC Institutional Files (H-Files), Box 56, NSC 016, 2/16/79, SINO-Vietnamese Conflict/Iran. Top Secret.

I. Situation Report

The President convened the meeting in order to discuss the Sino-Vietnamese conflict.

Dr. Brzezinski placed three items on the agenda: a situation report; securing approval of a Presidential statement to be delivered to President Brezhnev and determining our public posture.

Admiral Turner described the Chinese military strength which they have amassed at the border: in the air, 700 attack jet fighters, consisting of MIG 15's, 17's, 19, and 40 21's—half of the Chinese MIG-21 fleet; also some Ilyushin 28 bombers; on the ground, 14 divisions, with nine amassed at an attack point in the NE portion of the Sino-Vietnamese border and 5 amassed at a point in the NW. The two attack points are at the traditional entry points to Vietnam.²

Elements of five Chinese Armies have been brought to the combat zone, and three more armies are converging onto the area from central and eastern China. It is thought these armies would camp at the bases vacated by armies which moved south and apparently now are to be thrown into battle.

Total Chinese forces in the 14 divisions total 170,000 men.

Facing them are border defense units and militia. Four reconstruction divisions—ill-equipped and ill-trained—have been moved north. Three para-military divisions have also moved north. The core Vietnamese strength is the five regular divisions ringing Hanoi.

Vietnam has also moved anti-aircraft and howitzers to the North, but their effort has been minor.

Vance: What about Vietnamese aircraft?

Turner: Vietnam has 250 MIG 17, 19, and 21. Their 21's are better than Chinese MIG-21's. The Vietnamese enjoy three advantages in the air: (1) training; (2) a coordinated radar control network; and (3) air-to-air missiles.

President: Is it fair to say the Vietnamese thus far have not responded to the Chinese military build-up, and that their main posture is to defend Hanoi?

Turner: Yes.

President: Have the Chinese been provoked to undertake this action?

Turner: We don't know.

President: What will the Chinese do?

² A 1966 map of North Vietnam showing the Chinese ground and air attacks is in Carter Library, Brzezinski Donated Material, Subject File, Box 29, Meetings SCC 139, 2/17/79.

Turner: We believe the Chinese will confine themselves to the hilly areas and not enter the plain. But the Vietnamese may not come after them.

The area of the border clashes and provocations which the Chinese claim require the attack is here. [*1½ lines not declassified*] The terrain is one through which armor can move. The hills are up to 3,000 feet, and the valleys can be used.

President: Is there any [*less than 1 line not declassified*] on the level of activity on the North Vietnamese border?

Turner: No.

Turning to the Sino-Soviet border, the Chinese have evacuated dependents from some cities in Sinkiang. They have initiated an air-alert in the Northeast and restricted inward population movement.

II. Statement to Soviets

Oksenberg asked why we should deliver a *démarche* to the Soviets. Vance pointed to two reasons: to dispel any notions we are involved; and to provide the framework which will guide our policy. We wish to avoid any miscalculation on their part.

[Dr. Brzezinski then presented the President with a draft (Tab 1) *démarche* to Moscow, which the President then read and edited. Dr. Brzezinski read the edited changes and discussion ensued.]³

The original text proposed that we tell the Soviets that restraint on their part would elicit restraint on our part. The President questioned this formulation. Allen wondered if it would inhibit increased reconnaissance on our part, should that be necessary. Or would such a formulation keep us in Subic?

Vance thought the formulation would have no practical restraint on us. Smith then asked what the utility of our “restraint” pledge was. What would we be prepared to restrain? Recognizing we did not wish to foreclose future courses of action, the “restraint” pledge was dropped.

Instead, the meeting considered saying if the Soviets would restrain themselves, we would behave similarly. The President pointed out “similar” implies the “same.” That is not our position. The President stated our objective: not to become militarily involved, not to extend our base structure in East Asia because of the conflict, but still to restrain the Soviets. We should adopt wording, the President said, that keeps our options open but still gives a sop to the Soviets.

³ Brackets in the original. Several draft messages to the Soviet Union are attached but not printed.

Holbrooke described our posture this way: If the Russians do nothing in response to the crisis, we will do nothing. If they do something, we will do something. Our statement must convey this sense.

Aaron agreed. If Soviets increase their ship presence, we may wish to do the same. Christopher wondered whether reaching an implicit arms restraint agreement with the Soviets fell under Article 32 and necessitated consultations with Congress. Vance said no.⁴

Brzezinski proposed language to take this into account, to the effect that we urge the Soviets to exercise restraint. And we would be prepared to cooperate to seek a solution to the conflict. This formulation was accepted. (See Tab 2)⁵

Duncan recommended deleting the clause “and its supporters” in the sentence, “Vietnam and its supporters must share responsibility with China for the situation.” Duncan saw no need to poke our finger in Moscow’s eye; they know our views. All agreed.

Vance asked whether this should go as a President to Brezhnev message.

The President said that was his wish. The dispatch shows we have not colluded with the Chinese. We were condemning Chinese actions and are acting separately from them. The President felt his word of honor was at stake here, he wished to allay any Soviet fears, and he therefore would communicate directly. He recognized time would pass before we would ascertain the Soviet reaction.

Other editorial changes were made to the draft. Brzezinski wanted “object to” rather than “oppose” Chinese steps. “Oppose” in Russian has an activist connotation that should be avoided here, since it might embolden Moscow to “oppose” as well. Holbrooke sought reference to our January 20th as well as 26th *démarche* to Moscow. Aaron recommended the insertion of the actual warning of 26th. All these recommendations were accepted.⁶

⁴ Christopher’s reference to “Article 32” is not identified.

⁵ Attached but not printed.

⁶ In his February 17 message to Brezhnev, the President wrote, “We have informed the Government of the People’s Republic of China that we object to the military steps they have taken and urge the immediate withdrawal of their forces from Vietnam, the same position we have taken regarding the Vietnam forces in Kampuchea.” Carter also declared, “Present circumstances require wisdom and restraint by our governments to prevent any widening of this conflict and to restore peace in Indochina. To achieve this important and urgent goal, it is essential that all foreign forces withdraw from both Kampuchea and Vietnam.” The message, as well as those of January 20 and 26, is scheduled for publication in *Foreign Relations, 1977–1980*, vol. VI, Soviet Union.

III. Public Statements

This first statement on our reaction (Tab 3) was accepted as drafted.⁷

The second statement, in response to a hypothetical question about advance notice, was re-written. We would say we noted the build-up for some time and made our position clear.

If a question is raised as to whether Teng raised it, we would say he alluded to it without being specific as to Chinese intentions, and we informed him of our position.

As to the advance notice Ch'ai provided this morning,⁸ the President prefers to keep it in confidence. He said he feels more sympathy for the Chinese in this conflict. And we have a responsibility to protect Chinese confidence in us to inform us of their plans. The President expressed some regret the Chinese told us in advance, it places us in a difficult position, but as events unfold, we will see what happens.

The President stated that ever since the first Kampuchea–Vietnam clash, our position has been to deplore violence. We should say publicly that even during the last few hours, we have made our position clear to all the parties concerned. Our degree of knowledge should be minimized. And we should not emphasize we have been discussing the issue. We do not wish to appear to be deeply involved in this conflict, though we recognize its dangers.

Vance said he would call Andy Young to warn him but stress he was not to debrief others.

⁷ Attached but not printed. Department of State Spokesman Hodding Carter read the statement on February 17. It is printed in *American Foreign Policy: Current Documents, 1977–1980*, Document 595.

⁸ See Document 212.

215. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 16, 1979

SUBJECT

Reflections on Our Sino-Vietnam Meeting

We spent the bulk of our time carefully crafting our *démarche* to Moscow.² That is how it had to be. Yet I felt as if I were engaged in an exercise of futility, given Gromyko's response to Toon's presentation on the Deng visit.³

I get the sense from Iran, Afghanistan, and Vietnam that the Soviets are feeling their oats and are projecting a mood of almost disdain for the U.S.

We must think beyond the realm of *démarches* to the range of actions toward the Soviet Union and toward China, as well as in the Middle East and South Asia, that will add up to a coherent policy. We are in the midst of perhaps one of the most serious moments for U.S. foreign policy in many years where we face these grim prospects:

—The continued political disintegration of Iran, with the Soviet Union over a period of months irresistibly drawn to this major target of opportunity;

—Sino-Soviet military conflict, even at a low level, which would demonstrate to the Chinese leaders that their American opening has bought them little security;

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1–3/79. Secret. Sent for information. A stamped notation at the top of the page reads, "ZB has seen."

² See Document 214.

³ Foreign Minister Gromyko told Ambassador Toon, "What interests us is the main political question: How the USG conducts itself in regard to a government that is preparing for war and proceeds on the basis that war is inevitable, to a country which officially calls itself the enemy of the Soviet Union and which seeks to push the US and its allies toward some kind of confrontation with the USSR. Its credo is enmity to the Soviet Union, and it subordinates improvement of relations with the US to that belief. That is the official aim of the present Chinese leadership; it is with that aim that Deng went to the US, and he presented it to the President, the Congress, the press—to everyone. We are more than surprised that official Washington gave him the opportunity to present this position, surprised that Washington went along that road. China with the help of Deng has taken the US along with him." (Telegram 3717 from Moscow, February 14; National Archives, RG 59, Central Foreign Policy File, [no film number])

—A protracted Sino-Vietnamese conflict, which inevitably would adversely affect American confidence in the normalization process;

—Unraveling of the American position in the Middle East.

What we need is a lengthy analysis of *all* the moves available to us—and I do not mean words or trips—for shaping an effective response to the challenge. The moves could be partially military, partially economic, partially adjustments to our human rights or military sales policies. We must also be willing to address the issue in a forthright manner of linkage, and recognize that what we do in one place will affect what happens in another.

Pivotal in all of this is our Soviet policy—how we can introduce a note of restraint in Moscow during the coming months.

I am not an expert on the Soviet Union, Zbig, but I just wish to emphasize to you that you bear the central responsibility in the U.S. Government for presenting to the President in rapid fashion a coherent strategy. And if it necessitates taking on Marshall Shulman directly, you have to do it now, because time is running out on us.

216. Backchannel Message From the President's Deputy Assistant for National Security Affairs (Aaron) and the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke) to the Deputy Chief of the Liaison Office in China (Roy)¹

Washington, February 16, 1979, 2042Z

WH90286. The following is the text of the oral statement you are to immediately deliver to Vice Premier Deng.

Begin text:

Oral Memorandum

In reply to the message of Vice Premier Deng to the President of February 16,² the President wishes to reply urgently to the Vice Premier.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 8, Backchannel Messages: Peking: 1-7/79. Secret; Sensitive; Flash; Via Voyager Channels.

² See Document 212.

With respect to the situation in Vietnam, the President feels that he must in all candor, express again to the Vice Premier our view that it would be a mistake to take any action at this time which would draw attention away from the Vietnamese and Soviet actions in Kampuchea. Nothing should be done that would undermine the mounting international pressure for Vietnam to withdraw its forces from Kampuchea. Also, the action contemplated could well lead to an increase in the influence and presence of the USSR in Southeast Asia. It could unleash an uncertain and dangerous sequence of events in the region and beyond.

In our public statements on the matter, we will have no choice but to oppose such actions. The United States would be critical of any use of force outside one's own territory, and we would call for the immediate withdrawal of Vietnamese troops from Kampuchea and Chinese troops from Vietnam.

The United States, like China, seeks a stable and peaceful structure of independent states in Southeast Asia. Our principled stand in favor of an independent Kampuchea and Vietnamese troop withdrawal from Kampuchea during the UN Security Council debate speaks for itself. We have been in continual contact with both the Vietnamese and the Soviet Union, urging upon them restraint and warning them of serious international and political consequences if they took steps that intensified the conflict. We believe that it would be highly desirable to continue to pursue these channels on an even more urgent basis, rather than take the steps referred to in the Vice Premier's message.

The visit of the Chinese delegation to the United States began a new era in Sino-American relations. At this delicate moment, the President urgently asks you not to take any steps which would not only cause serious problems in Asia, but which would also create a new set of difficulties here, and which would only benefit other countries that seek to sow disarray or open dissension between China and the United States.

End text.

217. Minutes of a Special Coordination Committee Meeting¹

Washington, February 17, 1979, 10:30 a.m.–12:20 p.m.

SUBJECT

Conflict Between the PRC and Vietnam

PARTICIPANTS

State

Secretary Vance
 Deputy Secretary Warren
 Christopher
 Under Secretary David Newsom
 Hodding Carter
 Asst. Secretary Richard Holbrooke

Defense

Deputy Secretary Charles Duncan
 Michael Armacost

JCS

General David Jones
 Lt. Gen. William Y. Smith

White House

The Vice President
 Zbigniew Brzezinski
 Hamilton Jordan
 Jody Powell
 David Aaron

NSC

Colonel William Odom
 Michel Oksenberg
 Gary Sick

CIA

Adm. Stansfield Turner

MINUTES

Dr. Brzezinski opened the meeting by announcing a three-point agenda:

1. What should be the US public position on the war?
2. Review the message that the US Government will send to the Soviet Government on the hostilities.
3. Review the US position in the United Nations proceedings.

Public Position on the War

One of the first press questions will be “Did Deng raise the issue of an attack of Vietnam while he was in the United States?” Our answer to the press is “no.”

The next press question is “Are we in touch with the Soviets?” Our answer is “We will be in touch with the Soviets soon.”

Holbrooke posed the press query: “Does the invasion affect the bilateral relationship?” All agreed the answer should be “We are unprepared to give an immediate response.” Vance is convening a special meeting to consider this question.

It was decided that all press questions will be referred to the Department of State, not handled by the White House or Defense.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 14, Folder 18, SCC Meeting: #139 Held 2/17/79, 2–3/79. Secret. The meeting took place in the White House Situation Room.

Draft Message to the Soviet Government

The Secretary of State expressed some concern over the implications of the sentence, "The US is ready to exercise similar restraint." It suggests either some potential US involvement which will draw criticism both from the Congress and from the Soviet Union, or a surrender of US options, which would draw criticism from other quarters on the Hill. Dr. Brzezinski suggested replacing the "restraint" phrase with the wording, "The US is ready to cooperate in such an effort." There was also discussion about "who" is restrained. To remove ambiguity, "all parties" was inserted in the message.

It was decided that the message will be sent later on today after it is confirmed that indeed a major Chinese attack has begun into Vietnam.²

The US Position in the United Nations

Ambassador Young has a stand-by message for this contingency. Vance talked to Young yesterday, and Young understands all public statements are to come from State.

Vance explained that it will be better to let other states take the lead with resolutions in the UN. Only after draft resolutions have been introduced can we tie down appropriate actions and tactics for the United States; it cannot be done in this meeting. Already contacts are under way with the Yugoslavs who may introduce a resolution condemning the Vietnamese invasion of Cambodia. Dr. Brzezinski raised the larger question of how we will vote on a resolution condemning the PRC alone for aggression, i.e., excluding the Vietnamese invasion of Cambodia. It was explained that because at least two resolutions will be introduced, we can amend both and avoid a stark choice such as whether to vote to condemn only the PRC.

Dr. Brzezinski raised the question of consultations with our Allies. Vance said that the United Nations is the appropriate focal point for consultations with the Europeans and the Japanese because the action is there. Brzezinski agreed but suggested that we need to go further by telling the French, the Germans, the British, and the Japanese that we have been trying to deter this military action for the past several weeks so that they will not draw the mistaken conclusion that we were caught by surprise or have done nothing to prevent it. Vance agreed with this point and added that others such as Kriangsak of Thailand might also need such a briefing.

It was decided that State would proceed in the United Nations and elsewhere as appropriate to conduct such consultations with our Allies.

² See footnote 6, Document 214.

Other Points Discussed

It was suggested that we need to move quickly with the press to put the proper spin on the Administration's position in time to influence editorial writing in the press. In addition to Hodding Carter's backgrounder today, it was suggested that Vance give an off-the-record briefing today or tomorrow.³

Jody Powell said that we need to get our story out earlier rather than later. Furthermore, our story must answer two major questions: a) Did the question of a Chinese attack come up during the Deng visit; and b) did we try to prevent it? Hamilton Jordan suggested that we call in selected reporters from the *New York Times* and the *Washington Post* today and give them background information in order to make press reporting tomorrow accurate on the Administration's position and thereby influencing editorial writing on the following day.

There was further discussion of the need to avoid letting this look like an intelligence failure and to address reactions which ask: "How could Deng do this to us so soon?" and "What is the value of the US/Chinese relationship?" It was argued that our public position on the Chinese attack puts distance between the US and PRC which makes these questions less troublesome.

Vance reported that he had been in touch with several members of the House and Senate. Charles Duncan offered to call the House and Senate Armed Services Committees' chairmen. It was also reported that three Senators, including Howard Baker, will be on TV tomorrow. An effort will be made to get the Administration's story to them before they appear.

Whether or not the President should return to Washington today was discussed. It was decided he should not come back from Camp David.

In a response to a query, Turner said there has been no change on the Sino-Soviet border, except for increased Soviet reconnaissance.

Duncan gave a brief report of US naval deployments in the South China Sea. The USS *Constellation*, now in Subic Bay, is undergoing repairs and would be unable to go to sea for a few more days. The USS *Midway* is steaming north from the Philippines to participate in the exercise, *Team Spirit-79*—a joint US/Korean maneuver. No one expressed a cogent reason for altering these deployments.

General Jones observed that we need to consider contingencies in the event of increased Soviet military activity and our reaction to the

³ On February 17, a "senior American official" called on China to withdraw its forces and advised the Soviet Union not to retaliate against China. (Bernard Gwertzman, "Soviet Is Cautioned," *The New York Times*, February 18, 1979, p. 1)

Chinese. Brzezinski instructed David Aaron to convene a group to discuss this issue.

Christopher noted that the invasion would adversely affect our Omnibus legislation and produce a more strident resolution on Taiwan.⁴

⁴ See Document 213.

218. Summary of Conclusions of a Special Coordination Committee Meeting¹

Washington, February 18, 1979, 9–9:35 a.m.

SUBJECT

Sino-Vietnamese Conflict

PARTICIPANTS

State

Secretary Cyrus Vance
Dep Sec Warren Christopher
Under Sec David Newsom
Asst Sec for EA & Pacific Affairs
Richard Holbrooke
Asst Sec Harold Saunders
Asst Sec Hodding Carter

Department of Defense

Deputy Secretary Charles Duncan
Dep Asst Sec Michael Armacost
Commander Kelley

JCS

General David Jones
General William Y. Smith

White House

Vice President Mondale
Asst to the Pres for NSC
Zbigniew Brzezinski
Press Secretary Jody Powell
Dep Asst to the Pres for NSC
David Aaron

NSC

Colonel William Odom, Military
Asst
Michel Oksenberg, Stf Mbr
Gary Sick, Staff Mbr

CIA

Admiral Stansfield Turner
Deputy Robert Bowie

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 14, Folder 19, SCC Meeting #140 Held 2/18/79, 2/79. Secret. Initialed by Brzezinski at the end of the text. The meeting took place in the White House Situation Room. The minutes of this meeting are *ibid*.

SUMMARY OF CONCLUSIONS

The meeting began with a situation report on military activities in the Sino-Vietnamese theatre and on political reactions to the conflict in Moscow, the U.N., ASEAN, and Congress.

Our fragmentary intelligence indicates that the Chinese have penetrated approximately ten kilometers into Vietnam across a wide front. Both the international and domestic reaction thus far basically has been calm and restrained.

The meeting reached the following decisions:

—A formal statement, to be delivered to Ambassador Ch'ai Tse-min tomorrow, will be drafted for consideration at an SCC meeting on the Sino-Vietnamese conflict tomorrow.

—[1 paragraph (3 lines) not declassified]

—The NSC Staff will prepare for the same meeting an analysis of possible Soviet actions, particularly military actions, over the coming weeks, with alternative U.S. reactions for each Soviet action.

—The same SCC meeting will assess the effect of the Sino-Vietnamese conflict upon the Sino-American bilateral relationship in the weeks ahead.

—It was decided we need not make any additional public statements concerning our stance toward the conflict, but we should use the same briefing points which Vance used with Gwertzman for a briefing of the wire services and the networks. Holbrooke will take care of this. He is also to brief Senator Glenn and Senator Moynihan before their appearances on the network interview shows.

—Brzezinski instructed David Aaron's SCC Ad Hoc Group on China to meet with the appropriate Congressional liaison people to assess the situation on the Hill, particularly the implications of our likely failure to secure authorization to fund the American Institute on Taiwan for its operations beginning March 2.²

² See Document 213.

219. Summary of Conclusions of a Special Coordination Committee Meeting¹

Washington, February 19, 1979, 3:05–3:55 p.m.

ATTENDEES

State

Cyrus Vance
Warren Christopher
Richard Holbrooke

Defense

Harold Brown
Charles Duncan

JCS

David Jones

CIA

Stansfield Turner
Robert Bowie

White House

Zbigniew Brzezinski
Jody Powell

NSC

David Aaron
William Odom
Michel Oksenberg

SUBJECT

Sino-Vietnamese Conflict

SUMMARY OF CONCLUSIONS

I. Situation Report

The Chinese have penetrated 10 km on two different fronts and are holding. There is very little information about the tactical situation on the ground. The Chinese are informing their cadre that the struggle may be a protracted one in which the Chinese will sustain losses.

II. Foreign Response to our Various Démarches

Brzezinski read the Brezhnev response, which he linked to the official Soviet statement.² The Soviets, it was concluded, have yet to commit themselves to a course of action.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 14, Folder 20, SCC Meeting #141 Held 2/19/79, 2/79. Secret. Sent to Carter under a February 19 covering memorandum from Brzezinski that Carter initialed. (Ibid.)

² According to the translation of Brezhnev's response to the U.S. message (see footnote 6, Document 214), he declared, "I would not be candid if I did not call your attention to the fact that China's aggression against Viet Nam was undertaken soon after Deng Xiaoping's visit to the USA, during which he made pronouncements openly inimical to the cause of peace, including direct threats to Viet Nam. And is this simple coincidence? We and others must, of course, draw from this the appropriate conclusions. Therefore, we do not understand why you are appealing to us to exercise restraint. Such an appeal must be directed only to the aggressor—that is, to China." Brezhnev's message is scheduled for publication in *Foreign Relations, 1977–1980*, volume VI, Soviet Union. The official Soviet statement, February 18, was published in *The New York Times*, February 19, 1979, p. A11.

III. U.S. Objectives in the Conflict

The group agreed that the following statement summarizes our objectives: In the context of avoiding any direct U.S. involvement, we should: (1) minimize the adverse effect of the conflict upon our bilateral relations either with the People's Republic of China or the Soviet Union; (2) deter a Soviet escalation of the conflict; (3) secure the withdrawal of both Vietnam from Kampuchea and China from Vietnam; (4) seek the emergence of a neutral Kampuchea; and (5) reassure ASEAN and Japan in the process.³

IV. U.S.-Chinese Bilateral Relations

The group approved Cy delivering a short *démarche* to Ambassador Chai on Tuesday, February 20, essentially seeking information about Chinese intentions and hinting that without a clear understanding of Chinese intentions the expansion of our bilateral ties could eventually be adversely affected. (A draft of Vance's statement is at Tab B.)⁴

The group decided to postpone for 36 hours a decision on whether Blumenthal should continue his plans for a Friday departure to Peking, until the limits of China's penetration of Vietnam become a bit clearer. There are five options with respect to the trip: (1) persist with original plans; (2) persist with the trip, but alter the instructions to take into account the new situation; (3) postpone the trip for a week; (4) postpone the trip until Chinese have withdrawn forces from Vietnam; (5) keep the trip on schedule but have Carswell substitute for Blumenthal.⁵

Vance thought the trip should not go forward while Chinese troops are stationed in a foreign country. We might inadvertently be seen to support Chinese action through a Blumenthal trip. He advocated a one-week delay.

Holbrooke thought the trip should go forward. Without Blumenthal in Peking and without Woodcock there, we would have no high-

³ Carter wrote, "all good" in the right margin next to this paragraph.

⁴ Oksenberg's draft of Vance's statement to Ambassador Chai is attached but not printed.

⁵ See also Tab C. [Handwritten footnote in the original. At Tab C is a backchannel message, initialed by Carter, from Callaghan, February 19, in which the Prime Minister describes the U.K. response to the crisis: "In the days before the Chinese action in Vietnam, we strongly urged on both the Vietnamese and Chinese governments the dangerous consequences of any build-up in tension. Since then we have reiterated to the Vietnamese our view that both Vietnam and China should show restraint and uphold the principle of the territorial integrity of UN member states. We also deplore the fact that the Vietnamese Government has still not withdrawn its forces from Cambodia. Furthermore, we have urged restraint on the Russians and rebutted the allegation that the West is in collusion with the Chinese. With the Chinese we are taking the line that we are looking for early indications that their forces will be withdrawn from Vietnam as the Chinese themselves have undertaken." (Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 14, SCC Meeting: #141, Held 2/19/79, 2/79)]

level representation on March 1st when the Liaison Office is upgraded to Embassy status. In addition, cancellation of the trip would be interpreted in the United States as Administration admission that we have suffered a setback and that we are steering an erratic course.

The Vice President believed we must avoid any appearance of becoming involved in the conflict. To delay Blumenthal's trip would be to tip in the Soviet-Vietnamese favor; to persist as is would be to tip in China's favor. Blumenthal should go, but make critical remarks.⁶

Brzezinski argued that the trip should go forth [*forward*], though with altered instructions. The Blumenthal trip is part of the normalization process, and we seek that to go forward in spite of the Vietnam conflict. Frank Press went to Moscow recently, even though the Soviet-backed Vietnamese invasion of Kampuchea had just occurred. There is bilateral advantage to be secured in Mike's trip, and we would only be punishing ourselves if we hold back.

Powell thought the press would react negatively no matter what we do, but the reaction would not be too strong if Blumenthal left on Friday. Powell believes that the basic U.S. public reaction is that Vietnam deserves to be beaten a little bit over the head.

V. United Nations

The group decided to authorize our UN Mission to explore, particularly with our Allies, inscribing both Indochina issues for Security Council debate. Neither China nor the Soviet Union wish the entire range of Indochina issues to be debated—China wants Kampuchea debated and the Soviets want Vietnam debated. It was judged that we would secure political advantage by taking the issue to the UN and by adopting a stance that would be balanced between Moscow and Peking.

VI. Intelligence Gathering

[1 paragraph (2½ lines) not declassified]

VII. Contingency Planning for Soviet Military Involvement

The group began contingency planning in the event of (1) a direct Soviet military involvement in the Sino-Vietnamese conflict; or (2) a Sino-Soviet conflict. The group will consider at a subsequent meeting whether, if the Soviets appear to be moving toward acquiring Cam Ranh Bay for a naval base, we should inform Moscow *before* they make a final decision that their action could lead to our reconsideration of our

⁶ Carter wrote in the right margin next to this paragraph, "He should go as scheduled." Blumenthal was scheduled to visit Beijing February 24–March 2 and Shanghai March 2–4. (Telegram 37792 to Beijing, February 13; National Archives, RG 59, Central Foreign Policy File, D790069–0290)

position that we would not enter into a security relationship with the People's Republic of China.

220. Memorandum From the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 21, 1979

MEMORANDUM FOR

The Secretary of State
The Secretary of Defense
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

SUBJECT

SCC Meeting on the Sino/Vietnamese Conflict, February 19, 1979

The President has reviewed the Summary of Conclusions of the February 19 SCC Meeting on the Sino/Vietnamese conflict.²

The President approved the following set of U.S. objectives which the SCC had recommended:

In the context of avoiding any direct U.S. involvement, we should: (1) minimize the adverse effect of the conflict upon our bilateral relations either with the People's Republic of China or the Soviet Union; (2) deter a Soviet escalation of the conflict; (3) secure the withdrawal of both Vietnam from Kampuchea and China from Vietnam; (4) seek the emergence of a neutral Kampuchea; and (5) reassure ASEAN and Japan in the process.

In addition, the President was informed that the group decided to postpone for 36 hours a recommendation on whether Secretary Blumenthal should continue his plans for a Friday departure for Peking. In response to this, the President stated: "He should go as scheduled." This Presidential directive has been communicated to Secretary Blumenthal.

Finally, based on the President's review of the summary of the meeting, we should proceed with the actions discussed relating to the United Nations and intelligence gathering, namely:

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 102, SCC 141, 2/19/79, Sino-Vietnamese Conflict. Top Secret.

² See Document 219.

(1) The UN Mission is authorized to explore, particularly with our allies, inscribing both Indochina issues for Security Council debate.

(2) [2½ lines not declassified]

Zbigniew Brzezinski

221. Summary of Conclusions of a Special Coordination Committee Meeting¹

Washington, February 23, 1979, 3:05–3:50 p.m.

SINO-VIETNAMESE CONFLICT

PARTICIPANTS

White House

Vice President Mondale

Jody Powell (Press Secretary)

Hamilton Jordan (Asst to Pres)

Dr. Brzezinski (Asst to Pres for National Security Affairs)

David Aaron (Dep Asst to Pres for National Security Affairs)

Denis Clift (Asst to the VP for National Security Affairs)

State

Deputy Secretary Warren Christopher

David Newsom (Under Secretary for Political Affairs)

Robert Oakley (Dep Asst Sec for EA and Pacific Affairs)

DOD

Secretary Harold Brown

Charles Duncan

Michael Armacost (Dep Asst Sec for EA and Pacific Affairs)

JCS

General William Smith

CIA

Admiral Turner

Deputy Robert Bowie

NSC

Michel Oksenberg

¹Source: Carter Library, Brzezinski Donated Material, Subject File, Box 29, Meetings, SCC 144: 2/23/79. Top Secret. Initialed by Brzezinski at the end of the text. The meeting took place in the White House Situation Room.

SUMMARY OF CONCLUSIONS

Admiral Turner summarized the battle situation. Chinese forces have apparently captured all Vietnamese frontier outposts along the entire 1100 kilometer Sino-Vietnamese border and have advanced a few kilometers into Vietnam. But they have not yet pushed forward. They are trying to lure the Vietnamese forces north, but it is not yet clear they will be successful in this effort.

At the U.N., the U.S. initiative to inscribe both Indochina issues in the Security Council agenda was joined by Norway. Eight votes are required for discussion, and it appeared that the debate may even get underway late today. The U.S. would speak first, followed by the Soviet Union. Our hope is that the non-aligned countries, particularly Kuwait, Bangladesh will propose a resolution acceptable to us which would condemn both the Vietnamese action in Cambodia and the Chinese action in Vietnam.²

We discussed U.S. contingencies in the event the Soviet Union seeks to acquire permanent military facilities in Vietnam. Were they to do so, the entire strategic situation in Asia would undergo a fundamental change. The meeting decided that Cy should deliver the *démarche* at Tab A to Dobrynin.³

We assessed our public posture on the conflict. Some concern was expressed that we may seem at this point to be a bit light on the Chinese. The group felt, however, that through Blumenthal's statement in Peking⁴ and through the forthcoming U.N. debate, we would strike the right balance. Jody pointed out that our general position has won wide acclaim and our task is to explain how each action we undertake is consistent with our basic position. As far as the battle situation is concerned, the U.S. Government should neither become the major source of information about the conflict nor should we make any predictions. Our main task in backgrounding should be to introduce a note of calm and to knock down sensationalist stories.

² The UN Security Council held five meetings between February 23 and 28. See *Yearbook of the United Nations, 1979*, pp. 281–283.

³ Tab A was not found.

⁴ See footnote 2, Document 223.

222. Telegram From the Embassy in China to the Department of State¹

Beijing, March 1, 1979, 1203Z

1139. Dept pass NSC for Brzezinski. State for Vance. Subj: Claims/Assets Settlement Agreement.

1. PRC and we have now agreed on terms of settlement. PRC will pay \$80.5 million in cash with initial payment of \$30 million on October 1, 1979, and five equal annual installments of \$10.1 million, commencing October 1, 1980. We will unblock Chinese assets by October 1, 1979.

2. You will notice that PRC increased initial payment to \$30 million to meet the perception problem you raised last night.² PRC met my request after they thought terms of a deal had been struck. This change represents a considerable political and personal effort by the Minister of Finance and the leadership. Failure to speedily accept the settlement would be seen as a severe political rebuff and would risk the opportunity to make any deal in near future.

3. I think this is an excellent deal in light of following considerations:

A. The negotiations were initiated against the background of the earlier Kissinger–Zhou Enlai discussions which were confirmed by this administration in March 1977. Thus discussions established the principle that the U.S. would accept the blocked Chinese assets (which we estimate have a value of \$80.5 million) in full settlement of the U.S. private claims.

B. The blocked assets themselves probably would yield the U.S. less than \$30 million for distribution to claimants especially in light of today's apparent admission of PRC that most of the assets blocked do not belong to it and that it therefore could not pass good title to the U.S.

C. This settlement guarantees the U.S. claimants \$80.5 million in cash, or 41 pct of the amount unilaterally determined by the U.S. Foreign Claims Settlement Commission as the value of U.S. private claims.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Blumenthal 2/79 Trip to China: 3/79. Secret; Flash; Nodis. On March 1, both the Liaison Office in Beijing and the PRC Liaison Office in Washington were raised to the status of Embassy.

² Backchannel message WH90308 to Beijing, February 28, reads, "Congratulations on a praiseworthy negotiation. We nonetheless feel that \$30 million is the appropriate figure for the October 1, 1979, payment and \$10.1 million for each of the following five years." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 24, Blumenthal 2/79 Trip to China: 12/78–2/79)

D. Under the settlement we avoid the lengthy and uncertain litigation otherwise needed to realize on an assignment of blocked assets.

E. The all-cash settlement does not require the U.S. to look to expropriation by PRC of assets owned by private persons as a source of funds for paying U.S. claimants.

F. In comparison to other settlements for expropriation of U.S. property this deal is very favorable.

—Poland paid \$40 million over 20 years; a 40 percent return.

—The Romanians paid \$24.6 million (\$2.5 million over 6 years and \$22.1 million from liquidated WWII blocked assets), again a 40 pct return.

—Hungary agreed to pay \$21.1 million over 20 years; a 37 pct return.

—The Bulgarian settlement with respect to expropriation of assets provided a 65 pct payout but the settlement was only \$400,000 and was paid out over 2 years.

—In the first Yugoslav settlement case the U.S. got \$17 million in cash, which resulted in a payout of more than 98 cents on the dollar, but we returned to Yugoslavia \$40 million in blocked gold. The second Yugoslav settlement case of \$3.5 million produced 36 pct return.

—The \$9 million assigned to the US by Soviet Foreign Minister Litvinov, in advance of a settlement which never took place, yielded a payout of 12 pct. It took 20 years of litigation to collect the \$9 million.

3. I have read the reports of consultation with key Congressional figures in Washington, and in view of the limited information available in Washington, I regard the results as relatively favorable. My impression is confirmed by my conversation this afternoon with Senator Javits in which I explained the facts to him and he offered his support.

4. This settlement was made after many hours of negotiations, including a number of sessions which lasted until the early hours of the morning and included senior U.S. and PRC officials. I am convinced, and the Embassy concurs, that the PRC leadership has made a considerable effort to work out a satisfactory settlement. This is the most favorable time to conclude the settlement and the PRC expects that the settlement can be initialed and announced tomorrow. Failure to meet that expectation would set back prospects of concluding a settlement and also the progress we have made in our other discussions with the PRC. In my view, concurred in by the Embassy, it would cause significant damage to our relations with the leadership which has gone to considerable lengths to dispose of this issue.

5. I will call between 8:00 and 9:00 A.M. (Washington time) to see if there are any further problems in recommending speedy authorization to initial.³

Roy

³ Backchannel message WH90313 from Brzezinski to Blumenthal, March 1, 1510Z, declared, "The President authorizes you to proceed and initial the settlement. Congratulations!" (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Blumenthal 2/79 Trip to China: 3/79)

223. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, March 1, 1979

SUBJECT

Blumenthal Conversation with Hua Guofeng

If there is any doubt that Hua Guofeng is a figurehead, that doubt should be removed in a reading of Hua's interview with Blumenthal (at Tab A).²

He ties himself closely to Deng and endorses all of Deng's statements. He breaks no new ground beyond that. In that sense the tone of

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Blumenthal 2/79 Trip to China: 3/79. Confidential. Sent for information.

² Tab A was not found, but an account of this conversation is contained in backchannel message 251 from Beijing to the White House, March 1. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1–3/79) Blumenthal is quoted as saying, "we operate on the principle that disputes between nations should be settled by peaceful means and not by incursions or invasions. We are concerned about the risk of negative reaction in public opinion and by various countries against China's move into Vietnam. It could hinder China's modernization effort and could disturb the speed with which we hope to advance bilateral economic relations. We are also concerned about the possible reaction of the Soviet Union and the opportunity this situation might provide for the Soviet Union to expand its influence in the area. For these and related reasons we are urging the speedy withdrawal of Vietnamese and Chinese troops from Kampuchea and Vietnam."

Hua's conversation with you last May, when he went beyond Deng's formulations on normalization, is remarkably different.³

Of course, Hua's motive could be cleverly to put Deng out front, and Hua could claim non-involvement in case Deng's policies fail.

Blumenthal handled the Vietnam section of the conversation far better than he did with Deng.⁴ That is to say, he stuck with his talking points and raised no further questions.

One learns no more from this conversation about Chinese capabilities and intentions in Vietnam, and it is not worth drawing to the attention of the President, other than mentioning to the President that the meeting occurred.

³ See Document 111.

⁴ Telegram 1117 from Beijing, February 28, transmitted a transcript of Blumenthal's February 27 conversation with Deng, during which Blumenthal asked Deng about the economic costs of the conflict, its duration, and the likelihood of Soviet intervention. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 24, Blumenthal 2/79 Trip to China: 12/78–2/79)

224. Memorandum From Secretary of the Treasury Blumenthal to President Carter¹

Washington, March 5, 1979

SUBJECT

Trip to China and Japan

While it is still fresh in my mind, I want to record for you my principal impressions of our visit to these two important countries. I will restrict myself to impressions only, and not dwell on specific items in our discussions or on the agenda of next steps in our economic relationship with China and Japan.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 22, Treasury Department: 3/79–3/80. Confidential. At the top of the page, Carter wrote, "cc Mike. This is a good report. You accomplished the purposes of your mission. Well done! J." Blumenthal gave this memorandum to Carter during a March 6 meeting to discuss the trip. See Document 225.

I. China

The Chinese made a tremendous effort to be accommodating, to settle the claims/assets issue, and to insure that the visit be successful. I don't believe that we could have achieved as good a deal if the leadership from the top down had not been determined to make a major effort.

There are probably two major reasons why they tried so hard:

First, it is a pretty safe bet that they appreciated your letting this visit go forward in spite of the Vietnam situation. They clearly saw it to their advantage, both as regards U.S.-Sino bilateral relations and in terms of the overall impact worldwide, to come up with an agreement.

Second, there is little doubt that the present Chinese leadership led by Deng Xiaoping is most determined to push forward with a rapid pace of modernization. They consider close trade and economic relations with the United States as essential for this purpose. They believe that settlement of claims/assets now opens the road to a trade agreement. To them, that means MFN and credits. If a trade agreement, extension of MFN and Ex-Im credits would not materialize within a year or so, strains in our bilateral relationship would almost certainly emerge.

One of the fascinating questions underlying the Chinese situation is how successful they are likely to be in their "Four Modernizations" program. No one can be sure on this score—and we should not count on a smooth course of events. My visit to China and my observations leave me with a strong sense of the tremendous obstacles they face!

First and foremost, we should not underrate the uncertainties and political instabilities inherent in the present situation in China. One senses a still tentative and uncertain coalition of those Chinese leaders committed to the new policy of pushing economic development based on a re-orientation of their economy toward trade with, and investments by, the West. As has been true for as long as anyone can remember, factionalism, regionalism, and the strains and stresses of a poorly united, vast country persist. Communication between the center and the provinces and coordinated implementation of policies laid down at the center remains spotty. As in all Communist nations, the problems of succession are not worked out. The change in direction which the leadership has now embarked on is so drastic—and so contrary to the policies and ideology of the past—that no one can say with certainty how long they will persist in this course, particularly when the going gets rough. A first conclusion, therefore, must be that a protracted period of political stability is essential for China to succeed on its present course. And that period of stability is anything but assured.

Secondly, the economic problems to be overcome are staggering. While great progress has been made since 1949, China has remained

relatively insulated and untouched by modern patterns of industry and technology. The country almost totally lacks a cadre of competent managers, capable of running modern enterprises and of administering a development program. Also, China has lost a whole generation of teachers and students, technicians, scientists and others essential to the success of modernization. Rebuilding this essential infrastructure of human resources will be a major task and will take many years.

Meanwhile, there is the question of how effectively China can contain the expectations, now being awakened, for better things to come and for concrete results from the process now begun.

In her modernization effort, China has essentially two resources. One of these is as much a liability as an asset, i.e. a huge population base. The size of the population makes any saving and investment in a modern capital stock a herculean task. On the other hand, the large population also provides an opportunity for the country to utilize massive application of manpower to accomplish things that would be impossible in other cultures. Secondly, China can count as an asset the national character of her people who are accustomed to hard work for little pay, who have a high native intelligence and great ingenuity, matched only by much patience and persistence of application to difficult tasks.

The “Forever” bicycle factory I visited in Shanghai illustrates graphically these strengths, but also the inherent weaknesses. The factory is a veritable rabbit warren of innumerable small, dank, primitive, sub-standard buildings. The flow of materials and the production process is poorly laid out and reveals a lack of any real knowledge of modern manufacturing methods. The miracle is that such a factory can produce *any* kind of bicycle in quantities. Yet, the Chinese turn out 1,700,000 a year from that place. One has to see it to believe it! They do it with a massive application of people—3,900 to be exact—and with every machine in use, hand designed and manufactured on the premises.

By our standards, that adds up to dismal productivity, but it gets the job done and it provides at least the hope that with modernization the prospects for improvement and for increased efficiency could be enormous.

In my view, the key element which will determine the success or failure of the Chinese experiment will be the persistence with which the Chinese can pursue a flexible approach in their emerging dealings with the West. If they do indeed carry through their professed intention to shake off important elements of Communist economic dogma, and consent to foreign investment and the direct infusion of foreign management know-how, based on profit incentives, they have a chance to

go forward rapidly. Whether they will do so, is as much a political as an economic issue.

At the moment, I sense a genuine commitment by the Chinese leadership to a close working relationship with the United States. They count on us—perhaps excessively and naively so—more economically than they do politically. The reservoir of goodwill for the United States among the people is as genuine as it is astonishing. It provides a great opportunity for us and we should not miss it. At the same time, it will be our challenge to bring to bear continuously the requisite patience and understanding in our economic relations with them. They are slow to trust a foreigner, but once they develop confidence, they value frank talk and they are not resentful of frank advice, if courteously given. They respect and admire Americans more than they are sometimes willing to admit. We should take advantage of this factor, coordinate our economic dealings with them, and not be afraid to counsel them to go slow and to avoid hazardous or premature forward leaps in the implementation of their “Four Modernizations” program.

[Omitted here is material related to Blumenthal’s trip to Japan.]

The visit overall was a fascinating one and in overall terms, I think, a success. We accomplished what we set out to do and that is always a good feeling.

On a personal level, it had for me, its moments of emotion and nostalgia. A return to China—in the way I went—was a major event for me. I was proud to be there as your representative, and as the representative of a great country.

225. Memorandum of Conversation¹

Washington, March 6, 1979, 2:31–3:05 p.m.

SUBJECT

Summary of the President's Meeting with Secretary Blumenthal

PARTICIPANTS

The President

Michael Blumenthal, Treasury Secretary

David Aaron, Deputy Assistant to the President for National Security Affairs

Henry Owen, Staff Member, NSC

Michel Oksenberg, Staff Member, NSC (Notetaker)

President: It is good to see you. I understand that you had a good and successful trip.

Blumenthal: I think so. It is a habit of mine on such trips, while the impressions are fresh in my mind, to write a memo consisting of my reflections or ruminations on the trip. I would like to convey it to you through this channel.²

President: Thank you. I will enjoy reading it.

You carried out the tasks that I gave you. This was due to your own skill. In addition, the timing was propitious, and the Chinese were eager to move forward.

Blumenthal: Yes. The timing was lucky. I think that the Vietnamese situation also helped.³ The Chinese were most anxious to have a successful visit and for us to reach a successful agreement on the claims assets issue as an offset to the Vietnam situation. That placed great emphasis on the economic relationship and down played Vietnam.

President: In addition to the claims asset issue dealing with private claims, what other claims have to be resolved, public or private?

Blumenthal: In the public realm there are postal claims that reach less than \$1 million. We talked about this and the Chinese will be sending a check through regular channels. Then there is a settlement of government property seized in 1949.

President: You mean property seized here?

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 46, Meetings: 3/79. Secret. The meeting took place in the Oval Office.

² See Document 224.

³ China announced on March 5 that it had begun withdrawing its troops from Vietnam. The statement was published in *The New York Times*, March 6, 1979, p. A10.

Blumenthal: No. I mean the U.S. government property in China that the Chinese confiscated. We should not put a value on that, although one has been placed on it. Rather, we should settle this as they give us facilities for our diplomatic activities in Peking, Shanghai, and Canton. We do need a lot of space.

Then there is the problem of export/import loans made to Chiang Kai-shek.

President: Did the Export/Import Bank exist back then? I didn't know that.

Owen: Oh, yes. It loaned over \$500 million to the Chinese.

Blumenthal: No. That was lend-lease. The sum extended by the Export/Import Bank was considerably less. We not set that the Peoples Republic of China owes Export/Import Bank \$26 million. According to Bank regulations, any successor government which gets the use of assets financed by the Export/Import Bank is responsible for repaying the value of those assets. The Chinese, of course, do not recognize this claim and say that we should obtain the sum from the Nationalists on Taiwan.

But they may settle with the Export/Import Bank when they see that the Export/Import Bank has been authorized to extend loans to China and that there is money available for them. This will take time.

Finally, there are some private bond holders who have claims against private governments [*companies?*] in China, but bond holders take risks and this is not a matter of concern to us.

President: What is the role of Congress from here on, particularly with respect to the claims assets settlement?

Blumenthal: Congress need not play any direct role. I called Long⁴ and Frank Church and both of them are happy with the settlement. The settlement does not need to be approved by Congress. Although if Congress wishes to disapprove it, it could pass a rider blocking the settlement.

However, we would need Congressional approval if we wish to follow a pattern of distribution different from that formerly legislated in the Foreign Claims Settlement Act. That act calls for full restitution to claimants with claims up to \$1,000. Distribution for claims above that value would be on a pro rata basis. The bulk of the claims are held by four large claimants—Boise-Cascade, Exxon, Citibank, and another major corporation.

This would not be fair. For example if you look carefully at the Boise-Cascade claim, \$30 million of the claim is held by China stock

⁴ There were three Longs in Congress in 1979; most likely Blumenthal is referring to Senator Russell Long (D-Louisiana).

holders of Shanghai Power and Light. Yet Boise-Cascade has attempted successfully to declare that it does not owe these Chinese shareholders any restitution, and they have already succeeded in declaring \$20 million of the \$30 million obligation as worthless. They are now attempting to secure release from the other \$10 million. Further, Boise-Cascade's subsidiary, the Shanghai Power and Light, raised its capital in China by floating bonds and stock in Chinese currency, the Chinese "tael", which became worthless during China's higher inflation. So it is not fair for Boise-Cascade to receive a major portion of the sum of the claims assets settlement which the Chinese are paying.

President: Is Boise-Cascade a company in Church's bailiwick?

Blumenthal: Yes, although they have never supported him and are strongly Republican.

President: Well, talk to Frank and see what you can work out.

Blumenthal: I will do what I can. But I think we will obtain more support if we _____.⁵ For example, a substantial number of Church's clubs. It would be better for them to go on the Hill in support of the claims assets settlement. They say they would use these funds in a beneficial way, probably not in relation to China. So we are considering addressing a Congressional action to change the pattern of redistribution in a week or 10 days. I will make a recommendation to you.

President: I have another question. How serious is the Chinese cancellation of purchase orders placed with the Japanese?

Blumenthal: That is a misunderstanding. The Chinese have not cancelled orders but suspended them. The negotiations with Japanese firms were carried out by Chinese ministers and it was clear to the Japanese that the tentative agreements were subject to the approval of higher levels in China. Now the higher levels are saying that they want these renegotiated and the Chinese want better terms and conditions. They feel the Japanese take advantage of them.

Another thing must be said. The Chinese have no experience in foreign purchases, and they make coordination among their ministers as they develop a national economic plan.

President: I am glad we do not have that kind of a problem.

Blumenthal: Their problem is worse than ours! In addition, they are going to probably slow down their rate of foreign purchases, and I think this is a good idea.

President: Well, I am glad to hear what you say, because the impression that I have received was that the Chinese have made a deal and they have now welched on it, and that is not a good impression to leave.

⁵ This and other underscores indicate omissions in the original.

Blumenthal: Well, the Japanese do not have that impression. I talked to the highest levels in Tokyo, and they agree they will have to _____.

Another reason for the suspension is that the Chinese are clearly keen to expand their business with the U.S., and they will be trying to play off the Japanese and us.

President: Tell me about the joint economic committee you have established.

Blumenthal: This is an important mechanism, and we can now carefully think through how to use it.

I do have some concern that the modernization effort may fall to pieces, and they have similar concerns. They need to coordinate their efforts and obtain help.

And we need to coordinate our own efforts in dealing with them and their key economic Vice Premier in the fall—Yu Ch'iuli.⁶

President: How many Vice Premiers do they have? About 14?

Blumenthal: Yes. One Vice Premier is in charge of long term planning, and he is my counterpart, and Chairman of the Joint Economic Commission. Another Vice Premier is in charge of the execution of the plan. Both of these Vice Premiers then report to the number three remaining Vice Premier, Li Xianian, who has even broader responsibilities.

President: Then who is that other Vice Premier who came with Vice Premier Deng?

Oksenberg: He was Fang Yi, and he is in charge of their Science and Technology effort. As a result of Vice Premier Deng's visit here and Blumenthal's trip to China, we have now come in contact with all of their top leaders in the science and economic fields.

President: That is good.

Blumenthal: But there is also some confusion in their work; for example, I mentioned to them as a business executive that I have found it difficult to distinguish between planning and execution. If the planners are not involved in execution, then the plans are not realistic. When I made the observation, nervous laughter broke out.

President: What do you see as our next steps in our relations?

Blumenthal: We will continue to back a trade agreement. There will be a meeting at the Assistant Secretary level to discuss the trade agreement. Japan will go in May to make arrangements for business facilitations.

⁶ This official was Yu Qiuli.

President: What mechanism do we have for coordinating our policy here? What problems and opportunities do we have that we need to address?

Blumenthal: The mechanism is the NSC/PRC committee on Sino/U.S. economic relations which I chair. This committee coordinates our economic policy toward China.

Oksenberg: Mr. President, I believe that we should provide you with a report that lays out the sequence of steps we have in mind for developing our relations with China, outlining the options you face, and the choices we recommend you make.

President: I agree. I do not have a clear concept of the road ahead. I do not quite understand what the problems are likely to be or what the opportunities are. I would like to have a clearer concept.

Blumenthal: A lot of that will depend on the political situation in China. I would stress that it is not that assured. Their current commitment to their economic policies is tentative and uncertain.

This is something that I hope we can talk about.

In addition, they want a trade agreement because they want MFN and credits. If we do not reach an agreement with them and extend MFN and credits to them by the end of the year, there will be strains in our relationships.

President: What is the situation on MFN?

Blumenthal: MFN is Jackson–Vanik and Jackson–Vanik is related to the Soviets.⁷ The question is whether one should move in parallel toward the two. What you would have to do is declare that you are satisfied under the _____ that you should issue a waiver to extend MFN to both the Soviet Union and China in parallel, and both have satisfied the immigration requirements of Jackson–Vanik.

There are two views on this on the Hill. Cranston and Stevenson believe that you should move now and the chances of a Congressional override are small. A second school led by Senator Jackson desires action toward China but not the Soviet Union.

In my consultations with the Jewish group, I have learned that the Jews are willing to move now to grant MFN to both China and the Soviet Union. I suggested that they talk to Jackson which they were supposed to do while I was away. I talked to Cy about this and we agreed that we should give a recommendation to you when he comes back from his forthcoming trip. The idea is to grant a parallel waiver to SALT. My own view is to strike while the iron is hot.

⁷ On the Jackson–Vanik amendment, to which the President possessed authority to grant a yearly waiver, see footnote 4, Document 189.

Blumenthal: Now let me turn to Japan. I was very impressed with Ohira. He makes a very good impression. He looks very oriental. He speaks with authority and knows what he wants.

President: I know him.

Blumenthal: I am jaded by the Japanese. I have talked with them for fifteen years, and they always say the same thing.

But now I believe they really recognize they have to change their economic policy. They fear unilateral Congressional action against them. As a result, they are really trying, but the political problems entailed in changing an economy are difficult. I recommend that we just keep up the pressure to do it quickly but consistently. A visit by Ohira would be useful. I made one suggestion in Japan as a personal idea: Before the summit⁸ Ohira deliver a national address on Japanese economic policy stating clearly that it is Japan's policy to eliminate their trade surplus and to open up their imports. They have never made such a statement before and the delivery of such a statement would be interpreted as a victory for you.

I also recommended setting up a mechanism for bilateral consultations once or twice a year to state our goals in terms of reducing the trade deficit and opening imports, clearly stating how far each side would go in the coming time period to reach these goals. Efforts would be made to monitor the success. Completion of such a mechanism would be good as far as Congress is concerned.

If we fall short in realizing these goals, then the U.S. would have the right to apply restraints on the Japanese. The Japanese responded to these proposals in a 'not uninterested' way. In fact, they seemed ready to make a statement on their economic policy while I was there. They asked if you were willing to make a statement to the same effect.

Owen: If this could be pulled off, this would be a political success. I have drafted a memo which I will submit to you detailing the specifics. Setting up a commission to monitor our economic relations would help Congress, the public and labor.

Blumenthal: Yes. What we need is a clear political statement from the Japanese concerning their setting up targets and goals and establishing a monitoring device for these targets and goals.

Owen: I am going to Japan in 10 days, and we could begin to work on this.

President: That is a good idea.

Blumenthal: The Japanese are definitely afraid of us and believe that their economic problems could become political problems.

⁸ Presumably a reference to the Tokyo Economic Summit scheduled for June.

President: Would you tell them that to the extent that they separate business from politics in Japan that we will do the same here.

President: Are there any remaining problems in our relations with the Peoples Republic of China which I should be concerned about?

Blumenthal: No. It would be nice if, in connection with your trip to China—at whatever time you take it—that we will have completed the establishment of our economic relationship and that several of the larger commercial deals should have been consummated.

Also, we need to discuss with them how much a development program—they really don't know. For example, they are now discussing with seven different American oil companies ways of drawing upon American technology and capital. They know that they wish to go in that direction. But each oil company has given them a separate proposal. They don't know whether to back the Brazilian or Indonesian model or to rely on Exxon or Pennzoil. I recommended that they hire consultants that are disinterested.

President: I am not so sure that that is good advice. Consultants and inevitably _____ are tied up with government agencies or companies.

Blumenthal: Well, Harvard has had development groups in various countries that have been helpful.

President: But if I were Deng, I would go to the University of Georgia or a state university and get them to send their five best people in agriculture. They need help in practicality. That is how Georgia developed. For example, the Georgia Power Company provided advice on water systems and community improvement.

If you bring in consultant firms and government experts, then you get abstract advice from planners and you don't have the implementers involved.

Georgia Tech has been very successful in helping Latin American countries including Brazil.

Oksenberg: One province in China has just hired the University of Wisconsin to help develop their intermediate education system.

President: That is good.

Blumenthal: China is definitely open and is ready to be influenced by the United States.

They value their connections with us for economic reasons. It will be hard to influence their political system, for they remain inward-looking and maintain that China is the center of the universe. But if we can get to them economically, then we will be able to influence them politically.

(The group stands up.)

President: Mike (speaking to Oksenberg), talk to Jim Mc_____⁹ and ask him who in Georgia could be helpful to the Chinese.

Oksenberg: Yes, sir.

⁹ The person to whom Carter is referring is not further identified.

226. Research Paper Prepared in the National Foreign Assessment Center, Central Intelligence Agency¹

Washington, March 1979

The Sino-Vietnamese Border Dispute

Key Judgments

The Chinese invasion of northern Vietnam has tended to obscure the fact that the Sino-Vietnamese border conflict has had its own dynamics and was a significant issue between the two countries well before the Vietnamese-Kampuchean problem exploded into open conflict. The disagreement over small sections of the border (as well as over ownership of the Paracel and Spratly Islands) was kept in private channels following the end of the Indochina war. But private talks broke down in late 1977 and it became a part of the bigger political dispute.

Emotional reactions to developments on both sides displaced cool calculations of the damage to national interests of a lack of restraint. Physical confrontations at the border decisively escalated these imprudent reactions.

Small, no-shooting clashes (mainly fistfights) along the Sino-Vietnamese border became a critical military confrontation as a result of two important developments in 1978:

- Recriminations over mistreated Chinese trying to escape from Vietnam to China. Thus the earliest border firefight in 1978 occurred as a result of refugees trying to cross illegally into China.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 49, Mondale 8/79 China trip: Briefing Material: 3/78–8/79. Top Secret. A note on the title page reads: "Information as of 5 March 1979 was used in preparing this report."

- Recriminations over Vietnam's newly built border defense line. The second and third border firefights in 1978 occurred when the Chinese destroyed the fences, stakes, and minefields of this line.

The Chinese were angered by Hanoi's impudence in changing the status quo on the border, and believed that acquiescence in the change would serve to reward Hanoi and lead to even more border transgressions.

In particular, Vietnam's action in building the defense line (stated by Hanoi to be protection from infiltrating Chinese agents and border guards) changed the rules of political dispute. Hanoi by this act had gone beyond verbal exchanges to unilateral demarcations in almost every section of a border that previously had been relatively open and loosely demarcated. The Chinese felt that the demarcation gave Hanoi a territorial advantage, and, in any case, was carried out without Chinese concurrence. For their part, the Vietnamese were angered by China's destruction of their newly built fences, which, they contended, were "in Vietnamese territory." The stage in this way was set for armed Chinese to confront armed Vietnamese.

Beijing, the bigger and stronger side, escalated the confrontation by instructing its border guards in late December to begin forward patrolling and to "open fire" on Vietnamese border posts and personnel. A second escalation followed when in mid-January Beijing began sending small teams of regular People's Liberation Army (PLA) troops instead of border guards to probe and reconnoiter; the number of men and the extent of the intrusions into Vietnamese-claimed territory were also increased. At the same time, the Chinese made known to the Vietnamese the nature and extent of their buildup north of the border.

Although confronted with attacks by regular PLA troops at the border and aware of the Chinese buildup nearby, the Vietnamese refused to desist. They held their positions and even fought back. By mid-January, the Chinese apparently believed that their policy of warning and intimidation had failed.

The total area "occupied" by the Vietnamese at that time was not large—about 60 square kilometers. But the presumption by Hanoi that it could with impunity mark off a claim to *any* amount of Chinese territory was intolerable to the Chinese. And, although only something over 300 Chinese were killed or wounded, it was the Vietnamese attitude of open defiance that made *any* casualties intolerable.

Beijing's conclusion was that the unchecked militaristic hubris of the Vietnamese leaders would continue to be a dangerous "arrogance." In a fundamental sense, China's invasion was an effort to shatter Hanoi's self-image of invincibility.

Kampuchea was a key catalytic factor in Chinese thinking. The Sino-Vietnamese border dispute escalated against the backdrop of

Vietnam's occupation of Kampuchea and Beijing's inability to protect its client regime there. In short, two factors—Vietnamese action against Kampuchea and Hanoi's refusal to assume a less provocative posture along the Sino-Vietnamese border—seem to have been mutually reinforcing, impelling Beijing to try to "punish" Vietnam militarily by invading the north.

Beijing has indicated that Chinese forces eventually will be withdrawn only to a border that China (rather than Vietnam) recognizes. If this indeed proves to be the final Chinese decision, and if Hanoi refuses to negotiate a border agreement, the prospect is for a long period of border tension and conflict.

[Omitted here is the body of the report.]

227. Backchannel Message From the Ambassador to China (Woodcock) to Michel Oksenberg of the National Security Council Staff and the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke)¹

Beijing, March 13, 1979, 0634Z

252. 1. I was called to the Foreign Ministry March 13 by Vice Foreign Minister Zhang Wenjin, who handed me a letter dated March 12 from Premier Hua Guofeng addressed to President Carter. The text of the letter is as follows:

2. Begin text. Dear Mr. President,

I acknowledge the receipt of your letter dated February 7, 1979.² I personally am most pleased with the success of Vice-Premier Deng Xiaoping's official good-will visit to the United States. And Treasury Secretary Michael Blumenthal recently paid a visit to China during which our two sides held fruitful discussions on settling outstanding claims and developing bilateral economic relations. I am convinced that the friendship between the Chinese and American peoples and the cooperation in various fields between the two governments will grow and develop even further. Both Vice-Premier Deng and I share your view that it is important for our two sides to remain in close touch on

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 46, Meetings: 3/79. Confidential; Immediate. Woodcock was appointed Ambassador on February 27 and presented his credentials on March 7.

² See footnote 2, Document 212.

matters of common concern for maintaining peace and stability in the Asia–Pacific region and the world as a whole.

The recent counter-attack in self-defence which China undertook against Viet Nam was a limited action of short duration, and the previously set goals have been completely attained. Our troops will complete their withdrawal to Chinese territory within a few days. I am convinced that the action was necessary and beneficial. We are satisfied with the position which you and your government took on this incident.

I am very pleased that you, Mr. President, have accepted the invitation to visit China, and I eagerly look forward to your making the visit in the latter half of this year or at some other mutually convenient time.

I also accept with pleasure your invitation and hope to visit your country at an appropriate time in the future. Please convey my best wishes to Vice President Mondale and your other colleagues.

With best regards.

(signed) Hua Guofeng, Premier of the State Council of the People's Republic of China. End text.

3. We are pouching to the White House the original and the translation provided by the Chinese.

228. Summary of Conclusions of a Policy Review Committee Meeting¹

Washington, March 13, 1979, 3–3:50 p.m.

U.S.–CHINA ECONOMIC RELATIONS

PARTICIPANTS

State

Richard Cooper (Under Secretary for Economic Affairs)

Roger Sullivan (Dep Asst Sec for EA & Pacific Affairs)

Jules Katz

OSD

Dr. Ellen Frost (ISA)

JCS

Lt General William Smith

DCI

Dr. Robert Bowie (Dep Dir of CIA)

Amb John Holdridge (Nat'l Intell Ofcr for China)

Treasury

Secretary Blumenthal

Anthony Solomon (Asst Sec)

Scott Hallford

Agriculture

Secretary Bergland

Tom Saylor

Commerce

Secretary Kreps

S. Stanley Marcus

Homer Moyer

Labor

Under Secretary Robert Brown

Brian Turner

OSTP

Ben Huberman (Asst Dir for Nat'l Security, Internat'l & Space Affairs)

Trade Negotiations

Ambassador Robert Strauss

John Renner

NSC

Tim Deal (Stf Mbr)

Mike Oksenberg (Stf Mbr)

White House

David Aaron (Dep Asst to the Pres for Nat'l Security Affairs)

¹Source: Carter Library, Brzezinski Donated Material, Subject File, Box 25, Meetings, PRC 97: 3/79. Confidential. The meeting took place in the Roosevelt Room of the White House.

SUMMARY OF CONCLUSIONS

Secretary Blumenthal chaired the meeting, which dealt with his trip to China and with the road ahead in our economic relations with China. No substantive decisions were reached at this meeting, but a number of issues were discussed, with calls made for decision memorandum:

—*Schedule for Development of Economic Relations with the PRC*: Blumenthal will prepare such a paper for the President within a week to ten days, outlining how he believes we should proceed in the months ahead in addressing a series of issues in proper sequence.

—*MFN for the PRC*: Blumenthal and Vance will make recommendations on the method through which we should plan to extend MFN to the PRC. The alternatives are to seek special legislation or for the President to exercise his waiver authority under Jackson–Vanik. Blumenthal and Vance have been consulting on the Hill on this issue. Any recommendation on China would take into account extension of MFN for the Soviet Union and would address the sensitive issue of timing.

—*ExIm Bank Financing for China*: ExIm Bank with Treasury should begin to consider concretely whether it wishes to extend financing to the PRC, when it would wish to do so, and for what sum it would seek authorization. Settlement of ExIm Bank claims against the PRC would be necessary for this, and at an appropriate time, this issue must be discussed with the Chinese in concrete fashion. Blumenthal has already tagged the issue.

—*Negotiation of a Trade Agreement*: Jules Katz will proceed toward negotiating a trade agreement. Some progress was made on the Blumenthal trip, and after a round of consultations within our own government, additional negotiations will occur through the Embassy. Progress is likely to be slow, and an agreement is unlikely on the Kreps visit.

—*Business Facilitation*: It should be possible, however, to reach agreement on aspects of a trade agreement which could be initiated on the Kreps visit, particularly on business facilitation. This issue will receive priority attention in the weeks ahead.

—*Kreps Visit*: Preliminary planning for the Kreps visit can now get underway, including the composition of her delegation and its agenda. The science and technology realm of her agenda should be cleared with Press, and the economic with Blumenthal/Solomon. A PRC meeting will be convened on the eve of her departure, with recommendations going to the President for his approval. These recommendations could serve as basis for the President's instructions.

Bob Strauss reported on his textile negotiations with the Chinese, which are not proceeding satisfactorily. The next round of negotiations

has been tentatively set for March 24 in Peking, and we have stressed to the Chinese that if an agreement is not reached soon, the U.S. may have to act unilaterally.

229. Summary of a Policy Review Committee Meeting¹

Washington, March 13, 1979, 3–3:50 p.m.

PRC MEETING ON U.S.–CHINA ECONOMIC RELATIONS

Secretary Blumenthal chaired a meeting of his PRC Committee on U.S.–China Economic Relations.² He summarized the accomplishments of his trip to China, essentially repeating the same points he made in his March 6 meeting with the President.³ He outlined the principal features of the claims/assets settlement and of the Joint Economic Committee we have established with the Chinese to plan for our evolving economic relationship.

Blumenthal then outlined the upcoming issues in our relations with China: (1) negotiating a Trade Agreement, the responsibility for which falls under Julius Katz at State; (2) preparing recommendations for the President on how to handle MFN for China—whether to use the waiver, how to relate MFN for China with MFN for the Soviet Union, and when to do this (responsibility for preparing the appropriate decision memorandum rests with Blumenthal and Vance); (3) preparing a policy on extension of ExIm Bank credit for China trade, the responsibility of which falls under the ExIm Bank; (4) planning the agenda for Kreps' trip from May 7–17, with securing business facilitation measures an important objective (Kreps will plan her agenda in close coordination with Blumenthal and Vance); and (5) deciding whether to seek maritime agreement with the PRC. It is not clear whether it is advanta-

¹Source: Carter Library, NSC Institutional Files (H-Files), Box 74, PRC 097, 3/13/79, China. Confidential. The meeting took place in the Roosevelt Room of the White House. Oksenberg drafted this summary for Brzezinski, along with a transmittal note to the President in the event that Brzezinski chose to submit it to Carter. It is not clear whether Carter saw it.

²See Document 228.

³See Document 225.

geous for us to seek such an agreement, and Kreps and Vance are to consult on this issue.⁴

⁴ In anticipation of Kreps's visit to China, it was agreed at the March 13 PRC meeting to ask "the Transportation Subcommittee of the Policy Review Committee on U.S.–China Economic Relations (formerly the Civil Aviation Subcommittee) to prepare a coordinated USG position on a maritime agreement with China." (Minutes of PRC meeting, March 13; Carter Library, NSC Institutional Files (H-Files), Box 74, PRC 097, 3/13/79, China) In its report of April 11, the Transportation Subcommittee stated that although it had held three meetings since March 13, it "is unable to resolve differences among the agencies" due to disagreement over cargo-sharing. The Departments of Commerce (including the Maritime Administration), Transportation, Labor, and Defense, and the Federal Maritime Commission favored an early cargo-sharing agreement with China because, "in the absence of an agreement, the Chinese will direct cargo onto their rapidly expanding merchant fleet for cost and hard-currency considerations." The Departments of State, Agriculture, Treasury, and Justice opposed such an agreement "on the ground that it increases transportation costs by creating inefficiencies and rigidities." (Carter Library, NSC Institutional Files (H-Files), Box 74, PRC 103, 4/30/79, US–China Economic Relations)

230. Telegram From the Embassy in China to the Department of State¹

Beijing, March 16, 1979, 0554Z

1469. Subj: PRC Reaction to Taiwan Legislation.² Ref: State 52247.³

1. Secret—entire text.

2. I was called in by Foreign Minister Huang Hua at 9:30 am March 16 to listen to a reiteration of the Chinese opposition to bills dealing

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850029–2562. Secret; Immediate; Exdis Handle as Nodis.

² See Document 213.

³ Telegram 52247 to Beijing, March 3, describes Chai's meeting that day with Vance and Holbrooke during which he protested the Taiwan legislation before the U.S. Congress, warning that the U.S. administration "should be truly serious" in enacting its commitments "so our new relations will not be artificially impeded at the beginning." During this meeting, "Holbrooke noted that Chai had met with Senator Church yesterday who had outlined in detail the procedure the bill would have to go through before it was passed. Senator Church had said he expected in the floor debate that additional amendments would be introduced that would be worse than those already introduced. As Chairman, Senator Church said, he was personally committed to getting a bill that was not inconsistent with our undertakings in establishing diplomatic relations. Holbrooke said he spoke on behalf of the Secretary to reaffirm the President's commitment not to accept a bill inconsistent with the terms of normalization. The Secretary concurred with Holbrooke's statement." (National Archives, RG 59, Central Foreign Policy File, P840163–1600) Church was Chairman of the Senate Foreign Relations Committee.

with Taiwan now before the U.S. Congress. Huang first read the following statement:

3. Begin text: "The Chinese side already conveyed a message to the U.S. Government on March 3, 1979 through Ambassador Chai expressing concern over the recent debate in the U.S. Congress on future relations between the U.S. and Taiwan. Now on behalf of the Chinese Government I would like to reiterate our views on this question to the U.S. Government as follows:

4. At the time of the establishment of diplomatic relations between China and the U.S., the U.S. side explicitly undertook to recognize the Government of the People's Republic of China as the sole legal government of China and acknowledged that Taiwan is part of China and only unofficial relations would be maintained with the people of Taiwan.

5. At the same time, the U.S. side further acknowledged that the return of Taiwan to the Motherland was a matter within the scope of China's sovereignty. However, a number of points in the bills due to be adopted by the two Houses of Congress contravene the principles of the agreement between the two sides and the undertaking of the U.S. at the time of the establishment of diplomatic relations. They are in essence an attempt to maintain to a certain extent the U.S.–Chiang joint defense treaty and to continue to interfere in Chinese internal affairs and to give an official status to the U.S.–Taiwan relationship.

6. This is of course unacceptable to the Chinese Government. The U.S. claims that the bills concerned had the close cooperation of the U.S. Government (sic). This makes the matter even more serious and the Chinese Government cannot but express grave concern. If the bills are passed as they are now and President Carter signs them into law, great harm will be done to the new relationship that has just been established between China and the U.S. China would have no alternative but to make the necessary response.

7. We hope that things do not develop to this extent. There is growing evidence of the far-reaching impact of normalization and of the visit by Vice Premier Deng Xiaoping to the U.S. on the furtherance of friendly relations and cooperation between our two countries and on the development of the international situation as a whole. Under these circumstances, we consider it incumbent on the U.S. Government to exercise its influence and power to insure that nothing in the legislation readjusting the U.S.–Taiwan relationship will contravene the agreement between the two sides concerning the establishment of diplomatic relations between the two governments.

8. I request that you transmit the above views of the Government of the People's Republic of China to your government." End text.

9. After I indicated that I would pass this message immediately to Washington and find out what our response would be, Huang expanded on his prepared statement with the following:

10. "Let me cite a few examples to point out what I have just said. For example, with regard to the question of the security of Taiwan, it is stated in the bill passed by the U.S. Senate that the policy of the U.S. makes clear that the establishment of relations with the PRC rests on the assumption that the Taiwan question will be settled by peaceful means and that the U.S. will retain the ability to deal with any coercive attempts to settle the question or with other threats to peace and security in the region. Another example: the bill further states, in defining the people of Taiwan, that the people on Taiwan include the governing authorities on Taiwan, specifically those authorities in power before Jan. 1, 1979. The bill states that whenever any law or order refers to a state or government, it will apply equally to the people of Taiwan. This is equivalent to recognizing Taiwan as a country and the authorities on Taiwan as a government. The bill goes on to state that laws, treaties and agreements will continue to remain in effect with the exception of the Mutual Defense Treaty. It states that diplomatic privileges and immunities comparable to those of foreign countries will remain in effect for the Taiwan representatives. I am just citing examples. This does not encompass all the points in violation of the statement on establishment of relations between the two governments."

11. I again said that I could not comment, not knowing the full situation in Washington. Huang asked what happens next with the legislative process and I explained the Senate–House conference system. He then commented that perhaps there would be time to fix the legislation now so it would not contravene our previous agreement.

Woodcock

231. Report Prepared in the Bureau of Intelligence and Research¹

No. 1148

Washington, March 20, 1979

THE CONSEQUENCES OF THE CHINESE ATTACK ON VIETNAM

Summary

The Chinese attack on Vietnam was a milestone in the development of the Sino-Soviet struggle. China, for the first time, challenged a Soviet treaty ally with force. Considering the high stakes, China, the Soviet Union, and Vietnam all acted with prudence. But the Chinese action aggravated the basic Sino-Soviet quarrel, and Beijing appears intent on maintaining its pressure on Vietnam.

The Chinese invasion has taxed an already heavily strained Vietnam and evidenced its vulnerability. Hanoi has now agreed to negotiations with Beijing, which should provide a breathing spell. But the course ahead will depend fundamentally on Hanoi's:

—capability to suppress the Pol Pot forces; Hanoi may yet have to explore a negotiated compromise in Kampuchea;

—willingness to accept closer relations with the USSR, possibly including a permanent Soviet military presence.

In response to China's pressure, the Vietnamese leaders must face again the probably divisive issue of moving still closer to, or away from, the USSR. Too little is known of the Hanoi leadership to judge how it will choose. Continuing tension between Vietnam and China and renewed border incursions are probable if Vietnam allies itself more firmly with the USSR.

Beijing feels that its military action weakened Hanoi, warned the USSR, and educated the West. Moscow probably believes that it has gained some advantage and will gain much more if Hanoi can stand up to the Chinese pressure and moves still closer to the USSR. The major losers continue to be the people of Indochina.

[Omitted here is the body of the report.]

¹ Source: Department of State, American Embassy Beijing, 1979 Central Subject Files: Lot 82 F 82, Pol 2 PRC/Vietnam Border War. Secret; Not Releasable to Foreign Nationals. Prepared by Sylvester, Barnett, Martin, Colm, and others in INR and approved by Stoddard (INR).

232. Memorandum From Secretary of the Treasury Blumenthal to President Carter¹

Washington, March 22, 1979

SUBJECT

U.S.–China Economic Calendar

We are moving ahead with the Chinese on several fronts at the same time and face the prospect of a number of agreements coming to conclusion in the next two months. After reviewing the situation with my Cabinet colleagues, we are in agreement that events should shape up along the following lines:

—*Trade Agreement.* Through diplomatic channels we are continuing negotiations on a trade agreement begun during my visit and have already sent the Chinese draft provisions for their comment. While a few of the provisions will require some negotiating time, none should prove too great a hurdle. The Chinese are pushing this much harder than I originally anticipated. Their goal—attainment of MFN—is vital for their trade policy. We expect to follow the exchange of provisions at an appropriate early date with direct negotiations in Beijing—probably in April. It is barely conceivable though not likely that a full trade agreement will be ready for signature at the time of Juanita’s visit. If not, we should certainly have the negotiations concluded by summer. In any case, we anticipate that she will at least be able to sign separate provisions covering the business facilitation as part of a full trade agreement. This in itself will be an important step forward and a concrete achievement of her visit.

—*Jackson–Vanik Amendment.* Negotiation of the trade agreement brings us face to face with the Jackson–Vanik Amendment and how we deal with it. As you know, Cy and I have been consulting on this on the

¹Source: Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 22, Treasury Department: 3/79–3/80. Secret. Oksenberg sent the memorandum to Brzezinski under a March 28 covering letter, which noted that Blumenthal “has left out our on-going effort to expedite decisions on export licenses to the PRC without prejudice to outcome. But this is an internal matter and probably does not deserve to be placed on the calendar. In addition, while presenting the calendar of issues, he does not mention the real underlying issue involved in the development of our economic relations with China—namely whether we should allow the nature of our relations with the Soviet Union to affect the pace at which we improve our economic relations with China.” Oksenberg then noted that “the calendar is basically uncontroversial and deserves Presidential endorsement.” (Ibid.)

Hill and have made a recommendation to you.² We will be reviewing this matter with you further.

—*Textile Agreement*. We have been negotiating textile restraints in a number of sensitive categories and will have a negotiating team in Beijing April 11. The textile negotiations have made very slow progress, but we are pressing the Chinese hard for an agreement, and one could conceivably be ready in the same general time-frame as a trade agreement. We have not linked these two agreements in our discussions, but favorable Congressional action on MFN and a trade agreement is jeopardized without a textile agreement.

—*U.S. Government Credits*. USG credits are not legally dependent upon a trade agreement, but do hinge upon resolution of the Jackson–Vanik question and, in China’s case, involve some EXIM loans in the late 1940’s to the previous Chinese government. This could prove troublesome. It involves a principled position on their part to refuse acknowledgement of commitments undertaken by the predecessor government they overthrew and our insistence that the PRC as successor to that government has a legal and moral obligation to pay for assets presumably left behind on the mainland for its use. The Chinese have also implied they have official claims against us that they have refrained from raising since they are looking at the question from a “political” perspective. Here we may not have as much leverage on the Chinese as it at first appeared. (Our exporters and the U.S. economy would be the greatest losers in a market where the foreign competition has government financial support and the Chinese are selective on terms.) This question of whether we can get a reasonable settlement of the old EXIM Bank claims will probably not come to a head until after we conclude a trade agreement.

² In a March 16 memorandum to Carter, Blumenthal and Vance had recommended using the waiver authority under the 1974 Trade Act to normalize commercial relations with China and the Soviet Union. (Ibid.) Carter, acting on the advice of his domestic political advisers, disapproved this recommendation in a memorandum of March 21. (Memorandum from Oksenberg to Clift, March 29; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1–3/79) Instead, Carter directed that the issue be deferred “until after SALT and the MTN package are through the Congress.” In the meantime, Carter instructed Vance and Blumenthal to ask the Department of Justice to study the legality of the waiver authority, consult with interested members of Congress and the American Jewish community, and consider whether to support amendment of the Trade Act. Carter also instructed Vance and Blumenthal to “Proceed with ongoing efforts to conclude a trade agreement with China under existing legislative authority.” (Memorandum from Brzezinski to Vance and Blumenthal, March 21; Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 22, Treasury Department: 3/79–3/80)

—*Aviation Agreement*. Both sides have agreed in principle to move forward on this, we have given the Chinese background material on an agreement, and have indicated readiness to begin negotiations. While active discussions could begin at any time, the Chinese are proceeding deliberately, possibly because they will not have any planes capable of flying economically to the U.S. until 1980. An aviation agreement will be difficult to negotiate given our conflicting—liberal-restrictive—aviation philosophies, but it is important for both sides, since aviation ties will be restricted without it.

—*Shipping*. Unlike aviation, ships can sail between our two countries without an agreement. The first U.S. flag vessel has already arrived in Shanghai. At this point there is no vital need served by seeking a shipping agreement and there is no consensus within the government behind one. The Maritime Administration, representing shipping and labor interests, is pushing for a restrictive cargo sharing agreement. Depending on its terms such an agreement could adversely affect trade—particularly in agriculture—our strong point. I think this may be a good item to keep in low profile until the more critical issues are dealt with.

The above points cover the most critical bilateral economic issues between us. Multilateral issues, such as Chinese participation in the International Financial Institutions may also come to a head in the coming months and could naturally affect domestic (Congressional) perception of our bilateral relationship. We have sought to preclude precipitate Chinese action in these multilateral bodies by explaining the obligations and complexities of membership. Our long-term interest would be served by Chinese participation, but we must be careful that it does not damage the fabric of the institutions or Taiwan's economic interests.

—*Visits*. There is a great deal of interest and pressure from virtually every Cabinet member, as well as others, for individual trips to China. This bears careful watching. The present schedule calls for Juanita to go in early May. Their Minister of Finance, who was my host, will come here this summer, probably in June, and the Vice Premier of State Planning, my co-chairman on the Joint Economic Committee, will come this fall.

I'm working closely with Zbig to coordinate further visits from our side to China and to select these in terms of the requirements of the above agenda of substantive issues. We must insure that our emerging economic relationships with China develop in a logical, orderly manner. Clearly, no one should go before Juanita, and thereafter, further visits from our side should be arranged depending on the status of the trade agreement and our desire to develop further bilateral contacts in other areas.

Much of this economic schedule has a momentum of its own, but we can influence the speed of development. Please let me know your views on the above scenario.³

W. Michael Blumenthal⁴

³ Brzezinski forwarded Blumenthal's memorandum to Carter under his own memorandum, March 30, which recommended that the President "approve Blumenthal's report" and "indicate to him the importance you attach to reaching a trade agreement (without prejudging the outcome of the MFN issue)." Carter indicated neither his approval nor disapproval. (Ibid.)

⁴ Blumenthal signed "Mike" above this typed signature.

233. Memorandum from Secretary of Defense Brown to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, March 23, 1979

SUBJECT

Sino-American Relations

Now that we have normalized relations with Peking, we face a number of issues on future military defense contacts with the PRC. I believe it is important that we approach these issues with some conceptual understanding of the interrelation between our policies toward China and the USSR. It is equally important that we develop a strategy for utilizing the security component of our relationship with Peking to maximum advantage.

A member of my staff has prepared the attached paper setting forth some observations and general guidelines for dealing with this

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0205, China (Reds), Feb–Sept, 1979. Secret; Sensitive. McGiffert sent this memorandum to Brown under a March 17 covering memorandum that reads, "Several weeks ago Mike Armacost gave you some talking points (Tab A) concerning the relationship between Sino-U.S. security ties and possible Soviet efforts to establish a naval presence in Indochina for use at the February 23 SCC meeting. You subsequently asked that these be turned into a memo from you to Zbig Brzezinski. The attached paper responds to your request." The talking points, which are also attached to McGiffert's memorandum, examine the "Future Course of Sino-American Relations." On these talking points, Brown wrote, "Mike A.—Let's turn this into a memo from me to ZB." (Ibid.)

matter. I believe it would be worthwhile to use this paper as a springboard for an early discussion of this subject at a PRC or SCC meeting.

Harold Brown

Attachment

U.S.–PRC Security Cooperation: Enduring Dilemmas and Present Choices

I. Introduction

The Sino-Vietnamese conflict, and the related heightening of Sino-Soviet tensions, has now created a situation in which Moscow's feud with Beijing threatens to spill over into East Asian security matters of direct concern to American interests. We now face important choices in our dealings with the PRC on security issues which will have a direct bearing on, a) the future of our now-normal relationship with the Chinese, b) management of the "Strategic Triangle" and Soviet-American relations, and c) the security interests of our allies in East and Southeast Asia.

This paper is designed to highlight these choices and the dilemmas surrounding them. At the core of the present situation is the issue of whether we can develop security ties with the Chinese in a way which will constrain and caution the Soviets rather than provoke them, and whether we can strengthen PRC defenses in a manner which will stabilize East Asian security relations without exposing our allies and friends in the region to a heightened Chinese military threat. These perspectives are basic to current efforts to dissuade the Soviets from establishing permanent naval and air facilities in Vietnam, a development which would have significant implications not only for the security of Southeast Asia, but also for great power relations regionally and globally.

We Already have a Security Relationship with the Chinese

Since 1972, we have developed a relationship with the People's Republic of China (PRC) which increasingly has some of the qualities of a security coalition. This relationship is based largely on common anti-Soviet interests. Initially we and the Chinese developed parallel policies on certain foreign policy issues, such as the Middle East, and tacit cooperation on others—such as Japan and NATO. In the last two years we have come some distance toward developing more direct and active security dealings with the PRC. We have exchanged views on a wide range of security issues at the highest level; we have provided the Chinese information on Soviet military capabilities; we have not ob-

jected to third country arms sales to China; and, while maintaining “even-handedness” in providing technology to the USSR and PRC, we have been somewhat more forthcoming in response to Chinese requests for purchase of dual-use technology.

Now that we have normalized diplomatic relations with Beijing, and in the context of the Indochina hostilities, there will be heightened pressures to enlarge the security component of the relationship. In the near future we will face a number of specific issues that will shape the future contours of Sino-American security ties. For example:

—How should we respond to evidence of an expanded Soviet military presence in Vietnam and the possibility of the establishment of base facilities there?

—What advice should we give to the Thais concerning PRC requests for cooperation in supplying the insurgency in Kampuchea?

—Should we respond favorably to Deng Xiaoping’s request that the U.S. Seventh Fleet visit PRC ports?

—Can we effectively coordinate Korea policy with Beijing in order to facilitate North-South discussions and reduce tensions, or do we continue to “agree to disagree” with China on the Korean issue for the sake of preserving the status quo?

—Shall we expand our military-to-military contacts with China? If so, how and at what pace?

—How should we respond to Beijing’s requests—and increased domestic commercial pressures—for expanded sales of dual-use technology to China? Should we seek to develop common approaches to arms sales to the PRC with our NATO allies?

II. Managing the Sino-Soviet-American Triangle

As our bilateral relations with the Chinese deepen in the period ahead, the day-to-day pull of direct dealings in the economic, political, and security areas will tend to obscure the basic reality of triangular politics: that what we do with the Chinese will have some effect on our relations with the Soviets. To foreswear *all* security cooperation with Beijing would limit the development of US-PRC relations, leave the Chinese more exposed to Soviet pressures, and probably raise questions in the minds of PRC leaders about the value of their current “tilt” toward the U.S. Yet to the degree that we support PRC foreign policy actions—as we now might do in Indochina—and gratify, either directly or via third parties, Beijing’s interest in acquiring Western arms and advanced technology, we may impose strains on US-Soviet relations and enhance concerns in Japan and Southeast Asia about the possibility of a Sino-Soviet confrontation.

American policy must be designed to reconcile these conflicting tendencies. We must seek to strengthen our dealings with the Chinese

sufficiently to inhibit Soviet actions, but avoid gratuitously provoking Moscow or stimulating concerns on the part of our Asian friends and allies. And we must give Beijing incentives to pursue cooperative relations with us without signaling to Moscow a U.S. intent to play the Chinese against them regardless of Soviet restraint.

III. *Three Views of U.S.–PRC Security Relations*

Depending on our other security-related actions, U.S.–PRC relations may be perceived either as a *supplement* or *substitute* for U.S. strength and resolve. If, for example, the U.S. maintains and strengthens its military presence in Asia while concurrently developing security ties with China, U.S.–PRC security relations would be seen as a supplement to U.S. strength. In such a context, reactions would be quite different than if we were reducing our military presence in Asia. In the latter circumstance, we would be perceived as attempting to use US–PRC security relations to compensate for a lack of resolve or declining U.S. power in the area.

A. *The view from Moscow.* Soviet perceptions of U.S.–PRC relations are difficult to gauge because Soviet interests argue strongly for the leadership in Moscow to conceal whatever anxieties it may have about improved U.S.–PRC relations. In retrospect, it appears that the initiation of direct, high-level Sino-American contacts in 1971–72 had the effect of *reinforcing* Soviet interest in détente with the U.S., as evidenced by the subsequent conclusion of SALT I, a Berlin agreement, and a Nixon–Brezhnev summit. Similarly, continued strong Soviet interest in reaching a SALT II agreement and a Carter–Brezhnev summit, in the wake of US–PRC normalization and Deng Xiaoping’s visit to Washington, supports this conclusion.

How the Soviets will react to the future expansion of Sino-American security ties will depend on the specific improvements involved and the larger political-military context in which they occur. The most salient features of the larger context will include the state of Sino-Soviet, Soviet-American, and Sino-American relations. Most important, however, will be Moscow’s perception of whether U.S.–PRC security relations will expand regardless of Soviet behavior, or whether future improvements in Sino-American relations can be delayed or precluded by Soviet actions.

Given the current state of “triangular politics,” the global context of relations among the three major powers will tend to be more important (within limits), than the specific form of U.S.–PRC cooperation in shaping Soviet reactions.

—A continuation of the current level of U.S.–PRC security cooperation—parallel policies, consultations, diplomatic support, acquiescence in limited third country sales of defensive arms, and provision of

dual-use technology on an ostensibly “even handed” basis—is not likely to elicit a strong Soviet response.

—Similarly, we can probably broaden security ties with the PRC in limited ways—such as the exchange of military attaches, U.S. ship visits to the PRC, exchange visits by military students—without triggering a strong Soviet reaction. In each of these instances, we have had similar contacts with the Soviets.

—To go beyond this level of U.S.–PRC security interaction could risk a reaction from Moscow that would not serve our interests. The sale of U.S. military equipment to China, and the training of Chinese military students, would seem to fall in this category.

Our policy objective with the Soviets should be to establish a credible institutional *basis* for US–PRC security cooperation but to *expand* forms of cooperation only in response to actions on Moscow’s part which threaten American and Chinese interests. Only in this way can we develop some leverage or constraint over Soviet behavior through our dealings with the Chinese.

B. The View from Beijing. The Chinese are likely to view a U.S.–PRC security relationship within a superior-subordinate framework in which the stronger partner of a relationship is expected to protect the weaker partner. Typically, the weaker partner seeks to manipulate his protector and feels betrayed when the patron fails to provide adequate support. This is a basic element of the Chinese political style and was clearly reflected in the development of Sino-Soviet security relations when the PRC, in 1958, first tried to use and then felt betrayed by the USSR during its confrontation with the U.S. over Quemoy and Matsu.

China will also view U.S.–PRC security relations in geopolitical terms. In this regard, PRC leaders see the U.S. as a strategic counterweight to the Soviet Union and will seek to use security relations with us as a means of constraining the USSR. This was clearly Deng’s intent in timing China’s military action against Vietnam right after his visit to Washington. At the same time, PRC leaders probably sense the limits of U.S. willingness to oppose Soviet expansionism as evidenced by our inaction in Africa, Afghanistan, Iran, and Indochina. But, given their own weakness vis-a-vis the USSR, the Chinese have few options other than trying to convince us to take a firmer line with Moscow.

In addition, the Chinese are likely to use their recently strengthened ties with the U.S., Japan, and Europe not only to enhance China’s economic and military modernization program, but also to stimulate sufficient tension in Moscow’s relations with us and our allies to divert Soviet pressures away from the PRC. Just as they appear to be determined to use Indochina developments to worsen U.S.-Soviet relations, we may find the Chinese request for more sales of advanced and “dual use” technology, and possibly even military hardware than would

seem warranted by a prudent assessment of American interest vis-a-vis the Soviet Union, Japan, and our other Asian allies.

Finally, in keeping with their superior-subordinate view of U.S.–PRC security relations, we can expect the Chinese to make maximum demands on the U.S. while being reluctant to give much in return.

C. *The Views of Key Allies.* To date, our allies have been out-in-front in the areas of arms sales to China and military-to-military contacts. The British and French, in all likelihood, will eventually conclude some form of arm sales agreement with the PRC. A French frigate has already visited Shanghai, and many of our allies—including Japan—have established military-to-military contacts. Despite their own actions, however, our allies are likely to take a more cautious view of U.S.–PRC security relations.

Japan is a special case in point. By signing a peace treaty and a long-term trade agreement with China, Tokyo has already signaled a limited “tilt” in its relations between Beijing and Moscow. At the same time, the Japanese have attempted to disassociate themselves from PRC policies in Indochina, and will seek to preserve their flexibility in dealing with Sino-Soviet rivalry. The Japanese have also expressed doubts about the benefits of a Sino-Japanese-U.S. security connection, fearing complications in relations with Moscow, a loss of diplomatic freedom of action, and the inevitable Diet criticism. Beyond this, the development of U.S.–PRC security relations would raise more immediate problems for Tokyo. The sale of U.S. arms or the liberal provision of dual-use technology to the PRC would generate concerns about the augmentation of China’s strength in the regional balance, raise worries that the PRC might pass on such equipment to third countries like North Korea, and heighten doubts about U.S. claims that the U.S.–Japan relationship remains the pillar of our Pacific strategy.

Our European allies might also become concerned. Schmidt and Giscard have already expressed some reservations about our handling of the China issue. The development of an active U.S.–PRC security relationship might cause them to disassociate themselves from U.S. actions, except in a context of an evident threat from Moscow, in order to avert Soviet pressures to which they are more directly exposed.

It is uncertain how our allies would react to specific forms of U.S.–PRC security cooperation. As in the Soviet case, their response would be influenced both by the specific act and the larger political-military context within which it occurs. The continuation of current forms of U.S.–PRC security relations would probably elicit little response from our allies. Acts which have a precedent in Soviet-American relations, such as ship visits and low-level military-to-military contacts, might cause some initial concern but could be ex-

plained away. However, U.S.–PRC security cooperation beyond that “threshold” is likely to generate deeper apprehensions, especially if it precipitates a strong Soviet response and a deterioration in Soviet-American relations.

IV. The View from Washington

There are two distinct rationales for seeking to improve U.S.–PRC security relations. Both of them are conceptually defensible.

A. Using security relations to improve our bilateral relations with China.

It is frequently argued that enhancing our cooperative security relationship with Beijing reduces the possibility of a return to Sino-American confrontation, sustains the collateral benefits to U.S. diplomacy and security policy which have come from past improvements in U.S.–PRC relations,² and helps minimize the prospect of a Sino-Soviet reconciliation.

However, it is less clear that U.S.–PRC military-to-military relations are needed to retain these benefits. It can be argued plausibly that Beijing’s turn to the West for assistance in modernizing China, the normalization of U.S.–PRC relations, and our parallel strategic interests will be sufficient to avoid a return to confrontation, especially now that our relations have been normalized. In addition, China’s support for U.S. policies in Asia and elsewhere reflects the PRC’s self-interests. And the Sino-Soviet split is likely in any event to persist whether or not a military component is added to Sino-U.S. relations.

Despite these elements of stability in the relationship, failure to be somewhat forthcoming in response to Beijing’s expressed interest in improving security relations with us could affect other aspects of our relations with China.

B. Using U.S.–PRC security relations as a means of gaining some leverage over Soviet behavior. This approach would involve the establishment either of an explicit or implicit linkage between our policies toward China and the USSR. It presumes that the Soviets are sufficiently concerned about the future course of U.S.–China relations either to be more forthcoming in their bilateral relations with us or to moderate their behavior in order to forestall closer U.S.–PRC security ties.

If there is any leverage to be gained over Soviet actions in the U.S.–PRC relationship, it is most likely to be in Moscow’s *anticipation*

² For example, the Chinese no longer work actively to degrade our security relations with Japan; they are enthusiastic supporters of NATO; they support the continued U.S. military presence in the Philippines and the Western Pacific; and, despite their public rhetoric, they support the status quo in Korea. At the same time, the Soviets have become increasingly concerned about what they see as a two-front security problem and have deployed between one-fourth and one-third of their conventional forces in Asia. [Footnote in the original.]

that it can influence the future course of Sino-American relations. With the exception, however, of our *démarche* concerning the possible establishment of Soviet bases in Vietnam—a *démarche* which may have implied an unconvincing linkage to the Russians—we have not signalled to Moscow that there is any clearcut connection between Soviet conduct and future improvements in U.S.–PRC relations. Quite the contrary, we have publicly and privately taken the position that there is no linkage between our Soviet and China policies. We must purposefully work to develop in the minds of Soviet leaders a sense that future advances in US–PRC security cooperation will be taken only in response to threatening actions on their part.

C. *The Limits to U.S.–PRC Security Relations.* It can be argued that strengthened US–PRC security ties could *force* the USSR to react to what they already see as a two front security problem and divert Soviet forces to the Sino-Soviet border, thereby reducing the Soviet threat to NATO and other areas of U.S. interest. The evidence for this proposition is not overwhelmingly based on past experience. In response to a deterioration in relations with Beijing in the early 1960s, the Soviet Union increased the size of its total forces rather than redeploy forces from Europe to Asia. Moreover, Soviet forces in Asia are currently capable of defending against any attack that the Chinese might pose. Hence, before the Soviets would divert forces or expand their deployments along the border, there would have to be a *major increase* in the perceived threat.

This raises two additional questions. Are we prepared to encourage and/or help subsidize rapid modernization of China's armed forces? If we are, is there anything that we could do in the near-term either directly or indirectly that would make a major difference? The provisional answer to both questions is probably "*no*." Any massive improvement in Chinese military strength may be perceived as potentially threatening by Japan, as well as other friends and allies in the region. Neither would we want to see Chinese forces augmented or improved in such a way or at such a pace as to provoke Soviet preemptive measures designed to "teach the Chinese a lesson" before the PRC becomes too strong.

Finally there is relatively little that the U.S. could do to significantly strengthen China's armed forces at this time. True, there are some quick fixes—e.g., anti-tank missiles, mobile air defense missiles, improved communications, air defense radars, etc.—which would improve China's defensive capabilities. However, it is probably beyond our capability to give China the kind of offensive capabilities which would require the Soviets to redeploy forces from Europe to Asia. Equally important, given other demands on China's resources, it is un-

likely that the PRC would undertake the military modernization effort required to obtain such an offensive capability.

In short, improvements in U.S.–PRC security cooperation by necessity will have to be primarily symbolic in effect.

V. U.S. Policy Objectives

With these considerations in mind, U.S. policy objectives should be:

A. To the extent necessary use U.S.–PRC security relations to improve our bilateral relations with China.

The key factors here are Beijing's interest in using U.S.–PRC security ties for their own anti-Soviet purposes, the reservations of our allies concerning U.S.–PRC security ties, and the opportunities that the normalization of U.S.–PRC diplomatic relations creates for economic and scientific and technological cooperation.

A related issue is the need to avoid false expectations on the part of the Chinese. Nothing would be worse for the long-term future of Sino-American relations than to create the impression that we are willing to establish an active U.S.–PRC security relationship and then back away during a crisis to avoid adversely affecting Soviet-American relations.

Finally, we need to avoid creating the impression in Beijing that we are using U.S.–PRC security ties as a substitute for unilateral U.S. action in meeting the Soviet threat. If the U.S. is perceived as dealing from a position of weakness, Chinese interest in U.S.–PRC security cooperation will rapidly wane and the utility of such cooperation as a means of improving bilateral relations will diminish accordingly.

B. Develop U.S.–PRC security relations as a means of gaining some leverage over Soviet behavior.

First, we need to keep the Soviet's attention. There is some evidence to suggest that by 1978 the six-year delay in normalizing US–PRC relations was responsible for a rather relaxed Soviet attitude toward Sino-American relations. Normalization, of course, has reestablished the credibility of future improvement in U.S.–PRC security relations. Still, some movement in the area of U.S.–PRC security cooperation would appear desirable as a means of sustaining Soviet attention and concern.

Second, we need to convince the Soviets that an upward spiral in U.S.–PRC security relations is *not* inevitable *and* that their conduct—both on bilateral issues and in third areas—will influence the future course of Sino-American relations. We also want them to understand that while we are capable of moving to higher levels of security cooperation with China, we would prefer to avoid mutual defense arrangements if we can.

Third, we should inform Moscow, in a general way, that we intend to proceed in certain areas with the PRC as a natural result of normalization, while avoiding explicit “if-you-do-this-we-will-do-that” formulations. At the same time we should avoid gratuitous reassurances, and particularly avoid making advance commitments to the Soviets not to cross particular security thresholds with the PRC. Instead, in response to expressions of Soviet concerns we should make the point that US–PRC cooperation is not designed to threaten other powers, but that to the extent that we and the Chinese see common threats to our security interests, parallel or cooperative responses of a defensive nature may be developed. Since the Soviets probably assume that sooner or later we will heighten our security cooperation with Beijing, it will appear less hypocritical if we communicate directly our contingent position on the future of U.S.–PRC security cooperation, while also indicating to them that if they show restraint, we will also show restraint. The net result of such an approach would be to put the ball in the Soviet court.

C. Avoid drifting into a security relationship with China which would work to our disadvantage. There are ample reasons for caution in expanding our security relations with the Chinese. However, events may develop a momentum of their own, and, if we are not careful, we could become the captive rather than the master of events. A slow, measured approach will give us more room to maneuver vis-a-vis the Soviets; that is, by not automatically expanding U.S.–PRC security relations we can avoid preempting or foregoing steps that could be used to respond to specific Soviet actions. For these reasons, we need to carefully and consciously determine which steps to take now and which to reserve for future use in contingencies.

VI. *What Could We Do?*

There are several steps that can now be taken to expand US–PRC security relations. Some of them are already under consideration; others are likely to be raised in the near future.

The establishment of a Defense Attache Office in Peking, U.S. ship visits to the PRC, and low level military-to-military contacts such as the proposed visit to China by members of the Staff and Faculty of the National War College can be categorized as normal outgrowths of the establishment of formal diplomatic relations. We already have had such contacts with the Soviets. Similarly, we can ask Chinese officials to speak at U.S. military schools or authorize military officers engaged in area studies involving China to visit the PRC. While the Soviets would undoubtedly note these contacts, they could not characterize them as gratuitously provocative or threatening to the interests of the USSR. At the same time, we do not want slavishly to pursue a precise “even-

handed" approach. There is room for greater contact and more warmth with the PRC in these areas than with the Soviets.

Other actions appear more appropriate for signalling our intent to improve US–PRC security relations in response to particular future Soviet actions. In some cases, Soviet precedents exist (see Annex A),³ but the nature of the action would catch greater Soviet attention and might provoke sufficient concern as to make them consider modifying their conduct. Possible actions along this line include the following:

- authorize the U.S. Army Corps of Engineers to participate on a reimbursable basis in the development of China's inland waterways;
- invite Chinese diplomatic officials stationed in Washington to tour U.S. military installations;
- invite a high-ranking Chinese military official to visit the US or send a DOD delegation to China;
- invite Chinese observers to witness US Navy exercises in the Western Pacific;
- openly encourage third country arms sales to China or explicitly adopt a pro-China "tilt" in the provision of dual-use technology to the PRC and USSR.

These examples are arranged in an ascending order of sensitivity from the Soviet perspective, and clearly we would not undertake them all at once. Instead, they represent a range of actions that would demonstrate to the Soviets that we have established a framework of normal ties within which we can escalate cooperation in response to specific Soviet actions.

Beyond this level, there is another series of actions whose implementations would presumably affect Soviet-American relations in a significant and adverse fashion. These include the training of Chinese military students in US schools, the sale of US military equipment to China, overt US–PRC intelligence exchanges, and joint US–PRC military exercises.

VII. Next Steps

Given the U.S. objectives identified earlier, and the range of actions just discussed, there are several actions that the US should consider taking in the area of US–PRC security cooperation.

First, we should take those routine steps clearly associated with the establishment of diplomatic relations. Specifically, we should establish a Defense Attache office in Peking, initiate low-level military-to-military contacts, and consider U.S. ship visits to China later in the year.

³ Annex A, a summary of the principal military exchanges between the United States and the Soviet Union, is attached but not printed.

Second, we need deliberately to cultivate some ambiguity and flexibility in our policies towards China as a means of worrying the Soviets while preserving our own options. For example, at the moment the Administration is on the public record as opposing direct American sales of military equipment to the PRC, while taking the position that the U.S. will not oppose third country sales of defensive military equipment to China. This combination of positions poses two problems. Our flat “no sales” policy minimizes Soviet incentives for avoiding actions that might affect the evolution of our dealings with the Chinese; yet we are encouraging a pattern of third country sales over which we have but limited influence and which will very likely be driven by third country economic considerations rather than by a collective security perspective. In short, the lack of ambiguity in our current arms sales policy complicates rather than assists in the attainment of our objectives vis-a-vis U.S.–PRC security cooperation.

Finally, we need to communicate more effectively our intent to link improvements in U.S.–PRC security relations and Soviet actions. The timing of such an approach to the Soviets and the context in which it is developed are critical. If we are to create the impressions discussed earlier—namely, that improvements in U.S.–PRC security relations are not inevitable, that while we are willing to consider security ties with China we are not eager to do so, and that such relations are a supplement and not a substitute for U.S. resolve—the approach should be made at a time when Soviet-American relations are on the upswing. If a SALT II agreement is reached and a summit meeting is held, this might provide an appropriate opportunity to communicate our intent to Moscow.

234. Telegram From the Embassy in China to the Department of State¹

Beijing, March 27, 1979, 1059Z

1663. For EA Assistant Secretary Holbrooke. Subj: PRC Reaction to Taiwan Legislation. Ref: A. Beijing 1602; B. Beijing 1592; C. Beijing 1469.²

1. (S—entire text).

2. Despite the PRC decision to publicize Huang Hua's March 16 démarche to me on the Taiwan omnibus legislation, Chinese officials have not raised the matter with Codel Ullman,³ despite numerous occasions to do so. CPIFA President Hao Deqing did not mention the Taiwan legislation in his meeting with the Codel on the afternoon of March 24. Nor did Vice Premier Deng Xiaoping raise the matter in his meeting with the Codel on March 26. On the contrary, Deng emphasized the importance of expanding U.S.–PRC trade, spoke repeatedly of the importance of granting MFN to the PRC, and referred to the claims/assets issue as having been “basically solved” during the visit by Secretary Blumenthal.⁴ His only reference to Taiwan occurred when Deng stated that U.S. trade with the PRC should rise to three or four times the present level of our trade with Taiwan. The atmosphere of our other contacts with the Chinese in recent days has remained good.

3. The evident Chinese decision not to refer to the Taiwan omnibus legislation in their meeting with Codel Ullman indicates that the Chinese have chosen to treat this issue as an Executive branch responsibility and not to lobby their case directly with the Congress. It remains unclear, however, what if any expectations the Chinese may have as to

¹ Source: National Archives, RG 59, Central Foreign Policy File, P850029–2592. Secret; Immediate; Exdis Handle as Nodis.

² Telegram 1602 from Beijing, March 24, reported that the Chinese Government made public the démarche by Huang Hua on the Taiwan legislation reported in telegram 1469 (Document 230). The Chinese release noted Huang's statement that passage of the legislation in its present form would cause great harm to the U.S.–PRC relationship, but omitted the Foreign Minister's warning that China would have no alternative “but to make the necessary response.” The Embassy commented, “The omission of this statement does not in our opinion indicate that Beijing is now less inclined to take concrete measures to express its displeasure if the bill is signed into law but rather is designed to avoid the appearance of publicly threatening the USG with retaliatory actions.” (National Archives, RG 59, Central Foreign Policy File, P850029–2585) Regarding telegram 1592 from Beijing, see Document 235.

³ Representative Albert C. Ullman (D–Oregon), Chairman of the House Ways and Means Committee, led a Congressional delegation that visited Tokyo, China, and Hong Kong March 23–April 2. (Telegram 62103 to Tokyo, Beijing, and Hong Kong, March 14; National Archives, RG 59, Central Foreign Policy File, D790116–1138)

⁴ See Documents 222, 224, and 225.

the ability of the Executive branch to alter the legislation at this stage. In my meeting with Foreign Minister Huang Hua on March 16 I gained the impression that he might have had an inaccurate perception of the leeway available to the conference committee to alter the Senate and House version of the bill. It was precisely for this reason that I explained the conference process to him in some detail. Given the frequent press reports from Washington indicating that the administration was prepared to live with the bill in its present form, the Chinese have no reason to assume that the President will not sign the bill.

4. We are left with the question of what exactly the Chinese may have in mind in the event that the legislation is signed into law. Both publicly and privately they have stated that this action would cause "great harm" to our relationship. Privately, Foreign Minister Huang added that the PRC would have no alternative "but to make the necessary response." If they were making their statements for the record, they could have expressed their dissatisfaction with the legislation in ways that would have pointed less strongly to some reaction on their part if and when the legislation took effect. For what it is worth, however, my Japanese, British and French colleagues have all informed me that they believe that the Chinese have stated their position on the Taiwan legislation essentially for the record.

5. On balance, I consider it unlikely that the Chinese would react to the Taiwan legislation in ways that would fundamentally damage our new relationship. They could, of course, at one extreme, take some demonstrative step such as repudiating the claims/assets agreement. I tend to discount this possibility for a number of reasons, not the least of which is Deng's comment to Codel Ullman referred to above. Most importantly, by doing so the Chinese would be fundamentally damaging their own economic interests in their relationship with us. It is more likely that the PRC for its own reasons may prefer to postpone formal signature of the agreement until we are further along in the process of extending MFN to them. At the farewell banquet for Codel Ullman on March 26, a Ministry of Finance official made some comments on the claims/assets agreement suggesting that the Chinese may have some concerns that the agreement could be repudiated by Congress. At least one member of the Codel, Congressman Frenzel of Minnesota, has commented that he believes the claims/assets agreement should be presented to Congress in the same package with the Trade Agreement. In any event, we consider it more likely that the Chinese might use the Taiwan legislation as a pretext for delaying signature of the claims/assets agreement than that they would seek to renegotiate the terms of the agreement.

6. At the same time the Chinese have a variety of other measures available to them which they could use to express their displeasure

over the Taiwan legislation in ways that would make life here more difficult and complicate our dealings with them. Possibilities include: turning down our proposal for the assignment of Marine guards to the Embassy, dragging their feet on negotiating the Consular Convention, adopting an unhelpful attitude toward our requirements for future Embassy facilities (including land), and delaying or even cancelling high-level visits already scheduled or that we might propose in the future. We would also run a greater risk of a negative PRC reaction on issues such as Skylink⁵ if they are looking for ways to express their displeasure over the Taiwan legislation while minimizing damage to their own interests.

7. We believe the PRC is not unaware of the many worse versions of the omnibus legislation that were defeated in the Congress and of the close votes on some of these. Nevertheless, the PRC is undoubtedly seriously upset by certain aspects of the legislation, such as those relating to Taiwan properties in the US,⁶ and we may find this issue returning to plague us in discussing our official property claims with them.

8. We believe the best way to gauge, and if possible mitigate, the Chinese reaction is to provide them promptly with a carefully reasoned response (before the bill is signed into law) in which we affirm both our commitment to the normalization agreement and our conviction that the legislation is consistent with this agreement. In doing so, however, we should make clear that the time has passed when we can make substantive changes in the legislation itself and that any effort to rewrite it could well result in a less desirable version. I defer to the Department as to whether this approach should be made in Washington or here in Beijing.

Woodcock

⁵ The Embassy in Beijing sought permission from Chinese authorities to install Skylink, a satellite communications facility capable of improving the speed and reliability of the Embassy's telegraphic communications. (Telegram 3429 from Beijing, June 5; National Archives, RG 59, Central Foreign Policy File, D790256–1100) Skylink would supersede high-frequency radio, which would become the backup communications system for the Embassy. (Telegram 72537 to Beijing, March 23; National Archives, RG 59, Central Foreign Policy File, D790136–0410)

⁶ The Taiwan Relations Act (Public Law 96–8) stipulates: "For all purposes under the laws of the United States, including actions in any court in the United States, recognition of the People's Republic of China shall not affect in any way the ownership of or other rights or interests in properties, tangible and intangible, and other things of value, owned or held on or prior to December 31, 1978, or thereafter acquired or earned by the governing authorities on Taiwan."

235. Editorial Note

On March 16, 1979, Chinese Foreign Minister Huang Hua complained to Ambassador Leonard Woodcock about the legislation then before Congress concerning Taiwan (see Document 230). On March 23, Woodcock reported that an official from the Chinese Foreign Ministry had informed the Embassy that the Chinese Government was still awaiting a response to Huang's *démarche* of March 16. Woodcock commented, "I feel that we owe the Chinese a response to their objections." He added, "If the President decides to sign the bill, it is incumbent on us to reaffirm strongly to the Chinese prior to signature that the bill is fully consistent with the spirit and letter of the normalization arrangement." (Telegram 1592 from Beijing, dated March 25 but more likely sent on March 23; National Archives, RG 59, Central Foreign Policy File, [no film number])

Following this telegram from Woodcock, Zbigniew Brzezinski, the President's Assistant for National Security Affairs, sent a memorandum to Secretary of State Cyrus Vance (it is not clear whether Vance saw it) that stated, "The President has read Embassy Beijing's cable 1592 (March 23) in which Ambassador Woodcock concludes that if the President signs the Taiwan omnibus bill we should reaffirm strongly to the Chinese prior to signature that the bill is fully consistent with the spirit and letter of the normalization arrangement. The President noted in the margin, 'I agree' and added, 'hold down public PRC complaints as much as possible.'" (Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 71, Taiwan Relations Act: 2-6/79)

Deputy Secretary of State Warren Christopher addressed Chinese complaints during a meeting with Chinese Ambassador Chai Zemin on March 27. Christopher opened by referring to Chai's (see footnote 3, Document 230) and Huang's earlier *démarches*: "The President asked me to request that you come in today so we can provide your government with our comments on points you and Foreign Minister Huang have made regarding legislation on our unofficial relations with the people on Taiwan. My meeting with you today is meant to reflect the importance we attach to this subject and to your concerns. We want you to know we have taken great pains to ensure that our normalization agreement was not overturned by Congressional action. As you well know, this is a government of three branches and we must work in close cooperation with Congress on issues such as this legislation. There are some words and phrases in the bill that do not read as we would like and Congress has obviously added its own touches. Nevertheless, the bill clearly provides a framework for our unofficial relationship with Taiwan and in a way which is consistent with the record of

negotiations on normalization. To ensure that there is no misunderstanding of our views on this legislation, the President is prepared to state publicly that in implementing the legislation he will fully carry out our agreements on normalization. He is granted discretionary authority in some areas of the legislation, and he will implement the bill in a way fully consistent with our agreements.” (Telegram 77424 to Beijing, March 28; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1–3/79) Christopher also gave a classified talking paper to Chai, which reiterated points that he made verbally and systematically responded to Chinese criticism. (Telegram 77805 to Beijing, March 29; National Archives, RG 59, Central Foreign Policy File, P840163–1620)

On March 31, J. Stapleton Roy, Deputy Chief of Mission at the Embassy in Beijing, called on Han Xu, Director of the American and Oceanian Affairs Department of the Chinese Foreign Ministry, in order to review points covered in Christopher’s March 27 meeting with Chai. According to the telegram that reported on the meeting, Han, after hearing Roy’s remarks, “offered a prepared statement of his ‘personal view’ in response, in which he characterized the U.S. explanations as unsatisfactory and reiterated the charge that various provisions of the omnibus bill violate the normalization agreement. He did not, however, repeat earlier Chinese statements that passage of the bill in its present form would cause ‘great harm’ to the US–PRC relationship. He justified the PRC’s decision to make its views public on the grounds that failure to do so would have led to misunderstanding that China had agreed to or acquiesced in the bill. We interpret Han’s statement as intended to put on the record the PRC’s position of not acquiescing in the omnibus bill.” (Telegram 1779 from Beijing, March 31; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 1–3/79)

A House–Senate conference committee wrote the final version of the Taiwan omnibus legislation. The House adopted it on March 28 by a vote of 339–50, and the Senate did so on March 29 by an 85–4 vote. (*Congress and the Nation, 1977–1980*, volume 5, page 67) James M. Frey, Assistant Director for Legislative Reference of the Office of Management and Budget, evaluated the legislation, which was called “Enrolled Bill H.R. 2479, Taiwan Relations Act,” in a memorandum to the President, stamped April 5. Frey noted that the relevant executive agencies had either approved or not objected to the legislation, and concluded: “While not entirely in the form you proposed, the enrolled bill will enable us to resume with the people on Taiwan, through unofficial means and to the degree consistent with normalization of our relations with the PRC, those programs and activities which were suspended on January 1, 1979. While the PRC may perceive certain of the features de-

scribed above as inhibiting the normalization process, we join State in believing that the risk of such misunderstandings would be substantially reduced if you issue a signing statement (1) emphasizing the unofficial character of the relationships with Taiwan authorized by the enrolled bill and (2) expressing your intention to implement this legislation in a manner fully consistent with our normalization of relations with the PRC." Frey added that "State has prepared a draft signing statement, for your consideration, which appropriately makes the points discussed above." (Carter Library, Staff Office Files, Counsel, Lipshutz, Box 7, China, Taiwan Presidential Memorandum and Legislation, 12/78–6/79 [CF O/A 710])

President Jimmy Carter signed H.R. 2479 into law on April 10. His signing statement reads in part: "The act is consistent with the understandings we reached in normalizing relations with the Government of the People's Republic of China. It reflects our recognition of that Government as the sole legal government of China. Having normalized relations with China in the spirit of the Shanghai communiqué, I look forward in the coming years to a deepening and broadening of U.S.–China relations which will contribute to the welfare of our two peoples and to peace in the world." Concluding, Carter said, "In a number of sections of this legislation, the Congress has wisely granted discretion to the President. In all instances, I will exercise that discretion in a manner consistent with our interest in the well-being of the people on Taiwan and with the understandings we reached on the normalization of relations with the People's Republic of China, as expressed in our joint communiqué of January 1, 1979, on Establishment of Diplomatic Relations." (*Public Papers: Carter, 1979*, pp. 640–641)

The provisions of the Taiwan Relations Act, Public Law 96–8, contain a number of concessions to supporters of the former Republic of China. For example, the act states that the U.S. decision to establish diplomatic relations with China rested "upon the expectation that the future of Taiwan will be determined by peaceful means." It also declares that it is the policy of the United States "to provide Taiwan with arms of a defensive character; and to maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan." In the section on implementation, it affirms, "the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability. The President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgment of the needs of Taiwan, in accordance with procedures established by law." (93 Stat. 14; 22 USC 3305)

236. Telegram From the Embassy in China to the Department of State¹

Beijing, April 23, 1979, 0914Z

2315. Subj: Visit of Secretary Kreps: U.S.–PRC Trade Agreement.
Ref: State 97979.²

1. (C entire text)

2. In my view, Secretary Kreps' visit to China provides an excellent opportunity to achieve progress toward the normalization of Sino-U.S. economic relations and toward expanded Chinese participation as an active member in the world economic community. At the same time, it has become increasingly obvious in recent weeks that our ability to accomplish these purposes will be undercut unless we signal clearly to the Chinese that we wish to use the visit by Secretary Kreps to achieve major progress toward the conclusion of a U.S.–PRC trade agreement extending MFN to the PRC. While I recognize that there are a variety of other factors that must be taken into account in Washington in deciding on the timing and pace of the negotiations, there is little question from my perspective in Beijing that there are distinct advantages in moving ahead now.

3. On virtually every occasion since the normalization of Sino-American relations, the Chinese have hammered home the importance they attach to MFN as a crucial step that will provide them with the ability to sustain a high level of imports from the U.S. There is no doubt in my mind that the principal motivation on the Chinese side in agreeing to a claims/assets settlement that is highly desirable from our standpoint was their desire to clear the way for acquisition of MFN status from the U.S. Moreover, in the series of negotiations on economic-related matters that have taken place in Beijing in recent weeks on issues ranging from textiles to trade facilitation, the Chinese have made unmistakably evident their reluctance to meet our concerns on issues of importance to us in the absence of a strong U.S. commitment to move ahead on the question of MFN. It is hardly coincidental that the Chinese have chosen to defer continuation of the textile talks until after the visit by Secretary Kreps, when they expect to have a more accurate reading of our intentions. Unless, therefore, we are prepared to use the opportunity provided by the Kreps visit to press for the early

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790185–1085. Confidential; Immediate; Exdis.

² In telegram 97979 to Beijing, April 18, the Department outlined the proposed program for Kreps's visit to the PRC. (National Archives, RG 59, Central Foreign Policy File, D790179–0460)

conclusion of a trade agreement, we run a major risk of vitiating the forward momentum toward normalized and expanded economic relations provided by the Deng visit to the U.S. and Secretary Blumenthal's visit to China. Conversely, China's obvious interest in securing MFN as rapidly as possible provides us with maximum leverage to negotiate a trade agreement containing balanced benefits for us.

4. In our latest go-around on the trade agreement, the PRC side made clear their desire to work actively toward an early agreement and willingness to exhibit flexibility on various aspects of our draft. It is too early to tell whether the still wide differences between the U.S. and Chinese positions on the trade agreement can be bridged between now and Secretary Kreps' arrival, but I see definite advantage in accepting the Chinese proposal to continue active negotiations on the trade agreement in early May prior to the beginning of the Kreps' visit. To make these negotiations productive, however, we must be prepared to indicate to the Chinese that we are ready to move ahead on MFN in the near term within the context of a mutually satisfactory trade agreement.

5. If this option is acceptable to Washington, I strongly recommend that we keep our negotiating team small, preferably no more than three or four members. The goal of these talks should be to ascertain whether or not there is a basis for substantial progress on trade agreement during the Kreps' visit, with our outside goal being an agreed draft to be initialed at the close of the visit. The chief Chinese negotiator, Sun Suochang, has made it clear that he intends to continue to conduct the negotiations personally for the PRC. So far he has done so with only one staff officer and an interpreter, and we expect this pattern to continue. I see merit in sending a small, highly expert group on our side to engage in intensive negotiations in early May. If these sessions produce substantial progress, the talks can be expanded with the arrival of the party accompanying Secretary Kreps.³

Woodcock

³ In telegram 105716 to Beijing, April 27, the Department responded: "In expectation that PRC will sign claims/assets agreement prior to or during Secretary Kreps' visit, we will send small negotiating team to Beijing on May 1 to begin and carry out as expeditiously as possible negotiations for trade agreement (which, of course, will include MFN). If trade agreement issues can be resolved prior to or during Secretary Kreps' visit, she will be authorized to initial agreement, ad referendum. During discussions on trade agreement, U.S. representatives should make clear that trade agreement could not be submitted to Congress without agreement on textiles which we would expect to be concluded during next round of negotiations beginning May 21. Foregoing should be conveyed to PRC officials." (National Archives, RG 59, Central Foreign Policy File, D790192-0645)

237. Memorandum From Michel Oksenberg, James Cochrane, and Benjamin Huberman of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, April 26, 1979

SUBJECT

Export Licenses for China

Bureaucratic confusion currently exists on how to deal with export license applications for China. Commerce needs instructions from you to resolve the matter.

The issue concerns the appropriate end-use forms and visitation guarantees which Commerce ought to require from companies seeking export licenses for China. In the absence of diplomatic relations, the Chinese refused to use our normal government-to-government forms. This caused numerous delays and problems in processing Chinese exports.

However, customary practices developed, and Commerce came to approve China export license applications which were accompanied by distinctive Chinese end-use statements, usually in the form of a signed letter, and visitation guarantees couched in special terms. For example, the Chinese indicated they would allow a company to visit its equipment to inspect its performance four times a year, while not admitting that this was a visitation guarantee.

In January 1979, we indicated to the Chinese that with our relations normalized, we would expect U.S. exporters to supply properly filled-out forms with their applications for license and export to China, as we do for all other countries. Our goal was decided upon at a January 5 meeting of the PRC Subcommittee on U.S.–China Relations.²

The issue now is on what date we will begin to enforce the same procedures for China that we enforce for other communist countries.

Commerce seeks guidance from the President. Without such guidance, and given our goal of “even-handedness” in the treatment of all communist countries and in the light of the January notice, it has felt impelled as of March 1 to enforce the procedures it uses for other communist countries. This has caught many companies by surprise.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 4–5/79. Confidential. Sent for action. Oksenberg initialed on behalf of Cochrane and Huberman and noted that they had approved the text.

² No record of this meeting has been found.

Without instructions from you indicating the President's wishes, Commerce is now unwilling to process to completion approximately 110 license applications and is demanding that the license applicants go back to the Chinese with requests that they sign standard forms. However, many of these applicants have already obtained letters and visitation guarantees in accordance with the previous custom for obtaining export licenses to China.

In view of all the other matters about which we are leaning on the Chinese, and given the President's desire for our China relationship to move forward smoothly, we recommend that you send the instructions at Tab A to Commerce,³ indicating that Commerce should use pre-normalization procedures with China, and work gradually to seek Chinese compliance with normal procedures.

This memorandum was drafted in the presence of Frank Weil and Stanley Marcus, of Commerce, and Scott Hallford, representing Holbrooke. Both Commerce and State want the instructions from you.

Recommendation:

That you sign the memorandum at Tab A to the Department of Commerce.

³ Tab A, an April 30 memorandum from Brzezinski (signed by Aaron) to Kreps, is attached but not printed. It states, "The President requests you to proceed with the processing of license applications for exports to China, using the procedures in place prior to normalization. In particular, you should deem as satisfactory the end-use statements and visitation guarantees that you previously deemed acceptable."

238. Summary of Conclusions of a Policy Review Committee Meeting¹

Washington, April 30, 1979, 9:30–10:35 p.m.

U.S.–CHINA ECONOMIC RELATIONS

PARTICIPANTS

State

Warren Christopher (Asst Sec of State)
Richard Cooper (Under Sec for Economic Affairs)
Jules Katz (Asst Sec for Economic and Business Affairs)

Treasury

Secretary W. Michael Blumenthal
Anthony Solomon (Under Sec for Monetary Affairs)

Defense

Ellen Frost (Dep Asst Sec, International Economic Affairs)

Agriculture

Secretary Bob Bergland
Tom Hughes (Administrator, Foreign Agriculture Service)

Commerce

Secretary Juanita Kreps
Frank Weil (Asst Sec for Industry and Trade)
Sam Nemirow (Acting Asst for Maritime Affairs)

Transportation

Secretary Brock Adams

STR

Richard Rivers (General Counsel)

Energy

Holsey Handyside (Acting Asst Sec for International Affairs)

Labor

Howard Samuel (Dep Under Sec for International Labor Affairs)

Justice

Nelson Dong (Special Asst to the Attorney General)

Export-Import Bank

Warren Glick (General Counsel)

DCI

Amb John Holdridge (NIO for China)

OMB

Bowman Cutter

¹Source: Carter Library, Brzezinski Donated Material, Subject File, Box 25, Meetings, PRC 103: 4/30/79. Confidential. The meeting took place in Room 305 of the Old Executive Office Building.

OSTP

Ben Huberman (Asst Dir for National Security, International, and Space Affairs)

Domestic Policy Staff

Bill Johnson (Associate Dir, Transportation and Labor)

JCS

Lt Gen William Smith

White House

Zbigniew Brzezinski

NSC

Michel Oksenberg

SUMMARY OF CONCLUSIONS

Secretary Michael Blumenthal chaired a meeting to discuss issues involved in the Juanita Kreps trip to China. The meeting could not reach a consensus on whether to insist on a cargo-sharing provision in a maritime agreement with the People's Republic of China. State is against such a provision because it would increase the cost of trade with the U.S. and perhaps drive Chinese trade elsewhere. Agriculture is opposed because the U.S. merchant fleet does not include grain cargo vessels capable of offloading grain at Chinese harbors. We rely on tankers for export of our grain, while Chinese harbor facilities can only handle freighters. Commerce and Labor wish a cargo-sharing agreement in order to protect our fleet against Chinese pressures to use their own ships exclusively. A paper outlining the issues will be submitted to you for your decision prior to Kreps' departure.

Kreps is authorized to initial a trade agreement ad referendum providing the Chinese will have signed the claims/assets agreement. She is not authorized to initial a trade agreement if the Chinese continue to stall in the signing of the claims/assets agreement. This is a tactical posture which seeks to place maximum pressure on the Chinese to sign the claims/assets agreement.

On MFN, Kreps is authorized to indicate to the Chinese that granting of MFN to Beijing is not conditional on our granting it to the Soviet Union. We are considering our trading arrangements with both Moscow and Beijing on their merits and recognize the unique circumstances in each case. As soon as a trade agreement is initialed and a textile agreement signed, we will be prepared to take the MFN issue to Congress without delay.

Consultations on the trade agreement should begin with the private sector swiftly, to make sure there is public support for it. Commerce and State are responsible for the consultations.

Kreps will indicate the U.S. would like to initiate discussions on a civil aviation agreement.

Negotiations on a textile agreement do not fall within Kreps' mandate; negotiations on textiles will be resumed on May 21 in Beijing.

239. Intelligence Assessment Prepared in the Central Intelligence Agency¹

PA 79–10200D

Washington, May 1979

China–Vietnam: Territorial and Jurisdictional Disputes

Summary

A wide variety of issues are likely to be discussed in Sino-Vietnamese peace negotiations now under way in Hanoi. Conflicting national ambitions in Southeast Asia, Vietnam's invasion of Kampuchea, and China's alarm over Vietnam's growing ties with the Soviet Union were the root cause of the recent fighting, and these same factors are going to determine the tone and the course of the peace talks. However, Hanoi and Beijing also have a number of real territorial and jurisdictional disputes that became public in 1978–79 as bilateral relations deteriorated.

In lengthy Foreign Ministry memorandums published last March, Beijing and Hanoi spelled out their respective positions on the three outstanding territorial differences between them: the land border, the Gulf of Tonkin sea boundary, and offshore islands. While summarizing their respective claims, the memorandums also served to highlight the differences in the Chinese and Vietnamese approaches to each dispute—underscoring the fact that some will be more easily settled than others but that resolution of any of them will depend upon an improvement in their overall relations.

The land border should be the easiest of the disputes to resolve. There is no basic disagreement over its correct alignment, although some minor differences have arisen over the demarcation of the border on the ground. However, sizable troop deployments on both sides of the border and both countries' use of the dispute for propaganda pur-

¹Source: Central Intelligence Agency, Job 80T00942A, Box 9, Folder 13, May 1979, China–Vietnam: Territorial and Jurisdictional Disputes. Secret. Research for this report was completed on April 20. Prepared in the Office of Geographic and Cartographic Research and the Office of Political Analysis, with assistance from the Office of Strategic Research, and coordinated with the Office of Strategic Research, the Office of Economic Research, the National Intelligence Officer for East Asia, and the National Intelligence Officer for China.

poses to serve foreign and domestic policy objectives will complicate the negotiations.

The dispute over the Gulf of Tonkin sea boundary will prove to be very difficult to resolve even under the best of political circumstances. Diametrically opposed stands on the demarcation of the sea boundary coupled with conflicting principles of international law guarantee that negotiations will be long and arduous even if the political will exists to resolve the issue. The desire of both countries to exploit oil in the Gulf will at least initially intensify the dispute, although in the long run this factor may provide the impetus to compromise.

The dispute over the ownership of the Paracel and Spratly Islands will be virtually impossible to resolve at the negotiating table. The Chinese control the Paracels, and the Vietnamese occupy six of the Spratly Islands; both countries are taking measures to strengthen their respective positions. Because of their strategic location and offshore oil potential, neither side is prepared to negotiate a change in the status quo nor renounce its territorial claims to them.

Few expect the peace talks to resolve the territorial and jurisdictional disputes, let alone the deeper political and strategic conflict. If an accommodation cannot be reached on the broader political plane these disputes could become the focal points for any future confrontation between China and Vietnam.

[Omitted here is the body of the paper.]

240. Summary of a Policy Review Committee Meeting¹

Washington, May 2, 1979, 2:10–3:40 p.m.

PRC AD HOC GROUP MEETING ON THE CULTURAL AGREEMENT WITH CHINA

Mike Oksenberg chaired a meeting to discuss implementation of our Cultural Agreement with China. The meeting brought together for the first time those agencies involved in cultural exchanges with the People's Republic of China—ICA, HEW, NEH, NEA, Interior, Library

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Meetings: 5/79. Confidential. The meeting took place in Room 305 of the Old Executive Office Building. A covering memorandum from Dodson to the Situation Room, May 2, indicates that Oksenberg prepared the summary. (Ibid.)

of Congress, and the Smithsonian Institute. The group decided to invite Minister of Culture, Huang Chen, to lead an inter-departmental Chinese cultural delegation to visit Washington and tour the U.S. ICA would be Huang's primary host, and the main purpose of the Huang visit would be to agree upon specific intergovernmental programs in the cultural realm.

Within a month, ICA, through inter-agency consultations, is to develop an inventory of exchange programs to be proposed to the Chinese, a plan for involving the private sector in the exchange program, and proposals for funding the Huang visit.

The meeting decided that our interests in promoting cultural exchanges with China are: (1) to promote mutual understanding for our respective societies; (2) further, to institutionalize our new relationship with the PRC; (3) disseminate American values in China; (4) give visibility to our China relationship, out of recognition that symbol and appearance affects substance; and (5) convey skills to the Chinese which are in our interest. In establishing priorities among the possible cultural exchanges with the Chinese, particular consideration should be given to cost, reciprocity, and genuine congruence of the proposed program with on-going agency missions.

241. Memorandum of Conversation¹

Washington, May 3, 1979, 3:18–4:25 p.m.

SUBJECT

Summary of the President's Meeting with Ambassador Chai Zemin

PARTICIPANTS

President Jimmy Carter
Cyrus Vance, Secretary of State
Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Richard Holbrooke, Assistant Secretary of State for East Asian & Pacific Affairs
Michel Oksenberg, Staff Member, NSC

Chai Zemin, People's Republic of China Ambassador to the United States
Zhou Wenzhong, Interpreter, PRC Embassy

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 52, Chron: 5/1–17/79. Top Secret; Sensitive; Eyes Only. The meeting took place in the Cabinet Room and the Oval Office.

At 4:10 p.m. the President, Secretary Vance, Dr. Brzezinski, Ambassador Chai Zemin, and Mr. Zhou adjourned to the Oval Office for a meeting that lasted until 4:25 p.m.

President Carter: I will go ahead and start even though Secretary Vance is not yet here.

It has been four months since the establishment of our relations and three months since the visit of Vice Premier Deng Xiaoping to the U.S. I am pleased with developments that have occurred, and think that they will be beneficial to us both.

We have also had a great accomplishment which I wish you to understand very clearly. (At this point, Secretary Vance and Dick Holbrooke entered.) As you know, in spite of their desires, neither President Nixon nor President Ford were willing to move on normalization because of opposition in the Congress over the change in our relations with Taiwan. I was willing to face this predictable opposition, although I waited two years in order to reach the proper moment.

I understand your government has expressed concern about the legislation ultimately passed to terminate our relations with Taiwan.² But we consider this a major accomplishment. Nothing contravenes the understandings we made to your government directly by me to you and by Ambassador Woodcock.

We consider the visit here by Vice Premier Deng, the trip of Secretary Blumenthal, the exchange of official ambassadors, and the decision to exchange military attaches all to be very good steps in the right direction.

We need, however, to keep momentum going and to build on this important foundation without unnecessary delays.

I do not know when I can make an official visit to China, but I would like to receive the opinion of your government concerning the advisability of the Vice President making a visit to China in late summer or early fall if I cannot make a visit. If circumstances develop, then I would like to accept your invitation to visit China at an early date that is mutually convenient.

We have also heard concerns expressed by your government about military exercises between the U.S. and Taiwan. No such exercises have been scheduled or planned or even discussed, nor of course will any be carried out.

We do not plan any naval ship visits to Taiwan after June. We have had existing obligations with existing personnel, and we had to remove equipment from Taiwan. This is what necessitated the visits to Taiwan ports.

² See Document 235.

The next, most important step between our two countries concerns economic matters, first the agreement on the claims/assets settlement, then a trade agreement and a resolution of the textile question. Then I would submit the trade agreement to the Congress and with the cooperation of your government would request MFN status for China.

My goal is to have a completely normal economic relationship with the People's Republic of China just as we have with other friends and allies around the world. I hope the visits by Secretary Kreps and Ambassador Strauss will help resolve any remaining issues with China.

I realize your nation has been either blessed by or afflicted with visits by many members of Congress and the many members of my Cabinet who are planning trips. I speak frankly to you. People who participate on these visits relay your views to us. They are eager to learn your problems. But I do not want our visits to be an excessive burden for your people, and if they are, I hope you will express your views to the Secretary of State.

Ambassador Chai: They are no burden (laughing!). Not at all.

President Carter: Good. I am relieved to hear that.

I might say that Prime Minister Ohira and I talked with great pleasure about our new relations with China, and we congratulated each other.

We both expressed our mutual concern with the actions of Vietnam in China. I know you share this concern. If there are any recommendations your government might have about actions we or Japan might take to affect events in Vietnam or Kampuchea, please relay them to Secretary Vance. I will take the matters up with Prime Minister Ohira. Our goal is to restore peace in the Indochina Peninsula. I think we have a good channel through Japan to the Government of Vietnam.

As you already know, we are already approaching the final stages of the SALT negotiations. Either Secretary Vance or I will try to complete the process. We are approaching the final stages, with the possibility of drafting the final language in Geneva.

Then I anticipate the holding of a meeting with President Brezhnev and myself, although the place has not yet been set. Within the bounds of propriety, we wish to keep you thoroughly informed. If you wish, we will make the SALT documents available to you for your reference.

As a general rule, I would like to broaden the consultations between the U.S. and China, not only in this instance but in others. I hope you will take this as a permanent invitation through Secretary Vance or Ambassador Woodcock in Beijing if you have questions, or if you have proposals to make concerning our conduct in matters for which I am responsible.

I think it is very important that any small differences which may predictably arise between our two countries be settled as much as possible in private fashion. We should let others, and especially the Soviet Union, know that we have as little friction as possible between us and that we have a new spirit of friendship and cooperation.

I have, for example, been concerned with the presence of Soviet naval facilities in Vietnam. I would be interested in having our ships call at Chinese ports in a low-key way, for entertainment purposes as part of a normal relationship, when you think it advisable and permissible and when it would be appropriate from your perspective. I would appreciate it if you would let Premier Hua Guofeng and Vice Premier Deng Xiaoping know this so they could let me know their attitudes on this matter.

Those are the points I want to make to you. There is one other item I want to discuss with you privately before you leave. And perhaps Secretary Vance may wish to make some points.

Ambassador Chai: First of all, I would like to express my thanks to the President for taking time out of his very busy schedule to discuss some of the problems in our bilateral relations.

I also wish to take this opportunity to express my appreciation for the resolute actions you undertook to normalize the relations between our two countries. As you all know, the establishment of diplomatic relations between China and the U.S. has a far-reaching impact on the global situation. The establishment of diplomatic relations between China and the U.S. has a political basis, that is, the recognition by the U.S. of "one China."

The legislation adopted by the U.S. Congress concerning U.S.–Taiwan relations includes some provisions which we find unacceptable to China. In his talks with Ambassador Woodcock, Foreign Minister Huang Hua has expressed this view.³ In his meeting with the Congressional delegation of Senator Church, Vice Premier Deng expressed his view, so I will not repeat it.⁴

³ See Document 230.

⁴ In telegram 2362 from Beijing, April 25, Woodcock reported that Deng, in his meeting with Church's delegation, "made it clear that passage of the Taiwan omnibus bill had placed a strain on the new U.S.–PRC relationship and that the U.S. was overloading the circuits by attempting to continue military relationships with Taiwan that were not foreseen in the normalization agreement." Woodcock further asserted, "We should begin now to prepare the ground for our future arms sales to Taiwan, which are certain to place strains on our relations with Beijing. The way to do this, in my view, is to establish a record of faithful adherence to the letter and spirit of the normalization arrangements. Now more than ever is not the time to flaunt our military relationships with Taiwan, and I hope we can curb any tendencies to do so." (National Archives, RG 59, Central Foreign Policy File, D790191–0823)

If things which will bring severe harm to this political basis are allowed to happen again and again, it will bring harm to our bilateral relations. It is our hope that both sides will set store by the overall situation in our bilateral relations, and both sides will remove all interference so that our relations may develop in a smooth manner.

As to the question of cooperation in the economic and trade fields, we have consistently taken a very positive approach, and we want to try our best to resolve existing problems.

We hope the forthcoming visit by Secretary Kreps will help resolve the existing problems. We hope that during her visit she will make great effort to promote a trade agreement and to reach an agreement so that our economic relations and trade cooperation will develop further.

It is our hope that talks concerning trade, and especially on textiles, will take into consideration the interest of China.

Of course, before signing of the trade agreement, the claims/assets agreement must be signed. Although it has already been initialed during the Blumenthal visit, at present the situation is that some questions still need to be clarified. Once both sides agree on the final text, the agreement can be signed formally.

In view of the further promotion of Sino-U.S. relations, it is our fervent hope that Mr. President will visit China. Vice Premier Deng expressed this hope on many occasions during his visit. If the circumstances for the visit are not yet ripe, then we welcome Vice President Mondale to visit China before Mr. President visits China. I will report this suggestion immediately to my government and give my response to Secretary Vance as soon as it is received.

As to the SALT II agreement between the Soviet Union and the U.S., it is not something in which China is very interested. If the U.S. needs this treaty because of some reasons, China has no objection. During Vice Premier Deng's visit, he expressed this view in the U.S. on many occasions.

We believe that this treaty cannot resolve the arms race and cannot restrict the expansion of the Soviet hegemonists. We believe that the current task is to engage in down-to-earth work in the face of Soviet expansionism.

With regard to the situation in Indochina and the U.S. and Japanese actions in this respect, I think Vice Premier Deng has talked about this with the President and expressed his views. Nonetheless, I will transmit this matter back to my government.

It is my personal view that, supported by the Soviet global hegemonists, the Vietnamese regional hegemonists will not withdraw from Kampuchea or Laos easily. This is because the Soviet Union as well as Vietnam want to achieve not only domination over Indochina but also

over Southeast Asia. In undertaking their actions in Indochina, the Vietnamese proceed from this broader strategic consideration, as I am sure you know. I think it is not realistic to believe that the Vietnamese can be won over by relaxing relations with the Vietnamese or providing aid to them so that Vietnam would be free of Soviet control.

As to U.S. ships calling at Chinese ports, our Political Counselor Tsao has discussed this with your Deputy Secretary of State (Warren Christopher—M.O.). During a meeting with Senators, Vice Premier Deng also answered a question on this. He maintained that in the light of the influence of the Taiwan legislation, it was not yet convenient at this time. Nonetheless, as to when it might be convenient, I will go back to my government to ask them to examine the matter. (The above is what was said in Chinese. The translator rendered this as “I will transmit your statement to my government for its consideration.”)

I wish once again to thank you Mr. President for taking time out of your busy schedule to discuss your views of our relations. I will transmit your views back to my government.

(At this point, the President, Secretary Vance, Dr. Brzezinski, Ambassador Chai, and Mr. Zhou adjourned to the Oval Office.)

President Carter: [4 paragraphs (17 lines) not declassified]

Ambassador Chai: On our side, there will be no problem with keeping it secret, but for you it might be.

President Carter: [1 paragraph (4 lines) not declassified]

Dr. Brzezinski in his continuing strategy [less than 1 line not declassified] discussions with you could outline more completely our interest in this.

If unforeseen problems should arise or concern on either nation's side, we could abandon the idea. But I would like the Vice Premier to consider this personally [2½ lines not declassified].

I do not expect you to reply now, but the Vice Premier could reply either through Dr. Brzezinski or the Secretary of State.

I would always welcome any personal request from him.

I hope you will extend my personal wishes to Premier Hua and Vice Premier Deng.

Ambassador Chai: I will immediately transmit your message to them.

242. Memorandum of Conversation¹

Washington, May 4, 1979, 6:03–6:18 p.m.

PARTICIPANTS

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Robert Gates, Staff Member, NSC
Chai Zemin, People's Republic of China Ambassador to the United States
Zhou Wenzhong, Interpreter, People's Republic of China Embassy

Ambassador Chai: In yesterday's meeting with the President, he talked of the SALT II negotiations.² One thing he said is open to different interpretations and I would like to get clarification. This morning I asked Mike Oksenberg the same question and he told me to ask you.

Dr. Brzezinski: He is a cautious man. Did he mention two other things to you?

Ambassador Chai: Yes he did. In yesterday's meeting the President said (with regard to SALT), "I want to keep you involved."

Dr. Brzezinski: Informed. Our records show that the President said "Within the bounds of propriety we wish to keep you thoroughly informed."

Ambassador Chai: Yesterday I took it as "involved."

Dr. Brzezinski: Our notes are carefully prepared. Of course, if you want to be involved . . .

Ambassador Chai: As I said yesterday, we view SALT II as something in which China is not very interested.

Dr. Brzezinski: Then you do not want to be involved but rather informed.

Ambassador Chai: Yes.

Dr. Brzezinski: Was the rest of the message clear?

Ambassador Chai: Yes. That was the only thing. So you will keep me informed?

Dr. Brzezinski: We expect to hear from the Soviets by the beginning of next week. We hope all major issues are finished. We will then set dates for the meeting.

Ambassador Chai: Both sides have already agreed to the wording of the agreement?

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 52, Chron: 5/1–17/79. Top Secret; Sensitive; Eyes Only. The meeting took place in Brzezinski's office in the White House.

² See Document 241.

Dr. Brzezinski: Basically yes. There are three or four issues to be worked out and we expect to do this in the next few days.

Let me mention another subject. Your country and the United States have an interest in stability in the Far East. One way to further promote stability would be to find some way to initiate three-way talks between the US, South Korea and North Korea. I do not know if South Korea is willing to have such talks nor if North Korea is willing, but if such discussions could be arranged, it would contribute to greater stability in the region. Stability in the region is in the interest of the US, China and Japan; it is not in the Soviet interest. It would be useful to explore ways to initiate this sort of discussion. I do not have any concrete idea—nor do I expect you to have any today—but we may want to return to this subject later. The President will be going to South Korea at the end of June.

Ambassador Chai: I understand North Korea is willing to be involved in talks with you and with South Korea, but not in three-way talks.

Dr. Brzezinski: This is part of the problem because we will not talk alone inasmuch as that would undermine South Korea. Also, we are involved in South Korea's security.

Ambassador Chai: What about efforts to promote a dialogue between North and South Korea?

Dr. Brzezinski: There is some dialogue but it is limited because they cannot deal with the security problem in our absence.

Ambassador Chai: My view is that it is advisable to have a separate dialogue.

Dr. Brzezinski: It is impossible to talk separately with North Korea without stimulating suspicion and insecurity in South Korea. Maybe we can all think about it and find some creative solution.

Ambassador Chai: I am certain you are good at finding solutions to all kinds of problems.

Dr. Brzezinski: It is easier if we work together.

243. Memorandum From Guy F. Erb of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, May 8, 1979

SUBJECT

China as a Developing Country

Les Denend informed me that you wish to see China designated as a developing country in the current Trade Agreement negotiations.

While we can agree to language defining China as a developing country, we are in a dilemma when it comes to giving that term substantive content. In one sense, acceptance of the Chinese request would merely recognize China's self-designation as a developing country in North/South institutions. In another, it challenges us to provide tangible benefits to China while its very size, world stature, and politics make it difficult for us to do so.

In the context of the Trade Agreement negotiations China apparently wants to be eligible for the U.S. generalized system of tariff preferences (GSP). The tariff preference system is a fragile trade policy instrument, continually under attack from labor and industrial interests that feel injured by the benefits that the system confers upon developing countries. Even the potential eligibility of China for GSP benefits would make it more vulnerable on Capitol Hill. The GSP is an important North/South symbol. A reduction or suspension of the GSP would have a high international cost.

As an internationally recognized developing country China could benefit from the special and differential treatment for LDCs embodied in the MTN codes. Chinese adherence to some of the codes would be necessary, however, and that might be difficult for the PRC.

China's potential membership in the World Bank and other international financial institutions is a third issue. PRC membership would involve removal of the Republic of China from these institutions. McNamara and the Treasury are concerned that Chinese membership

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 4–5/79. Confidential. Sent for information. Sent through Owen, who attached a covering note that reads, "Zbig—Treating China as a developing country in the World Bank could do serious—perhaps fatal—damage to that institution. Its future hangs by a thread in the Congress; adding China to the countries the IBRD has to aid would powerfully multiply its enemies. I'm not clear how this affects the issue you're grappling with, but I wanted to be sure you had it clearly in mind." (Ibid.)

would further diminish support on Capitol Hill for the World Bank and other multilateral institutions.

I conclude that special trade and aid measures for the benefit of China are so sensitive domestically that we should not accept language in the trade agreement negotiations that does more than recognize China's wish to be called a developing country.

Our present approach reflects the concerns of several agencies that extending tariff preferences to China would jeopardize the whole GSP. The delegation will accept language defining China as a developing country but will not accept any commitment that would imply that we had taken a decision at this time to grant China tariff preferences.

Nick Platt believes that China is a developing country and that our policy toward it must take that fact into account.² The approach described in the memo, however, is acceptable provided that it keeps our options open on the issue.³ It makes tactical sense to avoid a major battle within the executive branch and with Congress and give priority to achieving a trade agreement and MFN treatment for the PRC. MFN will be much more significant for PRC modernization than GSP. At some future point, however, we will need to face the truth that our relationship with Beijing is not just an East-West problem, but North-South as well. The Japanese, as usual, are ahead of us on this and thinking seriously, for example, of large developmental loans to China.

Jim Cochrane concurs.⁴

² Platt initialed above his name, indicating that he concurred with this characterization of his views.

³ Brzezinski circled this sentence and wrote, "It is meant to keep our options open. Does it? ZB. 5/9/79." Erb and Platt wrote a response in a May 9 memorandum: "You asked whether the approach we are following with regard to China's designation as a developing country and its eligibility for U.S. tariff preferences keeps our options open. We feel that it does. Hormats, with whom Guy has discussed this matter several times, agrees. Note that to become a GSP beneficiary country, under the terms of the Trade Act of 1974, a Communist country has to receive MFN treatment from the United States *and* be a contracting party to the General Agreement on Tariffs and Trade and a member of the International Monetary Fund." A stamped note indicates that Brzezinski saw this memorandum. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 4-5/79)

⁴ Cochrane initialed above his name, indicating his concurrence.

244. Memorandum From the Under Secretary of State for Economic Affairs (Cooper) to Secretary of State Vance¹

Washington, May 18, 1979

Secretary Kreps' Mission to China

Secretary Kreps' May 5–15 visit to China went very well. It produced many tangible results and was full of good-will on both sides, conveyed in a very businesslike way. Juanita's performance was excellent. She was characteristically gracious and in full command of the material under discussion.

The main tangible results of the visit were the signing of a claims/assets agreement (negotiated and initialled by Mike Blumenthal in March)² and the initialing of a trade agreement negotiated during the course of her visit. We made clear that successful implementation of the trade agreement would depend on the successful conclusion of a textile agreement. Negotiations on that are to resume next week.

Credit for the trade agreement goes largely to Bill Barraclough and his interagency team, who worked under pressure for 10 days to produce the agreement. In the end, we got satisfactory treatment on most of the issues that we initially sought.

In addition, Juanita signed an agreement on trade exhibitions³ and four agreements involving scientific and technological (e.g., meteorological) cooperation. We also opened negotiations for a civil aviation agreement and a maritime agreement, but both of those will be difficult. To over-simplify, we want cargo sharing in the maritime agreement and the Chinese want "cargo" sharing in the aviation agreement, whereas in each case the other side objects.

Remarks on China and the Chinese:

We were very courteously treated throughout our stay. There was no political haranguing. There was much expression of good-will, followed by businesslike discussion of economic issues. The Chinese very much want to learn about how the international trading system works, and much time had to be spent in explanations to them, both of international practices and of our own laws. They made clear on many occa-

¹ Source: Department of State, Executive Secretariat (S/S-I) Files: Lot 81 D 117, Principal Memo File, Apr–May–Jun 1979. Confidential. "CV" is stamped at the bottom of the first page.

² See Document 222. Kreps and Zhang Jingfu signed the agreement on May 11. (30 UST 1957; TIAS 9306)

³ This agreement was signed on May 10. (30 UST 4472; TIAS 9470)

sions that they want to follow normal international practices in their trade and financial arrangements. They are used to operating much more on the basis of oral understandings than we, and much of our difficulty in negotiating the trade agreement was getting written down the level of detail which we find appropriate in international agreements. Moreover, Chinese hesitation vis-a-vis these negotiations was induced in part by what they consider their unhappy experience in the claims/assets negotiations. They now feel they yielded too much there, with insufficient assurance of cooperation by us in realizing their claims in the U.S. (this has now been worked out, I hope, satisfactorily.)

Vice Premier Deng was very impressive. He conveyed a clear grasp of Chinese needs and problems and he asked excellent questions about U.S. policies in the commercial field. He observed that two questions are asked frequently abroad about China's rush to modernization: Would China continue on this course, and would it be able to pay its way? In response to the first question, Deng asserted that the policy of opening China up and the absorption of large amounts of foreign capital and technology has not changed in recent months. It is necessary for China's development over the remainder of the century. He went on to observe that, international speculation notwithstanding, Chinese policy is not made by him alone, but reflects a broad internal consensus. Rather, the Chinese are readjusting their plans to take into account the practical realities and limits to rapid development. In particular, they have discovered a shortage of electricity and inadequacies in their transportation system. Thus, while their fundamental emphasis on agriculture and light industry remains unaltered, a necessary condition for realizing improvements there is additional investment in power and transportation. He also acknowledged a severe shortage of technological and managerial personnel in China. He indicated that to attract foreign capital, China would have to adapt its practices to acceptable international practices. In particular, foreigners would need a say in running joint venture factories, including the right to fire workers; and they would need assurances on their right to remit profits. China accepted this.

On the second question, concerning China's ability to pay, Deng acknowledged this as an important constraint and suggested that for that reason China would look favorably on compensation agreements, i.e., agreements in which payment is made partly or wholly in terms of Chinese-produced goods. He also underlined the importance of getting greater access to the U.S. market through MFN tariff treatment.

Deng also questioned us closely, largely for his own information, on our policies regarding controls on exports of technology, and wondered out loud whether we couldn't relax these controls since they make doing business with American firms difficult.

Throughout our visit there were scattered references to the Gang of Four, but conversations did not dwell heavily on political issues. The question of our granting MFN to the Soviet Union was raised by Chinese trade negotiators only after the conclusion of the draft trade agreement, and even then somewhat offhandedly. The question of Taiwan came up only in discussions of civil aviation and maritime issues, where the Chinese authorities emphasized strongly their requirement that we not recognize the ROC markings as a “national flag.” They also underlined the necessity of our abolishing any intergovernmental agreements with Taiwan in these areas. They emphasized, however, that these two requirements need not lead to the alteration of actual shipping or aviation between the U.S. and Taiwan.

Apart from these few political references, almost all of our discussions were on the prospects and problems of the Chinese economy and on how improved contact with the U.S. and other industrialized countries can help.

245. Minutes of a Cabinet Meeting¹

Washington, May 21, 1979

The sixty-seventh meeting of the Cabinet was opened by the President at 9:00 a.m. All members of the Cabinet were in attendance except the Vice President, who was in Boston; Secretary Schlesinger, who was represented by Deputy Secretary Jack O’Leary; Secretary Vance, who was represented by Deputy Secretary Warren Christopher; and Secretary Andrus, who was represented by Under Secretary James Joseph. Other persons present were:

Max Cleland	Dick Moe
Doug Costle	Frank Moore
Gene Eidenberg	Frank Press
Stuart Eizenstat	Teresa Schwartz
Rex Granum	Terry Smith
Steven Hill	Stansfield Turner
Fred Kahn	Anne Wexler
Margaret McKenna	Jack Watson

¹Source: Carter Library, Vertical File, Cabinet Meeting Minutes, 12/21/78–12/13/80. No classification marking.

(Mr. Hill and Ms. Schwartz are White House Fellows. Mr. Smith is a reporter for the *New York Times* and only attended the first ten minutes of the meeting.)

[Omitted here is discussion unrelated to China.]

4. The President asked Secretary Kreps to report on her recent trip to the People's Republic of China.

—Secretary Kreps noted the following:

—The signing of a claims and assets agreement which had been negotiated earlier by Secretary Blumenthal;

—Agreement on science and technology programs;

—An exhibitions agreement;

—The initialing of a People's Republic of China/United States trade agreement.

—Secretary Kreps noted that her ability to reach agreement with the People's Republic of China on a trade program was a direct result of the close and immediate consultations she was able to maintain with the relevant White House staff offices and departments of the government during the period she was in China conducting the negotiations.

—Secretary Kreps described her general reactions to the current situation in the People's Republic of China:

—Leaders of the PRC stressed that the government was not backing off its commitment to a modernization program, but was going through readjustments with respect to how rapidly that program can be implemented;

—There is continuing recognition by the Chinese leadership of the important role 'credit' will play in China's ability to participate in international trade and in meeting its modernization goals;

—Secretary Kreps reported that on Wednesday² morning she would brief relevant House and Senate committees on the results of her China trip. The Secretary also noted that her stop in Tokyo on her return to the United States was useful in reassuring the Japanese government that closer economic and trade relations with the People's Republic of China would not undermine the extensive economic and trade relations the United States enjoys with Japan.

—Secretary Bergland asked Secretary Kreps whether the People's Republic of China had a precise schedule for its modernization program in place.

² May 23.

—Secretary Kreps responded that it was impossible at this stage to know, but that it was clear that the Chinese government was committed to a modernization program.

[Omitted here is discussion unrelated to China.]

246. Memorandum From Michel Oksenberg and Nicholas Platt of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, May 24, 1979

SUBJECT

Beijing, Taipei, and the Korean Issue

It is by no means certain that the Chinese will be willing to exercise much leverage, even behind the scenes, to produce a flexible North Korean posture during any trilateral talks among Pyongyang, Seoul, and Washington.

Beyond that, the major incentive for South Korea to participate meaningfully in such talks would be the knowledge that as a result of those talks, South Korea could expect to initiate contacts with Beijing. South Korea, as you know, would like to enter into a constructive relationship with the PRC, at least in the economic realm.

It is highly unlikely that China at this stage is prepared to reciprocate the Seoul desire.

What incentive could we offer Beijing to encourage it to initiate contacts with Seoul? I believe the route is through Taipei. China has long seen a parallel between the North Korea–South Korea “civil war” and their own relationship with Taipei. They fear any policy they pursue toward South Korea would set a precedent for their Taiwan policy. If they are willing to accept the “two Korea” solution, why not “two Chinas?” the argument goes.

In addition, the Chinese would like to get talks going with Taipei and would hope that we could play a role there.

We believe it is worth considering our indicating to Beijing that we would be prepared to encourage Taipei to adopt a more forthcoming

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 4–5/79. Confidential; Outside the System. Sent for action.

attitude toward contacts with China—particularly in the trade realm—in exchange for the PRC initiating economic contacts with South Korea. Naturally, the proposition would have to be put in more delicate terms.

We would have to think carefully about the combination of pressures and incentives we would have to apply in Taipei to get it to initiate contacts with Beijing. One source of leverage which we have over Taiwan, of course, is arms sales. And those arms sales would go down a good deal easier in Beijing if they were to take place after Taipei had somewhat relaxed its position of “no trade with Communist China.”

In short, the specific proposal we have to make is this: When we request the Chinese to assist in establishing trilateral talks with North Korea, we indicate that South Korea proceeds on the assumption that one result of the talks will be the initiation of economic contact with the PRC. In the event such contacts develop, the U.S. would also be prepared to try to encourage Taiwan to develop economic contacts with the PRC as well.

Recommendation:

That you approve our developing this idea in more concrete form among the East Asian Group.²

² Brzezinski did not check either the Approve or Disapprove option. Instead, he wrote, “Doubtful line—I am troubled by the [parallel]. (What about the summit idea—where does this stand?) ZB.”

247. Memorandum of Conversation¹

Washington, May 30, 1979, 11:30 a.m.

PARTICIPANTS

Chinese:

Vice Premier Kang Shien

Minister of Petroleum Song Zhenming

Ni Yaoli, Interpreter

Ambassador Chai Zemin

Peng Jinho, Counsellor for Commercial Affairs, PRC Embassy

Zu Lizhang, Deputy Director, State Planning Commission

Zhao Shenzhen, Deputy Director, Ministry of Petroleum

Chen Dehe, Deputy Director, Ministry of Foreign Affairs

Zhang Zai, Deputy Division Chief, Ministry of Foreign Affairs

Zhou Wenzhang, Interpreter

U.S.:

Secretary Blumenthal

Under Secretary Solomon

Richard Chen, U.S. Interpreter

Mike Oksenberg, NSC

Stan Marcuss, Commerce

Richard Fisher, Executive Assistant, Treasury

Herbert Horowitz, Director, Office of East-West Economic Policy, Treasury

SUBJECT

Discussion of Chinese Economy and U.S.–China Relations

In opening the discussion, Vice Premier Kang said his Government is still studying ways in which it can effectively cooperate with other countries on technology and trade in support of China's modernization program. China's economic and trade relations are expanding rapidly as China seeks to import more technology and equipment, and many questions arise related to finance. He said he would appreciate Secretary Blumenthal's views on the best means to finance imports from the U.S. He noted problems China has had in respect to some of its purchases, particularly with Japan, in which case the Chinese signed agreements for equipment and construction but had neglected to examine all the problems of financing. Hence, he said, China is undergoing "many twists and turns."

Secretary Blumenthal extended a warm welcome and noted the steady progress that has been made over the year in the development of our bilateral economic relations. He referred to Secretary Kreps' visit

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Meetings: 5/79. Confidential. Drafted by Horowitz. The meeting and working lunch were held in the Department of the Treasury.

to China, the signing of the private claims/assets agreement, initialling of the Trade Agreement, and Ambassador Strauss' current visit to China as evidence of progress. The Secretary noted that he is expecting a visit from Minister of Finance Zhang Jingfu in the second and third weeks of July.

In response to the Vice Premier's question about financing, the Secretary said that not all China's financing of U.S. purchases need be financed in the United States. He noted that Japan made available to China a \$2 billion credit which the Japanese Government has assured us is untied, which means that China can use the credit to buy goods from anywhere. Since the credit is primarily for development in the energy field where the U.S. industry is in a strong competitive position, he said we expect that some portion of China's purchases with the credit will come from the United States.

Secretary Blumenthal said that MFN Treatment, which will follow the signing of the Trade Agreement and its approval by Congress, should provide a boost to bilateral trade. Also, after the Trade Agreement, we would hope that the legal obstacles to Export-Import Bank financing can be removed. Exim would be able to extend credit at rates of interests that are competitive with those from other countries. The precise credit terms, he noted, would depend on each individual project. In addition, he said, China will want to rely upon private credits from U.S. companies and banks. As a final point, the Secretary said, we are aware that China is interested in compensation-type agreements which are especially attractive in the energy and raw materials field. He said he understands China has had extensive discussions with U.S. companies for geophysical exploration and he assumes these arrangements involve investment by U.S. companies who are taking risks and who would be rewarded in product. He asked how close China and the U.S. companies are to such agreements.

Minister Song said that they hoped to complete some contracts very soon for underwater exploration, and in fact hope to have arrangements with all nine major U.S. companies. Under the arrangement contemplated, each of the nine would be allocated an area of exploration of thirty to fifty thousand square kilometers in the South China Sea. They would bear the cost of the exploration work but then would have an opportunity to bid for the development and production of those sections found particularly promising. The advantage of this approach, Song said, is that China does not have to finance the first phase of the project.

Secretary Blumenthal said he thought it wise for China to deal with each project on its own merits and in its own way, and in this regard he believed U.S. business can be very flexible. He again referred to the \$2 billion Japanese credit which China can use anywhere and his

hope that in view of the extensive U.S. expertise in the energy field the credit will be used to finance purchases from the United States. He said he had talked to the Japanese Minister of Finance who confirmed that the loan is untied.

The Vice Premier said he hoped that the U.S. would help China find ways to solve its financial problems. Secretary Blumenthal said one of the important questions to resolve is that of official claims, and specifically the outstanding Exim loans which are important to settle if the Export-Import Bank is to get approval from Congress to extend further credits to China. In response to Ambassador Chai's question, the Secretary said he believes the outstanding principal is \$26.4 million. He explained that after World War II the Export-Import Bank extended credits to China; as for equipment financed by those loans which was taken to Taiwan the PRC obviously has no responsibility; but some of the equipment financed by those loans remained in China and under U.S. law, the successor government is expected to assume responsibility for repayment. Secretary Blumenthal said he hopes to discuss this issue with the Minister of Finance during his visit.

Mr. Blumenthal referred to another question the Vice Premier had raised regarding a computer (IBM 1033), and his promise to look into the problem. He said he understands that Mr. Press wrote a letter regarding the possibilities of leasing if certain conditions are met, e.g., operation by a U.S. technician. He said he understands the U.S. company has not yet applied but if it does he can assure the Vice Premier that the company's application will be given expeditious consideration. Minister Song said it is possible the request will be submitted soon and the Vice Premier commented that if the U.S. considers the matter feasible, Western Geophysics will want to proceed. Minister Song noted that Secretary Schlesinger has also offered to be helpful.

Secretary Blumenthal said he understands China is reconsidering the planned pace of its economic development and asked whether this has led to any changes in Chinese attitudes toward import of foreign equipment and technology or changes in Chinese priorities.

The Vice Premier said China is firm in its policy of pursuing the "four modernizations." He said China achieved satisfactory results in economic development in 1977–78. For example, production reached some 300 million tons of grain, 600 million tons of coal, 100 million tons of oil and 31 million tons of iron and steel, and China also achieved a surplus in government revenues. (Mr. Blumenthal said, "Congratulations, you have a good Secretary of the Treasury. I will take lessons from him.") Despite this solid ground for modernization, the Vice Premier said, we faced problems of balance, for example between industry and agriculture. China has a large population and while grain production is impressive, the supply is still limited. Thus, he said, we think it

necessary to shift more of our effort to agriculture. We also feel it is necessary to speed up development of light industry which is important both to improve the livelihood of the people and to boost China's ability to export; and this requires some shift from heavy toward light industry. In heavy industry, the Vice Premier said, we must be selective and are putting our emphasis on the development of energy. We cannot do everything at once, the Vice Premier said; to try to do so, would among other things, create serious problems of financing. Some of our specific targets have to be changed, for example the iron and steel target of 60 million tons by 1985 will have to be lowered. In response to Secretary Blumenthal's question about an oil target, the Vice Premier said our objective is to increase production as much and as soon as possible and this will depend on what we find. Secretary Blumenthal asked if they could project some goal based upon existing reserves. Minister Song said China does not envision any substantial increase in production on the basis of existing reserves. In response to Secretary Blumenthal's question about coal, the Vice Premier said China has rich deposits and must speed up production. He said China is interested in what U.S. companies have to offer in this field.

At lunch, the Vice Premier once again emphasized that the principle of introducing foreign technology has not changed as a result of China's current economic reassessment. He said only the way China is going about it is changed; specifically, China is not attempting to do everything at one time. Secretary Blumenthal said that in one of his discussions in Beijing he suggested that China needs to try a little capitalism. He said that over the years he has seen many countries try to deal with the problems of modernization, and that among the most successful have been several in Asia, namely, Japan, South Korea, and Taiwan. In each case, he said, the success was largely attributable to reliance on free operation of the market, and the efficient use of capital and incentives. He asked if developments in this direction are possible in China. The Vice Premier said that while looking at various forms of management, their approach is to maintain the framework of a socialist and planned economy. He said that one of China's economic problems is too much concentration of power at the center and too much paperwork; not enough play and initiative is left to local authorities and to factory managers, and not enough incentive for them to effect improvements in production and quality of product.

In response to Mr. Solomon's question as to what is China's new steel target for 1985, the Vice Premier said that the new goal is not yet final. He said that existing capacity is about forty million tons and that China now produces a little over thirty million tons. He said that while there may be some slowing down of the construction of large new projects, such as the Baoshan project in Shanghai, that the projects

would [not?] be abandoned. In response to another question, he said that at the initial stages of Baoshan, domestic iron ore will be supplemented by imports from Australia and Brazil. Meanwhile, China will proceed with expansion of its own iron ore capacity.

Mr. Blumenthal asked if there is any opposition in China to imports. The Vice Premier emphasized that China is of one mind on this matter. He noted that this is sometimes contradicted by big character posters put up on “democracy wall.” Within certain limits, he said, almost anything could be put up. Mao’s teachings, he said, emphasize self-reliance but also permit learning from abroad. The “gang of four” simply wanted to close the country.

Mr. Oksenberg asked if China has a long-term manpower plan. The Vice Premier said the problem of population and future employment is very serious. As an economy modernizes, there will be greater automation and a lower need for manpower, but he thought that China will have one part of its industrial structure modernized and thus require less manpower, and that other parts of the economy will remain less automated and still heavily reliant on manual operations.

Herbert E. Horowitz

248. Memorandum From Michel Oksenberg of the National Security Council Staff to the President’s Assistant for National Security Affairs (Brzezinski)¹

Washington, June 5, 1979

SUBJECT

Chinese Trade Agreement

An invitation to Minister of Foreign Trade Li Chiang to visit the U.S. toward the end of June or end of July to sign the Trade Agreement is necessary for the following reasons:

—The Trade Agreement must be before the Congress for sixty days and requires passage by both houses. Given the Congressional calendar, if passage is to be secured before Congress adjourns, it probably must be submitted by July 15.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6-7/79. Confidential. Sent for action.

—The textile negotiations will have to be resumed shortly if an agreement is to be reached before the Chinese run up against our unilateral-imposed ceilings. Further, Chinese flexibility on the textile issue will be enhanced if the Trade Agreement has already been signed.

—We have already assured the Chinese that we were prepared to move on the Trade Agreement with them as soon as a solution to the textile problem had been found. Our credibility is at stake. And Ambassador Strauss argues that a solution to the textile problem has been found.

Secretary Vance at this point will not sign a cable to Beijing which invites Minister Li for a fixed date in July. He does not believe that it is the President's policy to proceed immediately on the Chinese trade front. He believes that to schedule a signing of the Trade Agreement with China before the Summit risks reaching an agreement with the Soviets on MFN. He ignores the fact that an invitation to the Chinese can be confidential through the Summit.²

There are two ways to resolve this problem. One is for you to call Cy. He was to call you today but evidently did not do so. A second possibility is to refer the matter to the President and then tell Cy the results of the conversation.³

² Presumably the Tokyo Economic Summit scheduled for June 28–29.

³ At the bottom of the page, someone wrote, "Mr. President—Please indicate what you wish done. We should move on both the Soviets and the Chinese, but not let one hold up the other," followed by two options, "Invite" and "Delay." In response, Carter wrote at the top of the page, "I want to move this year. No reason to delay. Let Woodcock extend invitation privately. J.C." Brzezinski followed up with a June 7 memorandum to Vance with Carter's instruction. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6–7/79)

249. Memorandum From the Special Representative for Trade Negotiations (Strauss) to President Carter¹

Washington, June 6, 1979

SUBJECT

Trip to China and Japan

I thought it might be useful for me to set down some impressions from last week's trip to China and Japan and to share with you some suggestions about what we might want to do next in the China field.

In retrospect, I am convinced that the Chinese were never in a position to reach a compromise agreement with us on textiles. There are several reasons for this. A principal one can be traced to their negative perception of the claims/assets agreement. When they initialed the agreement, they apparently did not understand the difficulty they faced in recovering a sufficient quantity of the frozen assets. This realization is now feeding a growing concern that they have been taken advantage of, and that we have treated them "sharply." Chinese Foreign Ministry officials made this point strongly in a number of conversations Dick Holbrooke and I had during the week. I think this undoubtedly is hurting Deng, and that it has reduced his ability to override others in China out of concern that he could be portrayed as acquiescing to tough U.S.-imposed conditions. In his meeting with me, he completely side-stepped textiles. The Chinese negotiators subsequently showed no flexibility.

In the end, both sides very amicably agreed to disagree. The Chinese understand that we must move ahead to take unilateral action under the terms of the Multi-Fiber Agreement. I think we came out ahead in terms of satisfying our domestic concerns on textiles. And, as I told the Chinese, we are now in a position to move ahead in signing the trade agreement. It seems highly important to move promptly on the trade agreement—immediately after the Summit—if we are to expect Congressional action this year, maintain momentum in our China relationship, and not further undercut Deng. At the same time, we should probably try hard to help them recover as much of the assets as possible.

Despite the negative aspects of the claims/assets agreement and the textile impasse, the atmosphere throughout the visit was extremely

¹ Source: National Archives, RG 364, 364–80–4, STR Subject Files, Box 2, China (The Country—Not the Tableware). Secret.

warm and friendly. My meeting with Deng, in particular, was relaxed and open. We were told later separately by two Chinese officials that he had been very pleased with the meeting and had wished it could have continued longer.

Their negative response to making a positive gesture toward Israel was, I guess, predictable but nonetheless disappointing. They feel—perhaps rightly—that they can best serve their own interests and help us by supporting Sadat and keeping their lines open to the other Arabs, including the PLO. Begin should be pleased that we tried, even if the Chinese did not change their position. I asked him for the smallest possible gesture—no course change.

The combining of government and business interests on the delegation worked out very well. The 23 business leaders who accompanied us had unprecedented access to a full range of Chinese economic officials and government leaders including Deng and the Minister of Foreign Trade. People like Fred Bucy of Texas Instruments, D.W. Brooks, and Dwayne Andreas of Archer, Daniels, Midland had very rewarding exchanges with the Chinese as did virtually all the others. Most will follow up with specific proposals, and some have already been invited back. Bucy and Brooks, for example, expect to take technical groups back later this year to pursue a number of deals. I think we will get good work from most of them in 1980.

[Omitted here is material unrelated to China.]

250. Backchannel Message From the Ambassador to China (Woodcock) to the President's Deputy Assistant for National Security Affairs (Aaron)¹

Beijing, June 26, 1979, 1353Z

262. Subject: The Vice President's Visit to China. Ref: WH91359.²

1. I appreciate your sending me the memorandum to the Vice President regarding his trip to China (ref), which is filled with useful

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6-7/79. Confidential; Via Voyager Channels; Eyes Only.

² Telegram WH91359 from the White House to Beijing, which transmitted a memorandum on Vice President Mondale's trip to China, was not found. A June 23 memorandum from Brzezinski to Mondale argued that the purpose of Mondale's visit "should be, in bold and imaginative ways, to push the relationship to new levels both symbolically and substantively," as Deng had done during his visit to the United States. (Ibid.)

ideas. As the highest level visit to China since President Ford's trip in 1975, and the first visit by a member of the Carter administration at this level, the Vice President's trip is an unusually important one, and we should do our utmost to ensure that it helps to advance and consolidate our relationship. At the same time, we must recognize that the visit is occurring during a year of unprecedented mutual exposure to each other. Three U.S. Cabinet Secretaries have visited China already this year, and three Chinese Vice Premiers, including Deng Xiaoping, have been to the U.S. since January. These high-level visits have been extremely useful in getting our new relationship off to the right start. But they also carry with them the risk of creating the "China euphoria" syndrome, which can lead to swings of mood in the other direction. Accordingly, I consider it important that the Vice President's visit to China be a sober and dignified one with the emphasis on substantive talks and on broadening mutual understanding. In this way, his visit will prepare the ground for the President's visit next year.

2. I am in general agreement with the substantive objectives set forth in the memo to the Vice President. In addition, he should be prepared to review our bilateral relationship to date.

3. I see three areas in which we may wish to pursue prospects for substantive agreements during the Vice President's visit:

A. Civil Aviation. We should give high priority to concluding an interim civil aviation agreement during the visit. We have already laid the ground work for progress in this area, and the visit should help to stimulate forward momentum.

B. Consular Relations. Under the best of circumstances, we would be hard pressed to be in a position to open our Consulates General in Shanghai and Guangzhou by the time of the Vice President's visit. Nevertheless, we have an urgent need to have a functioning Consulate in Guangzhou as soon as possible, and we may wish to explore the possibility of formally opening that Consulate during the visit, if only in a token sense. This would be contingent upon our ability to acquire satisfactory physical facilities in Guangzhou by the time of the Vice President's visit. We should have a clearer picture of possibilities in this area within the next few weeks. At the same time, we attach considerable importance to concluding a consular convention with the Chinese which will include provisions for prompt access by consular officials to detained Americans. The Chinese have been dragging their feet on negotiating such a convention, and we may wish to use the momentum provided by the Vice President's visit to seek to galvanize the Chinese into action on this question.

C. Maritime Agreement. We should also explore the possibility of concluding a bilateral maritime agreement during the visit, even

though this may be less feasible than concluding an interim aviation agreement.

4. We expect to sign the trade agreement with the Chinese in Beijing on July 7. We should also take a look at the possibility of concluding Congressional action on this agreement so that we could extend MFN to the Chinese during the visit. If we were able to do so, this would be a particularly meaningful step in our bilateral relationship. There are also possibilities in areas such as cultural exchanges, but the Chinese leadership has a heavy program of foreign travel scheduled over the next couple of months, and in some areas we may encounter difficulties in completing the necessary substantive negotiations by the end of August.

5. On the question of hydroelectric power projects, there have been some recent indications that the Chinese are downgrading their capital investment plans in this area and that they will be giving higher priority to developing coal as a power input. For this reason we should not stress cooperation in this area unless the Chinese display keen interest.

6. There is also merit in expanding contacts between our defense establishments. An exchange of visits by our respective Defense Ministers could be a useful step in this direction. This could be initiated either through a visit by Secretary Brown to China or by inviting the Chinese Defense Minister to visit the U.S.

7. Itinerary. The development of a suitable itinerary in China will be somewhat constrained by the availability of suitable airports and guest houses for the Vice President's party. For the reasons cited above, we may also wish to consider alternatives to visiting hydroelectric sites in the Yangtze Gorges. To increase our exposure in China, there might be advantage in keeping away from the major coastal cities most frequently toured by foreigners and visiting the heartland of China, where the vast bulk of China's population resides. One such itinerary might include visits to Xi'an, Chengdu, and Guangzhou.

A. Xi'an was China's capital for over a thousand years and is an area rich in China's history. In addition, the Chairman of the Revolutionary Committee of Shaanxi Province, of which Xi'an is the capital, has just visited the U.S. A stop there might properly emphasize visits to historical and archaeological sites (including the exciting excavations in the area of the tomb of China's first Emperor), to industrial establishments and to Jiaotong University.

B. Chengdu is the capital of China's most populous province and is in the center of a rich agricultural area, where irrigation has been highly developed for over two thousand years. A visit there would provide exposure to China's accomplishments in agriculture and irrigation. The leader of the province, Zhao Ziyang, is also a comer in the Chinese leadership.

C. Guangzhou. A visit to Guangzhou should take advantage of the rich associations of the area with Sun Yat Sen. The city is also the capital of the home province for most Americans of Chinese origin.

D. These are preliminary thoughts only and are keyed to the fact that Mike Oksenberg will be meeting with the Chinese Embassy on June 26 to discuss the visit.

251. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, July 6, 1979

SUBJECT

NSC Weekly Report #102

1. NSC Activities

Soviet Union and China

(I attach separately my memcon with Dobrynin.)

I met on Tuesday with the Chinese DCM and on Thursday with Dobrynin.² The Chinese simply promised to transmit to Beijing my renewed expression of interest [*less than 1 line not declassified*]. In order not to sound too eager, I indicated that I was restating our proposal, which we view as *mutually beneficial* because I wanted Deng to know that our interest has not waned in any manner [*less than 1 line not declassified*].

However, I doubt the Chinese will come across. No matter how often we tell them the initiative is mutually beneficial, [*less than 1 line not declassified*]—and that they are not eager to do. This is why we will have to insinuate gently that cooperating [*less than 1 line not declassified*] means the beginning of a process pointing to some form of limited security cooperation.

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Reports (to the President), 102–120, (7/79–12/79). Top Secret; Sensitive. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² No memorandum of conversation of a July 3 meeting with the Chinese DCM was found. The memorandum of conversation of the July 5 meeting with Dobrynin is attached but not printed.

That raises a wider issue. On rereading the Vienna protocols, I was struck by how intransigent Brezhnev was on regional issues.³ In spite of your forceful statement, the Soviets simply gave us no reason to believe that they will desist from using the Cubans as their proxies, even though they continued to try to extract from you a promise that we will be sensitive to their concerns in our dealings with the Chinese.⁴

Accordingly, in the months ahead, I think we have every reason to believe that the Soviets will continue to transform Cuba into the strongest Caribbean and Central American military power, thereby further enhancing the revolutionary dynamism of a region close to us; that they will continue to supply and politically exploit the Cuban proxy in Africa; and that they will step up their pressure on Saudi Arabia (and we have growing evidence of South Yemen becoming a Soviet regional military warehouse).

Whether in Africa or in Central America, our central task at this historical juncture is to try to steer inevitable changes (be they toward black majority rule in Africa, or to end right-wing dictatorships in Central America) into moderate directions. Translating revolutionary change into politically moderate outcomes is a very difficult task, and that accounts for some of the dilemmas that the U.S. now confronts.

Moreover, we will only be successful if at the same time we can reduce the Soviet-Cuban inclination to exploit these transitional difficulties against us. Words alone will not do it, and you gave the Soviets in Vienna the needed admonitions. We are now at the point, however, that we need to tell the Soviets that the time is ripe for some tangible demonstration that they favor cooperation over more competition; this involves concretely and explicitly the imposition of Soviet restraint on the Cuban military buildup and on international Cuban military activities. If there is no visible indication of such restraint within a reasonable period of time, I think the United States should begin to consider seriously the possibility of entering cautiously into a limited security arrangement with the Chinese. We would be foolhardy to rush into a

³ SALT II was signed by Carter and Brezhnev in Vienna on June 18. Records of the discussions in Vienna are scheduled for publication in *Foreign Relations, 1969–1976*, vol. XXXIII, SALT II, 1972–1979, and *Foreign Relations, 1977–1980*, vol. VI, Soviet Union.

⁴ According to Carter's notes of his private meeting with Brezhnev on June 18, Brezhnev told him, "I would like to pursue the idea that in case of an attack on either of us from a third nation, the other will pledge to mount a joint rebuff." The Soviet leader continued, "I want to speak about China. We have no objection to normal relations between your two countries, but it would be a serious mistake for anyone to use Peking's anti-Soviet attitudes to the detriment of the Soviet Union. We observed with great concern that China's first action following recognition by the United States was an attack on Vietnam. Their smiles and bows were certainly not compatible with this violation of stability in Asia. They seem to want the United States to cover their political rear." Carter later commented, "Brezhnev talked about China at length and with great feeling. It was obviously the centerpiece of his presentation to me." (Carter, *Keeping Faith*, pp. 258–259)

fullscale relationship for it would prejudice the chances for a lasting détente with the Soviet Union, but we are not going to have a lasting détente if in the meantime Soviet actions produce a massive right-wing domestic reaction in the United States.

We thus owe it to ourselves, as well as to the Soviets, to indicate to the Soviets that we may in fact have no choice but to counter their moves by going further in our relations with the Chinese—something that Deng Xiaoping obviously was trying to promote during his February visit here. To give credibility to our hint to Moscow, we ought to consider transferring some ambiguously sensitive technology to China, and parallel that with some serious discussions with the top Soviet leaders about long range trends in world affairs, as indicated in the last paragraph of the Dobrynin memcon.⁵

[Omitted here is material unrelated to China.]

⁵ Carter wrote, "I agree" in the margin next to this paragraph.

252. Memorandum From Nicholas Platt of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, July 9, 1979

SUBJECT

My Peking Stop

Foreign Minister Huang Hua received Dick Holbrooke and me July 6 for talks and dinner lasting a total of five and one-half hours. He passed up a dinner with Imelda Marcos to meet with us. The atmosphere was very cordial. We briefed Huang on the President's visit to Japan and Korea, your talks with the Japanese Defense Minister on security, and Cy Vance's meetings with the ASEAN and ANZUS Foreign Ministers. The telegrams from Peking containing the verbatim records of the talks are attached (at Tab A).² The main points of Huang Hua's reaction to our presentation were as follows:

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Platt Chron File, Box 67, 7/1–12/79. Secret. Sent for information.

² Not found attached. Holbrooke's lengthy account of the talks with Huang is in telegrams 4351, 4353, 4362, and 4363 from Beijing, all July 9. (Carter Library, National Se-

Korea

—Aside from negative Pyongyang press comment, Huang Hua received no reaction from the DPRK Government on the joint US–ROK trilateral initiative.

—As expected, Huang adhered faithfully to the North Korean line. He described the U.S. troop presence as responsible for tension in Korea. The U.S. should withdraw them all, and engage in direct talks with the North Koreans on the Armistice. Reunification is not an appropriate topic for trilateral discussions. Our reassessment exaggerates North Korean troop strength. The Soviets have supplied no additional sophisticated weaponry to the North Koreans for years. China has none to supply. By contrast, the U.S. is adding to the ROK arsenal of sophisticated weaponry and increasing the strength of a dictatorial regime.

Japan

—Huang was pleased that the Japanese are paying more attention to security but concerned that the Japanese could not last more than a few days against Soviet attack with defenses in their current state. He asked how long we thought Japan would last. Huang also wanted to know our attitude of Japanese defense spending and whether we would continue to patrol Japan's sea lines of communication with the Middle East. We said the U.S. would meet its commitment to Japan should it be attacked, and that Japanese defense expenditures were expanding satisfactorily on Japan's initiative without pressure from the U.S. We would continue to patrol Japan's SLOC to the Middle East.

Indochina

—The refugee problem stems from Soviet domination which is now a "semi-colony and a Russian military base". Huang described the leadership in Hanoi as split and Vietnamese society as very tense.

—China has resettled as many refugees as anyone else—over 200,000. Thirty thousand more who want to go to third countries are waiting in camps. New refugees are arriving at a rate of 10,000 a month. Huang did not say whether China was coming to the Geneva conference on refugees.³ (We think they will come. The opportunity to pound

curity Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Meetings: 7/79) In a June 25 memorandum to Brzezinski, Oksenberg strongly criticized the idea of sending Holbrooke to China for this meeting, suggesting that Brzezinski or Woodcock would be much better able to solicit Chinese cooperation regarding refugees from Indochina. (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6–7/79)

³ A meeting on Refugees and Displaced Persons in Southeast Asia was convened by the UN Secretary General at Geneva July 20–21. See *Yearbook of the United Nations, 1979*, pp. 918–919.

on the Vietnamese is too good to miss.) He was very angry at SYG Waldheim for not inviting a Pol Pot representative. “This was wrong politically, legally, morally, and we cannot forgive him.”

ASEAN

—He stressed the threat to Thailand, where seven Vietnamese divisions are poised on the border. If Thailand goes, “the rest of ASEAN will fall like dominoes.”

Cambodia

—The only realistic strategy is resolute struggle. No action should be taken to weaken the resistance. The time is not right either for an international conference or a political settlement. Formation of a united front to carry on the struggle is the most realistic course. “We will bog Vietnam down in the mire.” Pol Pot may be getting weaker, but if he falls others will continue to struggle.

—Huang Hua did not know Sihanouk’s views on the Cambodian situation. Sihanouk is now in Pyongyang. Huang understood that Sihanouk will travel to the U.S. and Europe at the end of the year. The Chinese will help with this.

253. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to Secretary of State Vance and Secretary of Defense Brown¹

Washington, July 11, 1979

SUBJECT

Technology Transfer to China

The President has sent me a note from Camp David² indicating agreement with the view that we owe it to ourselves, as well as to the Soviets, to indicate to the Soviets that we may have no choice but to

¹ Source: Department of State, Executive Secretariat Special Caption Documents, 1979–1989, S/S-IRM/SRD Files: Lot 92 D 630, Not for the System, 1979. Top Secret; Alpha Channel. Brown initialed “HB” at the top of the page. Above Brown’s initials, two stamped notations read, “SecDef has seen” and “11 Jul 1979.” Brown sent this copy of Brzezinski’s memorandum to both Vance and Brzezinski under a July 23 memorandum. (Ibid.)

² See Document 251 and footnote 5 thereto.

counter their moves (Third World Cuban activities, the build-up of an arsenal in South Yemen, reinforcement of Cuban military potential in Central America) by going further in our relations with the Chinese. To give credibility to our hint to Moscow, we ought to consider transferring some ambiguously sensitive technology to China and parallel that with some serious discussions with the Soviets.³ The Protocols of the Vienna meeting are not particularly encouraging, and it would be a grave mistake to let matters rest there.⁴

Perhaps we can discuss this at our lunch.

Zbigniew Brzezinski

³ A July 20 memorandum from William Perry, Under Secretary of Defense for Research and Engineering, to Brown described “five technology exports of interest to the PRC” that had both military and civilian applications: image processing equipment, a telephone switch network, inertial navigation systems, transport aircraft, and small commercial jet aircraft. (Department of State, Executive Secretariat Special Caption Documents, 1979–1989, S/S–IRM/SRD Files: Lot 92 D 630, Not for the System, 1979) In his July 23 memorandum to Vance and Brzezinski, Brown noted that of the five technologies, he favored proceeding “with items 1 (or 2) and 5.” He argued that such sales could be used “(A) As a lever to get intelligence cooperation from the PRC (especially if it is itself intelligence related). (B) As a signal to the Soviets as regards Cuban adventurism, or Soviet activities elsewhere.”

⁴ In a July 23 memorandum to Vance, Tarnoff critiqued Brzezinski’s and Brown’s proposal; it is not clear whether Vance received the memorandum. Tarnoff argued that the proposed sales were not necessary to obtain Chinese intelligence cooperation, and that such cooperation was of dubious usefulness in any case. He also noted that the sales risked alienating the Soviet Union, would undermine U.S. efforts to restrain arms sales by U.S. allies, and might create a backlash among the American people that could reduce support for the strategic arms limitation agreement with the Soviet Union. (Ibid.)

254. Memorandum From Vice President Mondale to President Carter¹

Washington, July 11, 1979

SUBJECT

Visit to People's Republic of China

My visit to the People's Republic of China in late August will be the first political-level visit since normalization. It affords excellent opportunities not only for consultations on bilateral and global issues, but also to demonstrate that normalization of relations is working to the benefit of the U.S. During the visit I would propose to travel to Beijing, the historic capital of Xian, and Canton (map at Tab A),² and from Canton to travel to Hong Kong and Tokyo en route back to the U.S. The tentative dates for the visit are August 24–September 3, 1979.

Subject to your approval, I would propose to shape the substance of the visit as outlined in the following paragraphs. These proposals have been coordinated with Cy, Zbig and Leonard Woodcock, and once approved, would be sent to Leonard for presentation to the Chinese.

Overall Purpose

As your representative, I would seek to demonstrate both symbolically and substantively during my visit that US–PRC relations have advanced dramatically since normalization. Heretofore, visits at the political level—President Nixon in 1972 and President Ford in 1975—were largely confined to Beijing and the Great Hall of the People, and to talks in a very limited circle on world affairs and normalization. In Beijing, Xian and Canton, I would plan to meet not only with Premier Hua and Vice Premier Deng, but also with a large number of vice premiers and ministers, leading regional and provincial officials (as Deng met our governors and mayors), and members of the Chinese public. In Beijing I would propose to make a public address to a Chinese audience, perhaps the student body of Beijing University on the subject of US–PRC relations—with the hope that this address, the first speech of a

¹ Source: Carter Library, Mondale Donated Material, Overseas Assignments, Trip Files, 1977–1980, Box 32, Vice President's Visit to the PRC, 8/25/79–9/3/79: Background Papers [1]. Confidential. At the top of the page, Carter wrote, "Zbig to V.P. ok—there are some more sensitive bilateral issues which we can discuss privately. J."

² Not attached. A copy of the map is in Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 48, Mondale 8/79 China Trip: 7/1–23/79.

U.S. official to a Chinese audience in 30 years, would be broadcast as widely as possible.

The visit to Xian, China's historic capital, would have cultural, political and normalization dimensions. It would permit me to demonstrate the greater ease of travel now enjoyed in China (compared to the tightly controlled 1972 and 1975 itineraries). I would view the various historical and archeological sites, including the excavations in the area of the tomb of China's first emperor. I would have talks with regional political leaders and, if negotiations have progressed satisfactorily, I would sign a hydroelectric agreement.

In Canton, I would continue my consultations with Chinese regional leaders, I would plan an in-port tour of a U.S. seismic ship engaged in off-shore oil work with the PRC. I would host a luncheon with U.S. business executives based in China and, if negotiations have progressed satisfactorily, I would open a U.S. Consulate.

On departure from the PRC I would stop in Hong Kong to meet with the High Commissioner and to tour refugee installations, dramatizing your Administration's continuing priority attention to the refugee issue. From Hong Kong I would travel to Tokyo for brief consultations with the Japanese en route back to Washington, D.C.

Global Consultations

In Beijing I would plan to devote a major portion of my talks to a survey of the world situation. The agenda might include:

- US-Soviet relations*, following your talks with President Brezhnev in Vienna,
- Korea*, enhancement of the prospects for trilateral talks,
- Indochina*, the possibilities of bringing peace to Kampuchea,
- Refugees*, review of international developments following the Geneva Conference and Security Council sessions, and urging of increased Chinese assistance in coping with the Indochinese refugee problem,
- Strategic Cooperation*, Chinese support for our position on Pakistan, the Middle East and the Non-Aligned Movement.

Bilateral Negotiations

At present we are engaged in negotiations with the Chinese on a number of issues which my visit should help to bring to an earlier, successful conclusion. I would propose that we recommend to the Chinese that we move ahead on consulates, civil aviation, hydroelectric power and expanded cultural exchange agreements.

Opening of Consulate: The Consulate Agreement which Secretary Vance and Foreign Minister Huang Hua signed on January 31 called for opening of U.S. consulates in Shanghai and Canton and of PRC con-

ulates in San Francisco and Houston.³ State believes negotiations can be concluded by late August, providing the option of my opening the consulate in Canton—a good example of the increased business and private travel to the PRC and the benefits of normalization.

Civil Aviation Agreement: The Chinese expect to take delivery of three 747–SPs early in 1980, which they plan to use for civil transport to the U.S. Several American airlines also wish to initiate regular flights to the PRC. Hence, both sides attach priority to this issue. We have tabled a U.S.-draft model agreement based on our open-aviation, multi-carrier policy. I believe we should recommend to the Chinese that we move ahead promptly to conclude our agreement, to be signed during my visit.

Hydroelectric Power: The Chinese are seeking to enlarge US–PRC cooperation in the development of their vast hydroelectric power resources. So far, we have agreed to reimbursable training in the U.S. of Chinese hydropower engineers. Frank Press and his staff have been leading an interagency task force on this cooperation and Frank recommends that we use my visit to reach agreement on a long term program of cooperation, which would involve us in a tangible way in China’s modernization program. A major element would be providing reimbursable consulting services by our governmental hydropower experts (e.g., Corps of Engineers, TVA, Bureau of Reclamation). This would set the stage for the participation by U.S. industry in the multi-billion dollar effort of designing and constructing Chinese dams and power stations. Our cooperation would have immediate application to several smaller scale (3,000 Megawatt) projects. We would also seek to position the U.S. for participation in two gigantic (25,000 Megawatt) projects which will proceed over the next 15–20 years. While in Xian, I might visit the site of one of these two projects, on the Yellow River near Xian, and if talks are successful, would plan to sign an agreement on the program of cooperation.

Cultural Exchanges: Several U.S. agencies—NEA, NEH, Smithsonian, Library of Congress and ICA are preparing proposals for an expanded cultural relationship. John Reinhardt has been invited to China to present our proposals. Announcement of expanded cooperation could be made at the conclusion of my talks in Beijing.

With your approval, I believe that Zbig should issue a directive ensuring that required interagency attention be given to the consulate, civil aviation, hydroelectric and cultural exchange agreements, timed to the August visit.⁴

³ See Document 210.

⁴ Carter checked the Approve option and initialed “J.” Brzezinski issued the directive on July 21. (Memorandum from Brzezinski to the Secretary of State, the Secretary of

Harold Brown Visit. Now that we have initiated high-level contact with the Soviet military establishment, Zbig has recommended that we proceed to do so as well with the Chinese, indicating to the Chinese that Harold Brown would be prepared to visit China, and announcing his visit at the conclusion of my talks in Beijing.

This proposal has pros and cons. We now have defense-related talks with the USSR in some nine different fields, none with the Chinese, and with CTB and SALT III lying ahead, the PRC continues to fear US-USSR condominium in the strategic/defense field. A visit by Harold would permit consultations on SALT III and arms control issues bringing our relationship with the PRC into better balance with the US-USSR relationship.

However, Cy and the Department of State fear that whatever the U.S. objective, announcement of a visit by Harold will be misinterpreted by the public, the USSR and other nations as the beginning of US-PRC defense consultations aimed at countering the USSR.

I see merit in a visit by Harold. At the same time, I am concerned that it might put out a confusing international signal, with SALT still before the Senate, if announced during my visit in August. I would appreciate your guidance.

- Proceed with plans to announce Brown visit
- Do not plan to announce Brown visit.⁵

the Treasury, the Secretary of Defense, the Secretary of Interior, the Secretary of Commerce, the Secretary of Health, Education and Welfare, the Secretary of Energy, the President's Adviser on Science and Technology, and the Director of the International Communication Agency; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6-7/79)

⁵ Carter checked this option and wrote, "Explore the visit. Let announcement come from other source. J."

255. Intelligence Assessment Prepared in the Central Intelligence Agency¹

PA 79–10314

Washington, July 1979

Deng Xiaoping and China's Leadership: Making More Room at the Top

Key Judgments

The era of Deng Xiaoping's remarkable personal dominance in the Chinese leadership seems to be drawing to a close.

- He has been under more severe criticism than at any time since his return to power two years ago and is in the unaccustomed position of having others impose limits on his range of activities.

- In addition to overreaching himself on some highly contentious policies, he apparently is being held accountable for pushing some policies that have turned out badly and others on which the verdict is still out.

- He is sharing the limelight with some highly respected officials who are playing a greater role because of their superior ability in specialized fields and with others who have just returned from political limbo and are popular favorites.

Deng is by no means in danger of being toppled or reduced to an honorary elder.

- He has slipped from an extraordinary position that at times was reminiscent of Mao's in terms of personal power, but retains enough influence to outstrip most of his colleagues.

- By forcing a significant turnaround in the propaganda line, which now gives greater play to his anti-ideological brand of decision-making, he has partially recouped the political losses he suffered earlier.

There is now, however, a wider array of forces that could line up against Deng, and together they are strong enough to share power with him.

- His potential opposition does not come merely from Maoist ideologues, people who personally dislike him, or those jealous of his

¹Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 6–7/79. Secret; [*handling restriction not declassified*]. Prepared in the Office of Political Analysis in coordination with the National Intelligence Officer for China and the Office of Scientific Intelligence. Research for the report was completed on July 12.

power, but from a variety of quarters with a constituency that shifts with the issues involved.

- Those with whom he shares power seem more opposed to the excesses of his policies than to the policies themselves and are likely to support modified versions that could prove more durable than Deng's extremist initiatives.

[Omitted here is the body of the paper.]

256. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of State Vance and Secretary of the Treasury Blumenthal¹

Washington, July 19, 1979.

SUBJECT

Trade Agreement/MFN with the Soviet Union and People's Republic of China

I have discussed the issue raised in your memorandum of July 13 with the President.²

It is appropriate now to initiate consultations on MFN for both the Soviet Union and China. Recent exchanges with the Chinese have been encouraging in this respect.

In your consultations, special care should be taken to make sure that the chances for SALT ratification are not prejudiced. Should it appear, as a result of your consultations, that SALT ratification might in fact be jeopardized, we should reconsider. In any event, we should consider the next steps after these consultations.

Zbigniew Brzezinski

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 18, State: 6-7/79. Secret.

² Vance and Blumenthal, in a July 13 memorandum to Carter, argued that a Soviet trade agreement should be considered now that a trade pact with China had been signed. (Ibid.) In March, Vance and Blumenthal had recommended using the waiver authority under the 1974 Trade Act to normalize commercial relations with China and the Soviet Union. At that time, Carter deferred the issue. See footnote 2, Document 232. The agreement on trade relations with China was signed in Beijing by Woodcock and Li Xiang on July 7.

257. Memorandum From the President's Adviser for Science and Technology (Press) to President Carter¹

Washington, July 27, 1979

SUBJECT

Technological Relationships with China

You asked that I report to you periodically on progress in scientific and technological relationships with China.

Progress to Date:

Activities which you approved in October² have developed at a steady pace:

—In offshore oil exploration, the Chinese have accepted my proposal and recently leased seismic survey ships from several major American oil firms. Leasing arrangements provide for full on-site control by US technicians, thereby easing export control problems.³

—In space technology, Bob Frosch recently led a delegation to China for a second round of negotiations on Chinese purchase of a US broadcasting and communications system and a Landsat ground station.

—The Department of Energy has initiated a program for cooperation in high energy physics that includes US assistance in design, testing, and fabrication of China's proposed synchrotron.

—Education and training programs are somewhat behind schedule. The approximately 140 mid-level scientists and engineers now at American universities suffer from English language deficiencies. The Chinese will not reach the initial target of 700 students here by the fall. Our students and scholars in Beijing have adequate access to sites and materials.⁴

—We have concluded agreements in other areas: metrology; measurement and standards; industrial management; data control and retrieval; fishery science; atmospheric science; and health and medicine. The US Geological Survey is discussing with the PRC protocols for cooperation in earth sciences and earthquake research.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 8–9/79. Confidential.

² See Document 144.

³ Carter made a checkmark in the margin next to this and the following two paragraphs.

⁴ Carter wrote a question mark in the margin next to this paragraph.

Plans for Next Six Months:

As you have approved, the Vice President will seek to reach during his visit a long-term agreement for cooperation in developing China's vast hydroelectric power resources. This is an historic undertaking with a symbolic and practical significance many times greater than the Aswan Dam.⁵

Beyond this, in the second half of 1979 we plan to continue the process of establishing formal relationships between USG agencies and their Chinese counterparts under the broad Agreement for US–China S&T Cooperation.⁶ We ask your approval of the following plans, which have been developed by the Policy Review Committee (China S&T):

—An agreement on environmental science cooperation will be pursued during a China visit this fall by Doug Costle. Areas of work would include air and water quality, environmental impact of major projects and activities, solid waste management, environmental health, and toxic substances control.

—The Department of Transportation will develop proposals for joint programs in vessel traffic management, hazardous materials shipment problems, marine safety, air traffic control, urban transportation systems, railroad transport, and other areas.

—The National Science Foundation will seek to develop programs in basic science cooperation. Areas of special interest for programs include R&D management and science policy, astronomy, botany, natural products chemistry, and paleontology.

—The Department of Housing and Urban Development and the General Services Administration will develop proposals for cooperative activities in building design, construction management and technology, and building materials and components.

—The Department of the Interior and the Smithsonian will develop proposals in their respective areas for discussion with the Chinese in early 1980.

All of the individual projects will be carefully reviewed for legal, budgetary, export control, and foreign policy impact in accordance with your previous directive on US–China S&T relations (PD/NSC–43).⁷

In addition, I have agreed with Vice Premier Fang Yi that we schedule the first meeting of the US–China Joint Commission on Scientific and Technological Cooperation for early next year in Beijing. Fang

⁵ Carter made a checkmark in the margin next to this paragraph.

⁶ See Document 210.

⁷ See Document 150.

Yi and I co-chair this mixed Commission, which oversees all activities under the Agreement.

Recommendation

That you approve the above plan. All agencies concur.⁸

⁸ Carter checked the Approve option and wrote, “Frank—ok. Try to obtain maximum quid pro quo. J.”

258. Memorandum From the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke) to Vice President Mondale¹

Washington, undated

SUBJECT

Your Trip to China: Objectives, Strategy, Tactics

It is almost four years since President Ford visited China. That trip, which the Chinese did not desire, left nothing behind to show for it, and since then no American official higher than the Secretary of State has been to China. In the two years (1976–77) that followed Ford’s trip, the US-Chinese relationship marked time. Then came 1978, the Year of Normalization. 1979 is a year of transition, during which we are winding up our official relations with Taiwan, and completing the normalization of economic relations with China.

Your trip should signal both the completion of that process and the symbolic and substantive entry into the 1980’s of our China relationship—a long-term strategic relationship aimed at encouraging economic and political development in China along with the expansion and broadening of China’s ties with the U.S. and the world.

This goal can best be understood by looking back over the last 30 years. China’s development falls into three clear-cut phases since 1949: the 1950’s were China’s Stalinist and anti-American decade; in the 1960’s China became truly Maoist, turning inward and hostile to both the United States and the Soviet Union. In the 1970’s, the Chinese lead-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 37, Vice President, Far East, 8/24/79–9/3/79: Cables and Memos, 6/22/79–8/24/79. Secret; Sensitive; Nodis.

ership reached out to the United States as well as Western Europe and Japan for tactical advantage and some degree of protection against the Soviet Union, which had created a panic in Peking by the invasion of Czechoslovakia and the border fighting with China in 1968–69.

Our basic, long-term objective now should be to convert that inherently fragile, tactical relationship into a stable, long-term strategic one. We should structure our policies so as to enhance the chances that China's new (and post-Deng) leadership will choose in the 1980's to cooperate and participate in the world system—something they did not do in any of the three phases from 1949–78. Any other course by China—either a return to an anti-American line or a reversion to an isolationist role—would have obvious adverse consequences for the U.S. and the world.

The development of such a relationship with China will be neither rapid nor easy. Your trip marks the beginning of this effort.

But as we proceed, we should be prepared for important areas of difference with China, such as Korea or perhaps Indochina, to remain or emerge. And, while China is our new friend, our strategic interests will not always be the same. We should, therefore, develop this new relationship in a way that is not misunderstood elsewhere as part of a new "Grand Coalition" embracing Washington, Tokyo, Peking and perhaps the European Community, and designed to isolate the Soviet Union. While Moscow must never be permitted to dictate our China policy, the potentially destabilizing effect of certain types of US–China arrangements should be taken into account as we proceed.

You will convey our readiness to move to the next stage in the relationship by the way you handle the issues on which we seek cooperation and by the way you explain our view of the strategic relationship. While making the Soviet Union an important element in our view of the relationship, we should avoid playing "polar bear" in our presentations.² The Chinese do not respect such an approach, and it is essential to make clear that we have sought the new relationship with China for its own inherent value, apart from the concern we both have with the Soviet threat.

The Chinese will probably respond in ways suggesting that they are prepared to consider expanding the strategic dimensions of the relationship,³ while continuing to express skepticism over our staying power. An interesting indicator will be the degree to which they share with you sensitive information about Huang Hua's secret trip to Bangkok last week—a trip in which I suspect that Huang conveyed

² Someone underlined "avoid playing 'polar bear' in our presentations."

³ Someone underlined "they are prepared to consider expanding the."

Chinese decisions of great importance directly to Pol Pot. Another indicator will be their response to some of the more sensitive bilateral matters which you will raise.

Dividing your objectives, then, into the general and specific, I would list:

I. General Objectives

1) *To demonstrate to the American people that our new relationship with China is relevant to their concerns, and in our national interests—strategically, politically, economically—in terms of energy, trade and security. Also, to show that normalization worked—an Administration success.*⁴

2) *To encourage the Chinese to a greater degree of cooperation with us on a wide range of issues that lie beyond bilateral relations—such as Southeast Asia, Pakistan, Korea, energy, food, perhaps even arms control. The Chinese have shown recent signs of receptivity; now is the time to try for a high-level understanding that we should move beyond tactics.*⁵

3) *To demonstrate to the Chinese leadership that we are confident of our global strategy and military strength, and our ability to handle both the Soviet challenge and the world-wide economic and energy challenge. The Soviets are going to face serious economic problems in the 1980's which are bound to have political implications and you should be prepared to discuss this.*

4) *To present in private talks to Deng and Hua a persuasive explanation of recent events on the U.S. domestic political scene. I hope that at a minimum you can make clear to the Chinese that whatever happens as our elections approach, we will continue to act in a strong, decisive, and self-confident manner in the international arena. You will also need to explain the departures of various people, especially Jim Schlesinger and Andy Young.*

5) *To broaden our access and relationships with the Chinese leadership so as, if possible, to reduce our over-identification with Deng and his group without, of course, alienating them. Specifically, to develop a greater degree of involvement by Hua in the American Connection as a stage-setter for his proposed trip to the United States.*

II. Specific Objectives

1) *To engage the PRC leadership in a serious discussion of Indochinese issues: to test their receptiveness to movement towards a political solution in Cambodia; to find out what Huang Hua did in Thailand; to*

⁴ Someone drew an arrow emphasizing the final two lines of this paragraph.

⁵ Someone made a mark in the right margin emphasizing this paragraph.

press them for more help on refugees; to stress the importance we attach to ASEAN.

2) *To offer specific areas of greater bilateral cooperation and movement: Ex-Im credit arrangements; OPIC legislation this fall; “friendly nation” status; hydro power; the Canton consulate (I haven’t given up yet!); submission of the trade bill this fall; a big push on civil aviation; specifics on the continued phasedown in Taiwan; cultural exchange.*

3) *To discuss the possibility of further areas of cooperation in the sensitive strategic field: a possible trip by Harold Brown; [1½ lines not declassified] decisions on sensitive export control items not yet processed through the system; any private assurances that you may be able to give on the explosive question of arms sales to Taiwan after January 1, 1980; etc.*

4) *To lay the groundwork for greater US–PRC cooperation in South and Central Asia, especially Pakistan and Afghanistan.*⁶

5) *To lay the groundwork for a successful trip to the U.S. by Hua Guo Feng “early in 1980”.*

6) *To explain our Middle East policy, in light of Andy Young’s departure, PRC support for the PLO, and our standing offer to the Israelis to present the case for PRC-Israeli ties whenever appropriate in Peking. (The Chinese won’t bite, but it is still worth raising for other reasons.)*

7) *To mention American concerns over atmospheric testing of nuclear weapons [less than 1 line not declassified] caution is necessary here in light of the President’s discussion with Deng on the possibility of U.S. advice on underground testing.*⁷

8) *To draw the Chinese out on their forthcoming talks with the Soviet Union.*

Pitfalls

I do not believe you need be concerned that the Chinese will do anything deliberately to embarrass you. *It is in their interest that this trip be perceived as a success.* But herein lies a pitfall. “Success” often means to them pinging the Russians and the Vietnamese. They may, therefore, do what they did during Deng’s trip here: imply a greater degree of plotting against the USSR and Vietnam than in fact took place. If they are going to do this, they would probably include language to that effect in their dinner toasts. We will be ready to give you some supplementary language for your toasts if it becomes necessary to balance what they say.

⁶ Between the third and fourth objectives, someone wrote, “Ready to work together.”

⁷ See Documents 208 and 211.

The perennial pitfall into which most American visitors to China fall is to allow themselves to be manipulated. Chinese skills at what has come to be known over the centuries as “barbarian handling” are impressive. The techniques are not particularly subtle but are effective nonetheless. They include superb hospitality with special touches. Every Chinese you encounter, including the waiters, will feed back information about your likes and dislikes and appropriate action will be ordered to see that your room is supplied with your favorite fruit (or, in Joe Califano’s case, that there were no cigarettes).

This softens up the barbarian for the criticism sessions. We do not know the extent to which China’s concern about our staying power and resolve are real. But without question a good part of what you will hear is tactical. Barbarians can be goaded into behaving as China wants if China expresses disapproval; barbarians need approval. Such disapproval is verbal only in part. Even more effective is the gently implied threat to withdraw favorable treatment or to withhold some expected reward (e.g. the uncertainty during Nixon’s first visit over whether and when he would see Mao).

While the Chinese are confident of their cultural superiority over foreigners, they are traditionally fearful that foreigners will try to exploit China. The Chinese believe that the Russians followed this pattern in the 1950’s. [*7½ lines not declassified*]

Given Huang Hua’s secret trip to Bangkok, it is quite possible that the Chinese will seek to enlist you and the U.S. in support of some new anti-Vietnamese front group that is being created to replace Pol Pot. Any Chinese proposal here must be treated very cautiously.

Structure of Meetings and Tactics

We should structure your meetings so as to advance the above objectives, and, throughout, to demonstrate our readiness for greater cooperation on global and regional problems. One way to do this would be to allocate the issues on our checklist (attached)⁸ among three different types of meetings: plenary sessions attended by the official party; informal one-on-one talks you will have at the airport, in the car and at dinner; and “private” but structured restricted sessions, involving you and selected members of your party.

Based on the latest schedule, here is how I suggest approaching the key meetings, matching subject to structure:

1) *Saturday night*—Huang Hua dinner (about two hours)⁹—This need not be very substantive, although the tone should be one of high

⁸ The “Checklist of Major Issues” is attached but not printed.

⁹ All times are rough estimates based on my previous trips. [Footnote in the original.]

seriousness. Your main purpose should be to outline to Huang how you propose to approach the talks, and perhaps to arrange that the last hour or so of the Monday morning session with Deng be restricted. It will be interesting to see if Huang tells you about his secret trip to Bangkok. Huang speaks good English, but will use an interpreter for any serious exchanges.

2) *Sunday night*—Deng Xiao Ping Dinner (about two hours)—This is a key first meeting. Deng appreciates openness, frankness and directness. You should first tell him that you are more interested in discussing what we can do about common problems than engaging in ritualistic “exchanges of view”. Explain that this is why you asked Huang Hua to arrange a restricted session. In both personal and national terms, you should project confidence, bearing in mind the extremely cynical view Deng holds of our national will.

He is especially suspicious of liberals who opposed the Vietnam war; he automatically views such people as soft on the Russians. The best approach requires demonstrating a strategic view of the Soviet Union as a serious but manageable threat, weaving together elements ranging from our superior weaponry and strong relations with our allies to our fundamental political and economic strengths and the will of our people. This would be an appropriate time to begin to draw him out on Chinese domestic developments and discuss events in the U.S.

3) *Monday Morning Plenary* (up to two hours)—Deng will probably invite you to speak first. I suggest you go through a brief (30 minutes including translation) overview of how we see *world developments* since Deng’s January conversations with the President. Discuss also in strategic terms our interest in broadening and deepening the US–China relationship now that we have virtually completed the process of normalization of both political and economic relations. Leave the bulk of the discussion on Indochina, Pakistan and Korea for the restricted session. Deng will respond; there should be a lively give-and-take.

4) *Monday Morning Restricted Session* (one hour or more)—The main topic should be Indochina, but this should be introduced as one of several issues about which we share common interests and on which we should therefore be able to work together for mutual benefit. Other issues you may wish to discuss in this session, either because of their sensitivity or because we want to underline their importance by reserving them for restricted discussion include: a) Pakistan; b) Korea; [1½ lines not declassified]; e) Decisions on sensitive export control items not yet processed through the system; f) Any private assurances you may be in a position to give on arms sales to Taiwan in 1980 and beyond.

5) *Tuesday Morning* (as much time as needed, two hours or more)—We should assume this will be a plenary unless Deng reciprocates, as I

believe he will, by asking that part of the meeting be restricted. You should go through the items on the bilateral checklist (attached), presenting them in terms of completing the task of normalizing our economic relations. This is the time to hit hard on the civil aviation issue. If there is a restricted session following, Deng should take the lead.

6) *Tuesday Afternoon*—Hua Guo Feng (more than two hours, per our suggestion)—Deng will not attend; Huang Hua probably will. We should ask that this session be restricted after about the first fifteen minutes; otherwise it will appear as a courtesy call after your “substantive” sessions with Deng. In addition to delivering the President’s letter, you should be ready to run through the issues discussed with Deng, emphasizing that we are ready to move toward a broader and deeper relationship. It will be interesting to see if Hua acts as a real leader or primarily as a figurehead. You should also ask him about his objective for his forthcoming trip to France, the U.K., and Germany.

Informal Talks—There is a good deal of time in your schedule for one-on-one discussions with Deng driving in from and at the airport, in cars or at dinners. As I calculate it, you will have up to four hours available for such conversations with Deng. These are good occasions to cover sensitive items that did not come up in the restricted session or which require further discussion. Discussion of U.S. domestic events can come up here. You may want to handle the possibility of Secretary Brown’s trip in this way. [1 line not declassified] export controls are also appropriate subjects for these informal talks. You may want to have a short “private” informal talk with Hua at the end of the meeting, if it appears desirable for reasons of balance with your informal time with Deng. If during the meals you wish to move into areas of less immediate importance, Deng enjoys talking about the Long March and other events from the 1930’s. He has had less to say about his difficulties in the 1960’s and 1970’s, but it would be interesting to ask him more about that period, which saw him purged twice.

259. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, August 1, 1979

SUBJECT

Sino-U.S. Relations: An Appraisal

We are witnessing a slight chilling in Sino-U.S. relations, both intelligence reports and the Chinese Press reveal. The Chinese Press has openly criticized the Carter Administration in terms that it did not use since your visit to China in May, 1978. Covert sources reveal that the Chinese believe that we are simply using our relationship with China to improve our relations with the Soviet Union.

Here are the factors, in my opinion, which are producing the Chinese assessment:

—The U.S. is openly admitting its strategic vulnerability to the Soviet Union in the early 1980s, with the imbalance not to be redressed at the earliest until the mid or late 1980s. China, as an essentially weak country, has sought to attain its security through a balance-of-power strategy which draws on American strength as a counterweight to China's principal adversary, the Soviet Union. But if the U.S. admits and is prepared to tolerate inadequacies against the Soviets, a balance-of-power strategy may not be available to the Chinese in the early 1980s, in which case its national security can only be attained by reducing the level of its tension with its adversary.

—The weakness of the dollar, the inability of the U.S. to address its energy problems with dispatch, and continued signs that our governmental processes do not function effectively also raise questions about American reliability.

—In our bilateral dealings with the Chinese, we have not meticulously met our commitments to them on severance of our relations with Taiwan, on rapid and effective settlement of the claims/assets agreement which was very much to our advantage, on extension of MFN following the signing of the Trade Agreement, and on expeditious licensing of dual-purpose technology items to the PRC. In all of these areas, the Chinese smell our holding of our relations with them as a hostage to our relations with Moscow. In addition, our handling of the

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 8-9/79. Confidential. Sent for information. At the top of the page, Brzezinski wrote, "I agree—it's because you were vacationing! ZB."

textile issue, which rests on defensible domestic political grounds, nonetheless calls into question our words that a “strong and secure China is in our interest.”

This is not to say that they have behaved meticulously toward us in all areas. They are more obstinate than they need be in the aviation and maritime areas. But in other areas, particularly refugees and their behavior at Geneva, they have behaved in a generally helpful manner, though we would want even more.

It is foolhardy for us to allow a deterioration in the Sino-American relationship, particularly on the eve of PRC-Soviet talks. Several Chinese leaders, particularly Deng Xiaoping, exposed themselves in pursuit of the Sino-American opening. For other reasons, such as their Vietnam Conflict, these people have come under some attack. But we are handing their opponents an additional weapon to club them by not being meticulous in our management of the Sino-American relationship.

The implication of this is obviously to move ahead in the economic relationship and to make it abundantly clear that our relationship with China proceeds independently of our relations with Moscow and that we do not seek to make use of China to advance our interest vis-a-vis Moscow.

260. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, August 6, 1979

SUBJECT

Technological Relationships with China

As you requested, Frank Press has provided you with an update on progress in scientific and technological relations with China (Tab A).² In summary, we have made much progress in science and technology since Frank's visit a year ago. We have leased the Chinese ships for offshore oil exploration, we are negotiating to sell them a communi-

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 21, PD/NSC 43. Confidential. Sent for action. A handwritten “C” at the top of the page indicates that Carter saw the memorandum.

² Tab A, Press's July 27 memorandum, is printed as Document 257.

cations satellite, and we are cooperating in many other areas including exchanges of students and scholars, industrial management, and health.

In addition to the Vice President's signing of an agreement on cooperation in hydroelectric power as you have already approved, the plan for further steps over the next six months will include cooperation in the environment, transport, basic science, and the technical aspects of housing. You may want to scan Frank Press' memorandum at Tab A.

Recommendation

That you approve the plan described in Frank Press' memorandum (Tab A). All agencies concur.³

³ Carter checked the Approve option and initialed "J."

261. Telegram From the Embassy in China to the Department of State¹

Beijing, August 10, 1979, 0851Z

5360. Subj: The Post Deng Era.

1. C—entire text.

2. Summary. China is now set on a course that appears to Western observers to be the most sensible it has followed since 1949. Despite the new Chinese respect for law and order and their ardent pursuit of science and technology, observers cannot help but recall that modern Chinese history has been wracked by sudden drastic reversals. Chairman Mao reveled in these manic political swings and his absence may now be the biggest single element contributing to political and social stability. There are several areas in which the PRC will face hard tests in coming years that will coincide with the passage of the current old guard who have run China for thirty years. These include leadership continuity and the orderly transfer of power, control over the arbitrary excesses of political authorities, maintenance of sustained economic development, the distribution of the fruits of development to the Chinese

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790362–0932. Confidential; Priority. Repeated to Bangkok, Moscow, New Delhi, Seoul, Tokyo, Hong Kong, and CINCPAC for POLAD.

masses in a way that will assure them they are indeed seeing progress and the management of severe political strains created by new policies. Economic and social trends have begun to develop in China which could place China on heretofore uncharted courses. Generational change, foreign educated students and an educated elite leading a less politicized bureaucracy would undoubtedly change the nature of Chinese political life. A less visionary and revolutionary political system might be more concerned with meeting the needs of the Chinese populace and more able to cope with the outside world on a basis of confidence in equality. End summary.

3. Three years of refutation of latter day Maoist excesses and establishment of new practical policies have set China on a course that appears to Western observers to be the most sensible it has followed since 1949. A stable collegial political leadership is committed to pragmatic economic policies, codification of laws, orderly bureaucratic procedures, and normal intercourse with the international community. Chinese economic, political and cultural leaders with whom the Embassy has contact appear to be more relaxed than they have been [omission in the original] not wracked with factional struggle and whose policy making is not dominated by revolutionary romanticism. While attempting to assess the political temperature of the Chinese populace is a tentative and tricky process, we would judge that the people at large are genuinely satisfied with recent major policy decisions and are grateful to be delivered from the excesses and stresses of the previous decade.

4. In looking at the new pragmatism preached by Deng Xiaoping and his colleagues, the renewed PRC emphasis on respect for law and order and their ardent pursuit of science and technology, observers cannot help but recall that modern Chinese history has been marked by sudden drastic policy reversals. Waves of reform have been followed by troughs of reactionary narrow-mindedness; passionate interest in the outside world has been followed by violent xenophobia. Chairman Mao himself reveled in these manic political swings and his absence from the scene now may be the biggest single element contributing to present political and social stability. Meaningful and sustained reform has escaped China's grasp. This was strikingly evident in a recent *People's Daily* commentary, which wistfully pointed to the Meiji Restoration in nineteenth-century Japan as a possible model for China.

5. There are several areas in which the PRC will face hard tests in coming years. These include leadership continuity and the orderly transfer of power, control over the arbitrary excesses of political authorities, maintenance of sustained economic development and the distribution of the fruits of development to the Chinese masses in a way that will assure them that they are indeed seeing progress. If the leader-

ship cannot handle these challenges successfully, the possibility exists that China could turn in dangerous directions.

6. Succession. The leadership struggle which followed the deaths of Chou Enlai and Mao Zedong almost tore China apart. This experience may have offered a sobering experience to the PRC's aging revolutionaries. Implicit in much of the political activity of the last two years has been an effort to dampen explosive competitive tensions. Deng Xiaoping now appears to have started preparations for his departure from active political life by placing his supporters in key positions.

7. Despite these efforts and despite the basic agreement on important policies, there is no one apparent in the leadership who could provide the drive and purpose that Deng has given the PRC in the last three years. Over the short term we would expect a fairly bumpy and troubled transition as Deng's colleagues and older senior cadre purged during the Cultural Revolution remove the more leftist survivors on the Politburo. This process should probably be advanced during the Twelfth Party Congress which might be convened as early as 1980.

8. We do not see a catastrophic succession struggle as likely, but do forecast problems in maintaining leadership continuity and effectively exercising political power in a transitional period, the beginnings of which are already underway. The immediate post-Deng Xiaoping leadership will find it difficult to replace the strong direction that he has provided since his rehabilitation in 1977. He not only has the impatient will needed to force action upon a giant inert and often hostile bureaucracy, but has also an unequalled chain of reliable followers throughout the Army, Party and government who can make things happen. With Deng gone or forced by age into a less active role, we would predict the emergence of a group of technical leaders on the Soviet model with economists, military officers, foreign affairs experts, Party bureaucrats and agricultural experts representing their constituents within the leadership councils. The diffusion of authority under such an arrangement may lead to more ponderous and cautious decision making. The policy process could be similar to that which has recently occurred in the area of economic retrenchment where major new turns were taken without assigning political blame or tearing down those who had advocated policies later judged to be mistaken.

9. Arbitrary exercise of political power. The peasant who has seen his watermelon patch destroyed by a local official because he has not conformed to some obscure regulation, the urban worker who has his bicycle confiscated without notice for illegal parking and the professor denied travel overseas because of judgments that he is not politically reliable will all agree that some system of rules and procedures must be developed to prevent traditionally arbitrary excesses of official power. While the *People's Daily* for three years has condemned the misuse of

authority by the Gang of Four and its followers and the lawlessness of the Cultural Revolution, ordinary citizens continue to face unchecked official abuse on a daily basis.

10. Chinese leaders recognize that real changes are necessary, including the establishment of a working judicial system and the implementation of civil law. A new code of civil law has just been adopted and determined efforts are underway to establish a judicial system. Chinese newspapers have run numerous articles stressing the need for equality before the law and the need for strict observation of the code by public security officials.

11. However, there is no guarantee that carefully drafted laws will work in a society where there is no tradition of an adversary judicial process or respect for political freedom. Without some semblance of orderly governmental procedures, widespread abuses, factionalism and occasional political turbulence are likely to continue. Without reform in this area, the leadership will be faced with an increasingly cynical populace, even more difficult to motivate, and perhaps harder to keep in line.

12. Sustained economic development. This last potential pitfall could be the most serious. China's leaders and economic planners must be able to show progress in delivering on their promises. Until recently economic goals were patently unrealistic and were understood to be illusory by a high percentage of China's educated elite. Now, instead of reciting the wonders of China in the next century, officials readily admit the existence of serious economic problems and severe difficulties ahead. Some even define modernization as basic urban and industrial development. The new realism, however, has excited expectations that concrete results will be obtained in a near-term time frame. In addition, material incentives and an improved standard of living have become newly respectable. In China's major cities exposure to foreign travelers and descriptions of Japanese and European life styles through an increasingly open media have begun to stimulate a desire for long withheld creature comforts.

13. A populace initially prepared to support a government that took credit for delivering them from chaos and famine has now begun to want something more out of life, especially with the emergence of a post-liberation generation of young people. Failure to sustain the kind of economic progress which could begin to satisfy these hopes could have serious political consequences for a post-Deng Xiaoping leadership.

14. We have already seen a small-scale outpouring of frustration over economic hardship when thousands of unemployed and undernourished peasants came to Beijing in the winter of 1978/1979 to register their complaints and similar numbers of jobless young people ri-

oted in Shanghai. Security authorities demonstrated that they could handle low level demonstrations, but this type of frustration is a potentially powerful political force that could be manipulated to discredit rational economic planning and the whole range of current reforms. Resistance to present policies will build inevitably as legions of cadre trained and promoted in Mao's later years are called upon to run programs which they are not equipped to manage and which are fundamentally discordant with their political upbringing. If the new policies do not bring dramatic results, it will be hard to justify the compromises vis-à-vis Sinocentric and Maoist purity. A more xenophobic Chinese leadership might emphasize the need for "Chinese" solutions and new political campaigns which would turn the country back to past cycles.

15. New forces. Economic and social trends have begun to develop in China which could place the PRC on heretofore uncharted courses. New generations of engineers, economists, scientists, agricultural experts chosen and trained on the basis of academic merit will begin to rise to significant decision making positions in the next decade. Thousands of such students will be returning from overseas. If they survive politically, returned students could have a strong leavening influence in a society long deprived of external intellectual stimulus. New economic forces are bound to be unleashed as planners experiment with foreign investment in China, free but still limited markets, smaller collectives, and even small scale privately organized service shops.

16. The real test for the next generation of leaders, coincident with their assumption of authority from the present septuagenarian old guard, will be to manage these new forces so as to contain inevitable social and political pressures and escape the massive policy reversals of the Maoist era.

17. An educated elite leading a less politicized bureaucracy would undoubtedly change the nature of Chinese political life. Leaders more attuned to the outside world, more confident of their own competence and more innovative in their thinking might be able to bring China to terms with itself. A less visionary and revolutionary political system might be more concerned with meeting the needs of the Chinese populace and more able to cope with the outside world on a basis of confidence in equality.²

Woodcock

² Telegram 214362 to Beijing, August 16, responded, "Department commends Embassy on thoughtful analysis provided refel. We would like to share your assessment with the Japanese if you have no objection." (National Archives, RG 59, Central Foreign Policy File, D79034-0054)

262. Letter From President Carter to Chinese Premier Hua¹

Washington, August 17, 1979

Dear Mr. Premier:

Vice President Mondale's visit provides us with a welcome and valuable opportunity to assess the current state of relations between the United States and China, and to discuss how we can best build on the progress we have already made together.

Any nation which seeks to weaken or isolate you in world affairs assumes a stance counter to American interests. That is why the United States normalized relations with your country, and that is why we must work together to broaden and strengthen our new friendship.

The visit of Vice Premier Deng to the United States in January and the numerous high-level missions we have exchanged in recent months have done much to advance our bilateral cooperation in such important fields as culture, trade, science and technology. But much remains to be done, and I hope the visit of Vice President Mondale will advance our cooperation to a new stage.

The Vice President is my most trusted associate and shares my fullest confidence. I have asked him to explore with you and your colleagues new areas where we might expand our cooperation, and I have asked him to review major global developments with you including those in Indochina, in Asia and the Pacific, in Europe and the USSR, and to invite your assessment of them. I hope that you will speak to the Vice President as you would to me, and I look forward with keen interest to his report of your conversations.

Earlier this year, during my conversations with Vice Premier Deng Xiaoping, I was most pleased that he accepted, on your behalf, my invitation for you to pay a State visit to the United States at a mutually convenient time. I welcome this opportunity personally to reiterate my invitation to you. I would hope that you will be able to visit the United States early in 1980, and I, in turn, would hope to visit the People's Republic of China later that year.

¹ Source: Carter Library, Mondale Donated Material, Overseas Assignments, Trip Files, 1977–1980, Box 31, Vice President's Visit to the PRC, 8/25/79–9/3/79 (Beijing, PRC, 8/25–29/79), President Carter Letter to Premier Hua. No classification marking. Sent to Mondale's Assistant for National Security Affairs, Denis Clift, under an August 20 covering memorandum from Oksenberg, which stated, "Attached is the only copy of the President's letter to Hua Guofeng which the Vice President should deliver to the Premier on Tuesday, August 28." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 48, Mondale 8/79 China Trip: 8/20/79)

I look forward to welcoming you to the United States, Mr. Premier.
Sincerely,

Jimmy Carter

263. Memorandum From the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, August 24, 1979

MEMORANDUM FOR

The Vice President
The Secretary of State
The Secretary of Defense
The Secretary of the Interior
The Secretary of Agriculture
The Secretary of Commerce
The Secretary of Health, Education, & Welfare
The Secretary of Housing & Urban Development
The Secretary of Transportation
The Secretary of Energy
The Director, Office of Management & Budget
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence
The Administrator, National Aeronautics and Space Administration
The Administrator, Environmental Protection Agency
The Director, Office of Science & Technology Policy
The Director, International Communication Agency
The Director, National Science Foundation
The Administrator, General Services Administration
The Secretary of The Smithsonian Institution

SUBJECT

US–China Scientific and Technological Relationships

The President has approved the following program, as developed by the Policy Review Committee (China S&T), for continuing the process of S&T cooperation with China:

Environment. An agreement on environmental science cooperation will be pursued during a visit to China this fall by the EPA Administrator. Areas of work would include air and water quality, environ-

¹Source: Carter Library, NSC Institutional Files (H-Files), Box 21, PD/NSC 43. Confidential.

mental impact of major projects and activities, solid waste management, environmental health, and toxic substances control.

Transportation. DOT will develop proposal for joint programs in vessel traffic management, hazardous materials shipment problems, marine safety, air traffic control, urban transportation systems, railroad transport, and other areas.

Basic Science. NSF will seek to develop programs in basic science cooperation. Areas of special interest for programs include R&D management, science policy, astronomy, botany, natural products chemistry, and paleontology.

Construction. HUD and GSA will develop proposals for cooperative activities in building design, construction management and technology, and building materials and components.

In addition, the Department of the Interior and the Smithsonian Institution will develop proposals in their respective areas for discussion with the Chinese in early 1980.

All S&T cooperation with China will continue to follow the policy guidelines established by PD/NSC-43.² In particular, agencies are reminded that they should seek all reasonable benefits to the US within each program. Agencies are also reminded of the need for early inter-agency review of proposed programs so that export control issues may properly be taken into account.

Zbigniew Brzezinski³

² See Document 150.

³ Aaron signed for Brzezinski above this typed signature.

264. Memorandum of Conversation¹

Beijing, August 27, 1979, 9:30 a.m.–12:10 p.m.

SUBJECT

Summary of the Vice President's Meeting with People's Republic of China Vice Premier Deng Xiaoping

PARTICIPANTS

Vice President Walter Mondale
 Leonard Woodcock, U.S. Ambassador to the People's Republic of China
 David Aaron, Deputy Assistant to the President for National Security Affairs
 Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
 Denis Clift, Assistant to the Vice President for National Security Affairs
 Richard Moe, Chief of Staff to the Vice President
 Michel Oksenberg, Staff Member, NSC

Vice Premier Deng Xiaoping
 Huang Hua, Minister of Foreign Affairs
 Zhang Wenchin, Vice Minister of Foreign Affairs
 Chai Zemin, People's Republic of China Ambassador to the United States
 Han Xu, Director of North American and Oceanian Affairs
 Wei Yongqing, Director of Protocol
 Chi Ch'ao-chu, Deputy Director of North American and Oceanian Affairs
 Chen Hui, Interpreter

Vice Premier Deng: Mr. Vice President, I would like to reiterate a warm welcome on your visit in China. I think that for the leaders of China and the United States to meet regularly to exchange views and to have talks will be significant for the development of our bilateral relations and for world development.

Vice President Mondale: Thank you very much, Mr. Vice Premier. We were thrilled by last evening's banquet.² I thought your toast brilliantly defined the significance of relations between your great nation and mine, and we look very much forward to these talks that will broaden relations between your peoples and mine.

Vice Premier Deng (referring to press): We will start our work when they are finished.

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 53, Chron: 8/2/79. Secret. The meeting took place in the Great Hall of the People.

² In telegram 933 from Beijing to the White House Situation Room, Mondale informed Carter, "Thus far, our Chinese hosts are treating the visit in a cordial and constructive manner. Deng's toast about the U.S.–PRC relationship was quite positive Sunday evening." (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 48, Mondale 8/79 China Trip: 8/21–31/79)

Vice President Mondale: I have some secret things I would like to tell you in their presence. They will never tell a soul.

Vice Premier Deng: You cannot depend on that. (Laughter)

Vice President Mondale: We have the nicest press in the world. I will tell you the truth later. (Laughter)

Vice Premier Deng: You do not smoke nor do you drink very much.

Vice President Mondale: I have absolutely no vice. I will also tell you the truth later on that. (Laughter)

(Press leaves the room.)

Vice Premier Deng: I wish you a long life. The Russians have a joke that a man whose son was already 100 years old was asked what secrets he had for longevity. He disclosed that his secret formula was that he smoked and he drank.

Vice President Mondale: You probably heard the Mark Twain famous motto: Be good and you will always be lonesome.

Vice Premier Deng: Shall we proceed as we have agreed? That is, for you to start off.

Vice President Mondale: Thank you very much. Mr. Vice Premier, once again may I say how much I appreciate this opportunity to hold talks with you. My country and the President view these talks as very important. The President asked me to convey his best wishes to you and your people. My visit underscores again the very highest priority we attach to our relations with you, both in the bilateral and strategic realm.

I propose that we discuss bilateral issues first, where I have a number of important proposals. I suggest we follow this tomorrow with a discussion of a broad range of global issues where it is important we compare notes. It is our opinion that now that we have taken the historic step of normalizing our diplomatic relations, this meeting differs from those in the past. We now must broaden and deepen our relations so that we have normal relations in the full sense of the word. That involves economics, culture, science and technology, and other matters. It is important that we make progress in these meetings and that we be seen by the entire world as having made progress. The entire world must see our relationship as one which is strong, enduring, permanent, not subject to intimidation.

I would hope to the extent that we can reach agreement today on some of these matters to be able to include them in my remarks at Beijing University to underscore that fact to the world.

Trade Agreement

I would like to go into a series of specific matters. On July 7 we signed the historic Trade Agreement which includes the crucial ele-

ment of our extending most favored nation status to the People's Republic of China. We understood the seriousness of that agreement, including the importance of MFN to a proper and growing healthy economic relationship between the two people. At that time we indicated that following the signing we hoped soon to submit the Trade Agreement to the Congress for its approval. Subsequently, we indicated to your officials in Washington that we had made an arrangement with the Majority Leader Bob Byrd to send that Agreement up this year but that we had to pick a time that was acceptable to the Majority Leader. Following that briefing of your representatives in Washington, we received word through diplomatic channels that there were some concerns about the delay and Senator Jackson made a statement to the same effect.³ I wish to explain exactly what happened.

I am the President of the U.S. Senate. I have served in that body for twelve years. It is an independent legislative body. The scheduling of business there is under the strict control of the Majority Leader. How we proceed to move matters through the Congressional branch is determined in terms of a schedule set by the Majority Leader.

At the time we signed the Agreement we anticipated that he would agree to an early submission of the Trade Agreement. When we found out he was concerned about scheduling, Zbigniew Brzezinski and I personally went to Bob Byrd and said we had made a commitment to the Chinese to present MFN quickly. I told him that I had to be prepared to reaffirm that commitment when I visited Beijing. We secured a commitment from Senator Byrd that he would accept the Trade Agreement before the end of the year at a time to be determined. He has further informed me that he will personally support and help lead the fight for the Trade Agreement.⁴

If we had disregarded the advice of the Majority Leader and sought to go around him, we would have wasted our time.

Bob Byrd has been a champion of normalization and for terminating our relationship with Taiwan. We need his support through a whole range of matters.

³ Shortly before Mondale's arrival in China, Chinese leaders told Jackson, who was visiting China, that they were extremely frustrated with the delay in improved trade relations. See Jay Mathews, "Jackson Says Peking Dissatisfied About Trade Status," *The Washington Post*, August 25, 1979, p. A17.

⁴ Brzezinski's memorandum, to Carter, August 27, reported that Mondale had asked Brzezinski to "obtain from Byrd, on an urgent basis, a specific date for the China MFN submission to the Senate. The Vice President indicated that the Chinese reaction to our apparent postponement was extremely negative, and that the Chinese felt that we had reneged on a commitment. After checking with Christopher, I contacted Senator Byrd, and he indicated that he is agreeable to the submission of China MFN to the Senate 'by no later than November 1.' I have so informed the Vice President." (Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 8-9/79)

I think it is important that one other matter be understood. It has been suggested that MFN was linked to other matters, perhaps the Soviet Union. I want you to know, and I tell you on behalf of the President, in no way has submission of the Trade Agreement been linked to the Soviet Union.⁵ We do not even know if we will grant MFN to the Soviet Union, but we will do yours anyway. We will do it this year. We have had to adhere to a schedule set by the Majority Leader of the Senate, since we need the support of the leadership of the Senate to get the Agreement through.

Two final points: Number one, fortunately, the law provides that when we send the Trade Agreement up, the Senate and House must act within sixty legislative days. This means there can be no filibuster or delays in any way. Once it is up there it must be acted upon. I am confident MFN can be granted and I make that commitment to you.

Second, I regret that Senator Jackson was unaware of my conversation with Senator Byrd. Senator Jackson was out of the country when the conversation took place and he was unaware of it. We should have advised him of it.

Credits

Vice President Mondale: We are prepared to offer a credit arrangement with the People's Republic to cover lending up to \$2 billion by the Ex-Im Bank, our federal lending service, over a period of two to five years on a case-by-case basis. When that credit arrangement is used up we would be prepared to consider adding additional funds to that amount. This commitment is unprecedented for us, and Ex-Im would propose to incorporate into an agreement with you the refinancing of its claims for approximately \$37 million. We are prepared to leave a paper with you describing the Ex-Im offer. (NOTE: This paper was never given to the Chinese.)

Vice Premier Deng: (turns to colleagues, in Chinese, untranslated). What is that \$37 million?

Foreign Minister, Director Han: (in response, in Chinese, untranslated). That refers to the loans to the Kuomintang with interest. They say . . .

⁵ Brzezinski recalled in his memoirs: "At a Presidential breakfast on July 27, the President decided that we would move on MFN for China once SALT had advanced in the Senate. In effect, for the first time, the explicit decision to decouple China MFN from Soviet MFN was made, though still without a precise target date." He noted that Mondale's trip was a "catalyst for further movement" on MFN for China: "Mondale extracted a promise from Vance that we would propose MFN for China before the end of 1979, that China would be declared a friendly nation and thus freed from some restrictions applicable to Communist countries, and that special credit would be made available for Chinese economic development. These decisions were confirmed at the Presidential breakfast on August 3." (*Power and Principle*, p. 418)

Vice Premier Deng: (interrupts colleagues, untranslated.) Oh, I know.

Vice President Mondale: I would like to make one point about it. The United States, in using its so-called export-import facilities, traditionally has a much higher proportion of private financing in a joint loan than do government lending agencies of most other countries. For that reason the \$2 billion will actually mean substantially more when coupled with the private financing that usually goes with it. If this general approach seems reasonable to you, I would suggest that we would be prepared to send a team of our specialists here, perhaps in December, to explore it further.

Reimbursable Assistance

Vice President Mondale: The next area I would like to discuss is the availability of reimbursable assistance to a host of projects that might be of interest to you. We are aware that we have been working with your officials on a hydroelectric agreement. I hope that agreement can be signed while I am here. That agreement is made possible by a determination about which I want to inform you today. A few days ago, the Secretary of State, acting under a provision of our current law, determined that the People's Republic of China is a friendly country.⁶ Under the terms of our national legislation, this determination means that we can now discuss a range of reimbursable assistance such as hydroelectric projects, long distance transmission of electricity, harbor design and construction, and carrying out geological surveys. There are a whole lot of other things. We have a modest fund available at totally American expense, to carry out technical studies. This makes it possible for us to finance on our own a study of, say, a particular hydroelectric project which would then be followed by the actual involvement and assistance by technicians and engineers in the construction of the project on a reimbursable basis.

We have modest funds available that enable us to pay for a preliminary study. As to the actual project, we would help with it, but we would have to be reimbursed. Without "friendly nation" status, this could not be done.

Overseas Private Investment Corporation

Vice President Mondale: We have an institution known as the Overseas Private Investment Corporation which has authority to guarantee and insure U.S. business ventures and investments in developing

⁶ For press guidance on the U.S. decision to designate China as "friendly," see telegram 226561 to Beijing, August 28. (National Archives, RG 59, Central Foreign Policy File, D790393–1033)

nations. This is a significant institution for expanded cooperation between our two nations in commercial opportunities because U.S. businesses will be looking to that institution for insurance and for loans in light of the new initiatives you have taken to encourage foreign investment and joint ventures.

Legislation will be required to make U.S. investors and businessmen in China eligible for this under the law. We will send that legislation up this year and urge its adoption and are quite confident it will be adopted, assuming the services are of interest to you. Our officials estimate that if this were available it would be prepared to insure up to \$200 million in U.S. investment over the next two years and loans up to \$50 million over the same period, depending on the course of U.S. investors. If this facility interests you, we would be prepared to have our OPIC leaders meet with your leaders further to explore those terms and the possibilities contained under its provisions.

Export Controls

Vice President Mondale: I would like to turn to export control approvals. At previous meetings, we informed you of our licensing of some highly sensitive infrared sensors sold to you by the Daedalus Company. This was a highly sensitive technology and far exceeds anything the Soviet Union possesses.⁷ We are now prepared to license quickly for sale to you without setting precedent for sale to other countries, two new items we think of significance. First would be digital enhancement equipment which will permit you to process the digital information obtained from the infrared sensors and to enhance the information you obtain from them. This is very important and sensitive equipment.

Vice Premier Deng: (At this point, the Vice President conferred with Huang Hua, who explained to the Vice Premier clearly and accurately the technology involved. The exchange was not translated.)

Vice President Mondale: This is not my field of expertise, but as I understand it, those digital impressions from the infrared scanner are not particularly meaningful unless you have equipment to process the data. This is the equipment we now propose to license for sale to you. We have not licensed similar equipment for sale to the Soviet Union.

Secondly, we are prepared to release for sale to you our most advanced, highly sophisticated, newest executive jet aircraft produced by Lockheed. This aircraft has the latest, most sophisticated small and

⁷ After initial hesitation, the United States decided to sell China geological surveying equipment produced by Daedalus Enterprises. See "Carter Clears Sale of Geological Gear By Concern to China," *The Wall Street Journal*, June 12, 1978, p. 18.

highly efficient jet engine which contains the most advanced jet engine technology.

Vice Premier Deng: Is it a commercial plane?

Vice President Mondale: Yes. These are planes that you have already applied to buy which require our export license because they are very high in quality. They are unique in that they have the latest, most advanced, smaller, highly efficient, jet engines of the latest quality technology.

Vice Premier Deng: We have been in contact with Lockheed for one or two years already.

Differentiation of China and the Soviet Union

Vice President Mondale: Yes. We realize this license has been held up, but the President has approved granting of that license. Our granting of these licenses is unprecedented for approval of the sale of this technology to a Communist nation. In all of these instances—Ex-Im credit which we think is unprecedented; “friendly nation” determination, which opens a whole new range of technical cooperation; MFN; and extension of Overseas Private Investment Corporation services; and in the granting of these highly sensitive export control items—we are beginning to differentiate between you and the Soviet Union. We have experts with us to discuss in greater detail all matters that I have discussed, if you wish to pursue these matters. They are with us.

Vice Premier Deng: You have brought them with you?

Vice President Mondale: I think your experts here know our experts here. I could pose as an expert, Mr. Vice Premier, but my father told me not to lie.

Civil Aviation

Vice President Mondale: Two other points and then I will conclude my remarks. We have been talking now to your experts on what we see as the need to move ahead on civil aviation. We note several Western European and East Asian nations enjoy civil air agreements with your nation. We, as you know, desire to designate more than one carrier. A very important principle of American law is competition. We do not have a single state-owned passenger airline. We find that to keep them honest you have to make them compete. You have some experience with capitalists. Help us keep them honest!

Vice Premier Deng: (Laughs)

Vice President Mondale: We have suggested a proposed agreement to your officials, and we would hope that we could agree to a time when we could enter into formal negotiations in order to reach an official agreement. We also advised your specialists that as of two weeks ago we have notified the Taiwanese that we are going to replace the

present official Civil Air Agreement with an unofficial agreement. We understand your concerns there. In the context of our desire for an agreement with you, we understand that this needs to be done, and it will be done.

One other point if I might: On Friday of last week, you may have heard, at the staff level of our Civil Aeronautics Board, a decision was made to deny the application of Pan Am and your Civil Air Administration of China for charter flights. I was notified of this and immediately wired the CAB. I learned that the negative decision will be reversed on Tuesday or Wednesday. The decision had denied a CAAC–Pan Am request for expedited treatment by the CAB for their charter request. The decision will be reversed, and the case will be handled expeditiously. I have the assurance of the Board.

I raised this point because you may have heard about it earlier. It also demonstrates that in our government we sometimes have trouble inside our own government—something that does not occur here in China. (Laughter) I might say, Mr. Vice Premier, that it seems to me that the existence of civil aviation would be one of the most symbolic and most widely observed phenomenon of our relations and would affect all our people. I hope we might agree to start moving ahead to bring that about.

Consulates

Vice President Mondale: One final point: consulates. As you know, we will be opening a temporary facility in Guangzhou while I am on this trip. It would be helpful if we could have identified by then a permanent consulate building and in a reasonable period if the same could be done for the Shanghai Consulate.

Distinction Between China and the Soviet Union

Vice Premier Deng: I wish to express our thanks to Mr. Vice President and to President Carter for bringing to us this list of good news. It can be said that many of these items have been discussed between us for quite some time and now some of them have been finalized. I am especially appreciative of the fact that the United States Government has made a definite decision not to link China and the Soviet Union together and to determine China as a friendly country. Formerly the United States had been operating under the general concept of lumping all communist countries together as a whole.

I think this concept does indeed need to be changed. You told me yesterday that your dealings with Yugoslavia have changed from previously. And you are dealing with Romania differently, too. And there have been changes in your relations with Poland and Hungary, even. The situation has changed. All such questions must be viewed in the light of the new political perspective, and we welcome your doing so.

We think that this is a correct approach. Of course we are happy to learn about the many good pieces of news about which you have just told us. At the same time we still can point out that they are not entirely sufficient. But things always have to be done step by step.

The important thing is the political premise. The premise is that after normalization our relations should proceed on an entirely friendly basis in such fields as economic relations, trade relations, science and technological relations. Wide vistas will appear and the possibilities exist of further broadening our relationship and cooperation in those fields once the premise has been established.

Now I will deal separately with the points that the Vice President has just raised.

Trade Agreement

Vice Premier Deng: First, I am quite pleased with the explanation the Vice President just made with regard to most favored nation status. All the news we heard in this regard prior to the arrival of Mr. Mondale has been a cause for worry on our part. Ambassador Woodcock knows about this. There were many reports in your press in the news and wire services that the Trade Agreement, the most favored nation status, was linked with the Soviet Union. And the Administration so far had not brought the Trade Agreement up before Congress. And even just a few days ago we noted the statement of Representative Lester Wolff, a representative of yours, who spoke up on behalf of the Soviet Union on this matter.⁸

Vice President Mondale: We have trouble in our country with windbags.

Vice Premier Deng: I met with Congressman Wolff shortly before the normalization of relations between our two countries. We had a good conversation. I thought he was okay.

Vice President Mondale: I was not talking about Wolff. But we have a lot of people who talk who do not know what they are talking about.

Vice Premier Deng: We do not look with favor upon the statements that Congressman Wolff made in the Soviet Union. On a range of subjects we cannot approve of what he said. But, of course, we pay regard to what the U.S. Government says. We understand that you have many people from Congress, a large number of Congressmen and Senators and they have all sorts of opinions. Because of the concerns that we have felt, our Ministry of Foreign Affairs sent a verbal message to Sec-

⁸ Wolff led a delegation of 14 Congressmen on a visit to the Soviet Union August 19–22.

retary of State Vance. Now that Mr. Mondale has made this explanation we can consider this matter as closed. We hope Congress will pass the recommendation of the Administration early.

Vice President Mondale: We are quite confident, Mr. Vice Premier, that once the leader sends it up it will be approved. You will recall, Mr. Vice Premier, when we announced the termination of our Treaty with Taiwan there was a terrible explosion in the United States with all kinds of Congressmen who were going to stop it by legislation and law. They did not get anywhere. We made a solemn commitment to you in the Trade Agreement that we would provide an MFN. We are sending it to the Congress this year. We will do everything that we can. It is a solemn commitment on our part.

Ex-Im Credit

Vice Premier Deng: The second point is with regard to the credit arrangement by the Export-Import Bank. You mentioned that the sum would be \$2 billion in a first batch and that after this has been used up there will be additional facilities. We think that the importance does not lie in the sum mentioned but the fact that the United States Government is willing to offer government banking credit facilities to us. We have had discussions with a number of countries on such government backed credit arrangements. We have not reached agreement with Japan. We are negotiating with the Japanese, but an agreement has not been reached yet. We have reached an agreement with France for the equivalent of \$7 billion, but the French did not add any other conditions. Even such small Western European countries as Luxembourg are willing to extend us similar credit arrangements. Of course, the sum may be small.

We welcome the position of the United States Government to extend official credit arrangements to us. But you mentioned that within this proposal there should be a reimbursement of loans contracted by the Chang Kai-shek clique of some \$37 million. I think you are aware of our position on this question. It is my hope that this will not be discussed in the framework of this Export-Import loan, that we leave it for separate discussion elsewhere, and that such small matters should not be discussed with the major issue. And above all, we hope that this is not made a pre-condition for the credit arrangement. If this were made a pre-condition, we definitely will not accept this arrangement. The amount does not matter.

Vice President Mondale: I understand. Our problem is that the law conditions Export-Import lending upon repayment arrangements for outstanding indebtedness. In establishing the project-by-project approach, it was our suggestion that this debt—a small amount as you point out—could be rolled into these loans as part of those projects.

And as I understand it, the \$37 million figure was reached not on the basis of a theoretical outstanding indebtedness but on a calculation of what part of the value of previous Export-Import credit to China was actually used and made available to the People's Republic of China. I do not know if the \$37 million refers to actual funds or the facilities.

All U.S. Side: The facilities

Vice Premier Deng: The amount of money that you spent on Chiang Kai-shek was more than this.

Foreign Minister Huang Hua: (in English) Billions (Laughter)

Vice Premier Deng: And it is very hard to draw clear lines of demarcation. So our stand has always been that we are not responsible for any loans contracted by Chiang Kai-shek with any other country. This is a political commitment in making any reimbursement of such a loan. It does not matter that the amount is not very large. We hope that such matters will not be linked.

Vice President Mondale: I do not think it is necessary to make pre-conditions. But it is a problem under our law. And I would suggest rather than going on at this point we have specialists with us who could speak to your specialists. Maybe we could resume discussion of this matter at our second meeting.

Vice Premier Deng: Of course the experts on the respective sides can discuss this. But I can tell you very clearly if this is made a condition for the credit arrangement, it will definitely not be accepted. Our hope is that you will not lose big interest by insisting on smaller matters. As I told our American friends on many occasions, you have a plethora of laws. You can find a number of lawyers who can get around this question.

Foreign Minister Huang: Vice Premier Deng just stated this question can be discussed separately from the matter of the Export-Import credit arrangements. That is to say the issue should not be linked to the Export-Import credit.

Vice President Mondale: I understand your point of view. Let us consider that. Perhaps we can bring this matter up again at our second meeting.

Reimbursable Assistance

Vice Premier Deng: We welcome the decision of the United States Government to provide reimbursable assistance and to determine China as a friendly country, providing a range of technical facilities by this reimbursable assistance. We welcome this approach. We welcome the various suggestions in this regard about hydroelectric power, long distance electrical transmission and such projects. But, of course, we leave the specific projects for discussion to the experts. We can raise our requests. And your side can also consider what is possible on your side.

Vice President Mondale: Very well. We are open to the broadest range of suggestions. For example, the long-range transmission lines which I know is a big concern of yours, since your country's hydroelectric sites are a long distance from your industrial locations. That is the same problem which our country has. We have the technology, experts, and experience to share. We would be delighted to go ahead.

Vice Premier Deng: For instance, other hydroelectric projects need to be built. As you know, we have so far only developed seven percent of our resources. (He turns to Foreign Minister Huang, who corrects Deng to say two percent.) If the United States is willing to assist us in building a project on the Yangtze River, that project alone will be able to generate 20 million kilowatt hours.

Vice President Mondale: It would be the largest in the world, I guess.

Vice President Mondale and Vice Premier Deng: Grand Coulee.

Vice President Mondale: Somebody said it would be the equivalent of five Grand Coulees. Maybe we could run a line from the Yangtze Dam to the United States where we could use the power. (Laughter) I am sure we could go across Siberia.

Vice Premier Deng: Or, it could be transmitted by satellite perhaps. (Laughter)

Export Controls

Vice Premier Deng: We are particularly happy to welcome the fact that the U.S. Government is willing to supply us with advanced technologies, such as the digital enhancement processes, the infrared scanner, Lockheed airplane with its very small but highly efficient engine, and so forth.

Vice President Mondale: Those licenses have been approved.

Vice Premier Deng: But insufficiencies remain.

Vice President Mondale: We understand that others are pending. It might be well if your experts and mine review your top priorities while I am here. I will bring the information back to the President personally to move the matter along. It is a slow process involving all government agencies. It is only when I realized how long you were waiting that I went to the President so that we could have this progress today. If we could have an idea of where your highest interests are we can go back at it when I return.

Vice Premier Deng: Yes. We can tell you what things we need. Yes. We can have the experts tell you. I will cite an example. We had indicated to the U.S. Government that we wanted to buy large computers. We wanted one that would do 10 million computations per second. But Dr. Kissinger said that you did not provide this to the Soviet Union, so it cannot be provided to China.

Vice President Mondale: The licenses I am providing today have not been provided to the Soviet Union. We are unlinking that. But we do have the COCOM organization of which you are aware and of which we are a member. Its objective is to keep high technology which has a military purpose away from the Soviet Union. We are working now in COCOM to develop a distinction in technology between that which goes to China on the one hand and that which goes to the Soviet Union on the other.

Vice Premier Deng: That is fine. We believe the United States can do much in this respect because in our dealings with European countries and with Japan, the components we seek to buy involve components that have U.S. technology.

Vice President Mondale: We understand.

Vice Premier Deng: So the bottleneck remains on your side. Where it involves U.S. components they tell us they cannot sell it and then they sell the competitor's components. But often they say they will not sell us certain equipment because it has an American component.

Vice President Mondale: On American technology our licensing laws apply to that technology. We will get the two specialists together today to discuss what needs to be resolved.

Vice Premier Deng: We have difficulty even buying from the United States a computer that works two million operations. That is on an entirely different scale from the ten million calculations we want. Even there we are meeting with difficulties. Whenever such questions are raised, immediately objections appear concerning military or civilian use. We hope the Vice President and Mr. Carter will look into such matters.

Security Issues

Vice Premier Deng: I want to touch on a broader aspect. One is the modernization of the national defense. If China's national defense capabilities are strengthened in some respects, I think that it will be of benefit to the international situation as a whole. After leaving Washington in my visit in the States, I discussed this question and told my views to Dr. Schlesinger.⁹ I asked him to convey my views to President Carter. I told him that strengthening China's military capabilities will not constitute a threat to the United States and of course even less to Europe, so who will be threatened by this? The Soviet Union deploys one million men along the Sino-Soviet border. If they had to deploy two million, what harm would that be to the West?

⁹ Schlesinger accompanied Deng on his visit to Houston after Deng left Washington on February 1.

From this perspective there is a need for us to cooperate in the sense of global strategy. Of course in coping with the danger of the Soviet Union we will rely on the backward equipment that we have. But we are confident that we can cope with them even with those acknowledgements. But strategically speaking, if we had better things on our own, we would feel more at ease. This would have global implications for the maintenance of world peace. Of course I will not go into specific items, but we did indicate before that we hoped the United States would sell us some war planes. If the United States finds it inconvenient to do so, perhaps you could make it possible for us to get similar systems in other ways. Or another possibility would be to help us in being able to build upon our own sophisticated technologies. If the U.S. Government is willing to help us in this regard in round-about ways, then you can do so without your having to do so directly. For instance, the purchase of war planes. We have approached the French and other European countries, but they do not dare sell it to us. Only the United Kingdom is willing to sell us their Harrier, but it has a limited role to play.

Vice President Mondale: They are willing to do that, are they not?

Vice Premier Deng: Yes, they are. But of course it has a limited utility. Planes similar to your F-15 and F-16 are needed.

Several Chinese: Very much.

Vice Premier Deng: If we have a few numbers of squadrons of such planes, then the composition of our Air Force will be different.

I want to reply to one point in passing. [5 lines not declassified]

Vice President Mondale: That is understood.

Vice Premier Deng: At the same time we expressed the hope that the United States side will provide us with large-scale maps of the eastern part of the Soviet Union along the China-Soviet border and that the United States will sell us airplanes. But the United States Administration at that time agreed to supply us with smaller scale maps which we have ourselves, and which are even available in your libraries. They are not very practical. Of course, that is not very important. The important thing is that you found it not possible to sell airplanes. Of course there were other factors involved, and we set the question aside temporarily, but those problems have now been managed. [3 lines not declassified]

Vice President Mondale: That is good news, and I will report that immediately to the President.

Vice Premier Deng: But we hope the United States Government will reconsider its position regarding the sale of weapons like airplanes.

Vice President Mondale: I think that is very important. It will help us serve not only U.S. strategic interests but the interests of everyone who wants a more stable world. We will be better able to know what the Soviets are up to. It permits a new level of cooperation between our two countries.

It is exceedingly important that this be kept very closely and at the highest levels of classification. It is very important. I am aware of the discussions that occurred on this matter between Dr. Brzezinski and Ambassador Chai. We are prepared to provide some more information in this afternoon's meeting on the question of maps.

Our problem has been that we do not have the level of detail in our possession that in some cases have been requested. Mr. Aaron, who is Zbigniew Brzezinski's personal assistant, is prepared to go into that matter in detail with your people later today.

As you know, our position is that we cannot sell aircraft to you, but we have not discouraged our allies from selling military equipment to you. The British are doing so. The significance of the licenses we grant today is that we are now entering into the grey area where we have not normally permitted licenses. We are willing to consider these other high-technology areas. We are drawing a distinction which has not been done before between the Soviet Union on the one hand and the PRC on the other. We have insisted repeatedly, and I will state it again, we strongly believe in the importance of a strong China.

May I just say that I want to underscore again our deep appreciation for this significant effort on your part. We give it the highest value. Secondly, we are prepared to brief you to the fullest extent possible on that area of information concerning the deployment of the Soviet forces on your northern border. Some we can brief you on today. The rest will be provided later.

Export Licenses

Vice Premier Deng: The new policy decision of the United States Government making a distinction in the case of China may not have come to the awareness of officials in the lower ranks of your government. It was the United States side which proposed that we purchase some ground stations for the communications satellite. Apparently in our recent contact with the official concerned, some difficulties have arisen. Conditions have been raised that we cannot accept.

Mr. Holbrooke: That is the Landsat D.

Vice President Mondale: If we can discuss that issue at the technical level with your people immediately, it will not be so complicated. I think these questions can be handled smoothly.

Vice Premier Deng: I want to clarify one point that in the case of the Lockheed airplanes, our negotiations with them have been on joint

cooperative production. I do not know whether the U.S. Government is aware of the fact that we were negotiating on joint coproduction, not just production.

Vice President Mondale: What I discussed was sale of the latest Jet Star, not the older Jet Star with a traditional engine. It is a new Star with the latest technology. That is what we are licensing for sale. I was not aware of discussions on joint coproduction. I will have to look into it. It is what we call an executive plane. It is called Jet Star II and, as I understand it, it is the pending application that we have approved. It is the only application we have from Lockheed which seeks approval for the sale of these planes to China.

Han Xu: It was the Lockheed Corporation that suggested joint production on the plane and our negotiations have been on joint production. Let us get back to you on that.

Civil Aviation

Vice Premier Deng: On the matter of the Civil Aviation Agreement, it is our hope that an agreement will be signed soon. Our customary practice in the past in negotiating such agreements with other countries is for an agreement of one company with another company. Now the United States side has requested that at least two companies be included. This we will leave to the experts to settle.

Vice President Mondale: We want to underscore the concept of more than one carrier. It is very important to us. I am sure you share with us the concept that the best way to keep the capitalists honest is to make them compete. We will let the experts go into details. I am not well versed on that. If we could agree on the more-than-one carrier principle, we could enter negotiations . . .

Vice Premier Deng: We have already agreed with Pan Am.

Vice President Mondale: There was a contract signed between you and Pan Am to open up some selected charter flights. The CAB has been told to reverse its decision of rejection. That is a different question than the long-term Civil Air Agreement.

Vice Premier Deng: We bought three Boeing 747s especially for the use of starting the charter service.

Vice President Mondale: That is for the long way. The only other point is that the multiple carrier point is a very deep principle, not just a technical question for us.

Vice Premier Deng: We are considering this. We will let the people who handle these things work on it.

Consulates

Lastly, on the matter of consulates general, we have already an agreement and a temporary site has been designated for your consulate

in Guangzhou. Originally in our discussion we wanted to set up five consulates general on each side, and we hope that you will reconsider. You did not agree at that time. Because you see the KMT clique had sixteen consulates general in the United States. Even now the Coordinating Committee for North American Affairs has eight branches in the United States. We hope you will consider this.

Vice President Mondale: May I have our Assistant Secretary Holbrooke respond to that?

Mr. Holbrooke: We share your hope, Mr. Vice Premier, that the consulates will exist on both sides. I hope we will be able to work with you on the consular convention and that we will be able to move in the direction that you requested. I believe that it has been some time since we have heard from your side in response to the issue.

(Vice Premier Deng confers with Mr. Han Xu on this issue.)

Vice Premier Deng: We have already informed the American side that our side has already signed the Vienna Convention on consular relations, and no more is necessary. We are studying this problem. We will go into this. This should not be a difficult problem.

Mr. Holbrooke: I agree.

Taiwan

Vice Premier Deng: Finally, I want to bring up the issue of properties once controlled by the KMT clique in the United States. In this connection, I want to say something about U.S.–Taiwan relations. On this matter of properties, according to international practice, the properties belonging to the Kuomintang after normalization of diplomatic relations should be transferred to the PRC. But the Taiwan people have transferred such properties to other parties. The U.S. Government expressed the hope that we should bring this matter before the courts. But it is not possible for us to do so because such questions should be dealt with according to international practice. If a lawsuit is involved, it should be the United States Government that is a party bringing up this case. I bring this up to the attention of the U.S. Government.

As to your handling problems that come up in your relations with Taiwan, we hope that you deal with these with more prudence. In some cases if you step over boundaries, the Chinese people find it hard to understand. To be very candid, we have been tolerant on some of your actions, but as I said if you go over bounds on certain cases, then it will arouse public opinion and make it very difficult for us to explain it to the people who have resentments in this regard. They have been talking about this already.

I trust that the U.S. Government may have noted a sentence in the report to the government made by Premier Hua Guofeng not long ago in which he expressed the hope that the U.S. Government not do any-

thing that would hamper the return of Taiwan to the Motherland. This is his report to the government made before the National Peoples Congress. We showed great restraint in wording and formulating it that way. But, of course, it has implications. So we hope that President Carter and the Vice President in dealing with such questions will give more thought to any action you take.

Dalai Lama

As for the matter of the Dalai Lama, that is a small matter. We made clear our position. It is not a very important question because the Dalai Lama is an insignificant character.

Vice President Mondale: You have awfully good housing waiting for him. Could Woodcock live there? (Laughter)

Vice Premier Deng: If he wants to come back, he could still live in that house. Of course, it is an illusion on his part. The idea of wanting to have a state of Tibet. Not long ago he visited the Soviet Union, and we have confirmed information that he went there on orders of the Indian Government. Some of his important officials have recently come back and have gone to Tibet to see officials and conditions there.

Cambodia and Vietnam

One last matter in bilateral relations is Cambodia and Vietnam.

Sihanouk travels on his own. He sometimes pursues activities on his own. We leave it up to him to do what he wants. We built a very lovely residence for him. His accommodations are very nice—like a palace. Regardless of the stand he takes, he can always consider Beijing to be his home.

Of course, he is entitled to his opinions, but as a national leader I say his views are too narrow and too nearsighted. With regard to some actions, such as his categorical refusal to have dealings with Pol Pot—we understand that. But we notice his words and deeds only abet Vietnamese aggression and the Heng Samrin puppet regime.

We think we know what you have in mind. I want to mention something done by the United States and Japan. We do not object, but we think it unrealistic. The Vietnamese will not accept your position on a political solution. Vietnam is not yet in enough of a difficult position to accept a political solution. Perhaps later, when the difficulties the Vietnamese are facing increase to an unbearable extent, then the time would be appropriate for them to accept.

I can tell you that we have been persuading Pol Pot to let Prince Sihanouk play the role of head of state. But at the moment Sihanouk has not accepted that position. The present position of Sihanouk is to exclude the main force of resistance in Kampuchea, that is the forces under the government of Pol Pot, and to set up another government in

exile. Of course, we believe that he does have some political influence within Kampuchea, but he does not really have strength. His former followers in Europe, especially in France, are in much disarray among themselves. He recognizes this and has stated publicly that in view of the disintegration among former followers he does not want to take part in politics, but of course he will change.

We have taken note of the fact that the U.S. Government has now given up this idea. But it should be noted that Japan is still persisting with this idea. I told the Japanese friends that they are much too naive.

Japanese aid would amount to \$50 million. If they think that for \$50 million U.S., they can get Vietnam from under Soviet control, then they are really rather naive in so thinking. In any case, this question should be viewed comprehensively. So far as we are aware, the only forces that are capable of waging resistance against the Vietnamese in Kampuchea are the forces under Pol Pot. So we can only give them support. We are in favor of a political settlement, but the key point in any political settlement must be Vietnam's withdrawal from Kampuchea. Really withdraw. And for them to give up the dream of setting up an Indochina Federation. It will not do if this precondition is not met. So we are in favor of a political settlement, but we think it is possible only at an appropriate time. But by an appropriate time, we mean when the difficulties for Vietnam become unbearable. And a unity of all Kampuchean forces is desirable and, considering everything, it can be headed only by Sihanouk, but not by the Sihanouk of today. These are some of our ideas on the situation in Kampuchea and Vietnam.

I will say something which I hope you will not mind. When the United States and Japan watch such questions, we think it best that you keep us informed first of what you want to do. Of course you do not have to get our agreement for doing anything. We think that in dealing with questions in which our two countries are involved it would be best that we exchange ideas beforehand.

Vice President Mondale: Very important, and that is the reason I am here. That is why we hope to increase and intensify the constant consultation at the top level on the whole range of regional and global issues. We do not expect to agree all the time, but we should know what our objectives and purposes are.

Vice Premier Deng: Yes. Before our operation in Vietnam I informed President Carter.¹⁰

Vice President Mondale: Yes you did. I still do not know how we kept it secret, but we did.

Vice Premier Deng: Shall we leave our discussions for another round tomorrow, since it is nearly noon?

¹⁰ See Document 212.

Dalai Lama

Vice President Mondale: What I was going to suggest is that I review briefly U.S.–Taiwan relations and then we might resume our discussion in the next meeting about the issues that you raised on Kampuchea and Vietnam.

Concerning the Dalai Lama's visit to the United States, he was received only as a religious leader and not as a political leader. He will not be treated as a political leader. And our position, whenever asked, is that Tibet is part of China.

Taiwan

On state property, as you know, we agree with your government that this property should belong to the People's Republic of China, and we believe the courts of our country will sustain that position. But according to our system of law, that matter will have to be determined and judged by the courts. It is our position and hope that you will bring about the necessary legal proceedings, and we will support you in that effort. We are prepared to do so. I checked with the General Counsel at the State Department. He is quite confident that the lawsuit can be won. The problem is that, according to our lawyer, the U.S. Government lacks standing. If we brought the case, the courts might hold that we do not have a lawsuit since it is not our property. Our interest is not sufficient to have the right to sue. It is a real principle in law. If you were to sue, we could come in and support you in the lawsuit.

On U.S.–Taiwan relations, I think you are aware that my President did something that no President has done. He had the courage to stand up to the Taiwan Lobby and friends in the Congress and cut the knot. We are proud of that. We think we did the right thing. We will respond in full faith to our commitments to you. As to the Taiwan Relations Act, the President has asked me to reaffirm that to you. Insofar as the Taiwan Relations Act raises fears, all the authority rests with the President. We know what we agreed to, and we will abide by it.

Vice Premier Deng: I only want to tell you that in your various dealings with them that it has tended to make Chiang Ching-kuo very cocky. It has caused his tail to raise very high.

Vice President Mondale: I will report that to the President, and we will try to make him less cocky.

Vice Premier Deng: We can continue our discussions tomorrow, can't we? You have other activities.

Vice President Mondale: I am speaking at Beijing University this afternoon, at your kind invitation, and a great world political leader has said you can only find truth from facts. I would like to include a section in my speech reporting on some of the progress made, to pro-

vide facts on some of the truth of our relations.¹¹ I have here some suggested language I would like to include. Someone from your party might look at it and see if you have any concerns or objections.

Vice Premier Deng: (rising) No problem.

Vice President Mondale: I just want to be sure . . .

Vice Premier Deng: I do not think there will be any objections.

¹¹ Mondale delivered an address at Beijing University (known in Chinese as Beida) on August 27. For the text, see Department of State *Bulletin*, October 1979, pp. 10–12. *The Washington Post* described the Chinese reaction to Mondale's speech. ("Mondale: U.S. Backs Strong China," August 28, 1979, p. A1)

265. Memorandum of Conversation¹

Beijing, August 28, 1979, 9:30 a.m.–noon

SUBJECT

Summary of the Vice President's Meeting with People's Republic of China Vice Premier Deng Xiaoping

PARTICIPANTS

Vice President Walter Mondale

Leonard Woodcock, U.S. Ambassador to the People's Republic of China

David Aaron, Deputy Assistant to the President for National Security Affairs

Richard Moe, Chief of Staff to the Vice President

Denis Clift, Assistant to the Vice President for National Security Affairs

Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs

Michel Oksenberg, Staff Member, NSC

Vice Premier Deng Xiaoping

Huang Hua, Minister of Foreign Affairs

Chai Zemin, People's Republic of China Ambassador to the United States

Zhang Wenjin, Deputy Foreign Minister

Han Xu, Director of American Department

Wei Yongqing, Director of Protocol

Ji Chaozhu, Deputy Director of American Department

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 53, Chron: 8/2/79. Top Secret; Sensitive; Eyes Only. The meeting took place in the Great Hall of the People.

Vice Premier Deng: I heard your speech was warmly welcomed.

Vice President Mondale: I was thrilled by the opportunity to speak at your great university and to speak to the people. It was an unprecedented occasion, and I thank you for that opportunity.²

Vice Premier Deng: It was published in full in today's *People's Daily*.

Vice President Mondale: Thank you. I am most grateful. And then last night, we attended a cultural event at which we heard two Chinese classics—Jingle Bells and Do Re Mi.

Vice Premier Deng: What you said at Beida—the \$2 billion in credit and other items—answers the questions of the journalists.

Vice President Mondale: A great statesman once said we should learn truth from facts.

Vice Premier Deng (turning to journalists): You heard what he said.

Journalists (obviously flabbergasted, not knowing what to say): Yes.

Vice Premier Deng: You put us on the spot, so we put you on the spot.

Vice President Mondale: No. They never put us on the spot.

Vice Premier Deng: True, they are very friendly.

(Journalists leave.)

Vice President Mondale: What a thrill it was to talk to those students. I will never forget the night at the Kennedy Center when you went on stage with President Carter and kissed the children.³ There was not a dry eye in the place or in the country.

Mr. Vice Premier, may I begin?

Vice Premier Deng: Yes.

Vice President Mondale: You gave us a serious presentation on Indochina yesterday, and I would like to respond at this time.

Indochina

Vice President Mondale: We wish to begin on the very serious problem of Vietnam. In Indochina, we share the same objectives: to create an independent Kampuchea that is not threatening to its neighbors, to prevent Laos from falling further under Vietnam and Soviet sway, to protect Thailand and other ASEAN states, and to show

² See footnote 11, Document 264.

³ Deng attended a performance at the Kennedy Center the evening of January 29 during his visit to Washington.

Vietnam that its increasing dependence upon Moscow will hurt badly over time and should be abandoned.

We see the root of the problem in Vietnam's desire to dominate the Indochina Peninsula and Soviet encouragement to this end. The U.S. has long recognized this danger.

We, therefore, understand Thai and other ASEAN concern with the threat that would be directed against Thailand from a Kampuchea under Vietnamese domination.

We are concerned by the Soviet military presence in Vietnam. As you well know, they are making port calls and establishing military facilities. We also note with concern persistent Soviet efforts to make calls at ASEAN ports. We have drawn and will continue to draw our concerns directly to Moscow's attention. We are working directly with Japan, Australia, and the ASEAN states to resist these pressures.

As to Hanoi itself, we believe Vietnam is in a very difficult situation. It faces an incipient insurgency movement in Laos. Its forces are bogged down in Kampuchea, the conquered populace in South Vietnam is alienated and restless. Its ethnic minorities are persecuted and seek to flee. It is devoting increased military resources to its northern border. Its own economy is in a shambles—most recently its oil explorations have not met expectations—yet it must both support full mobilization and assist Laos and Kampuchea. Its ambitions exceed its capabilities and it increasingly must depend on the Soviet Union to make up the gap. And its standing in Asia and elsewhere in the world has fallen to a new low as a result of its policy on refugees.

Your representative at Geneva put the blame exactly where it belongs: Vietnam.⁴ We added our condemnation of Vietnam. They are heartless in expelling their own people. At Geneva, we caused a devastating blow to Vietnam around the world and in my own country.

What can be done to change the situation? Obviously and most importantly the current level of pressure must be kept on Hanoi. World criticism of Vietnam must continue. No legitimacy must be bestowed on the Vietnamese puppet regime in Kampuchea or the presence of Vietnamese troops there. We also think it is important to generate a greater political opposition to Vietnam's recent propaganda campaign of pseudo-flexibility on refugees and Kampuchea.

We understand the desire of the Kampuchean people to resist Vietnamese occupation and understand the support this resistance has gained from countries other than the U.S.

⁴ Mondale is presumably referring to the July 20–21 meeting in Geneva on Indochinese refugees; see footnote 3, Document 252.

A broad coalition in Kampuchea is urgently needed to strengthen the long-term support inside that country for a genuinely independent government. You know our view that Pol Pot cannot generate adequate support. If Pol Pot is the sole focal point of resistance to Heng Samrin, the situation is likely to get worse. There probably will be a decrease in resistance and external support. We and many others cannot support Pol Pot even though we will not recognize Heng Samrin.

We believe the interests of the region and of the U.S. and China would best be served if a search for a political settlement in Kampuchea were initiated, a settlement which resulted in the removal of foreign troops and the installation of a genuinely non-aligned government. That this will be difficult is obvious, but I was pleased to note in listening to your presentation yesterday we both share the same objectives. I agree we should maintain close consultation. The U.S. stands ready to work closely with China and with ASEAN in making progress to this end.

I noted your comments about Prince Sihanouk with great interest. When you tell us that Prince Sihanouk sometimes pursues his own policies, Mr. Vice Premier, you are not telling us something new. Looking to the future, we are also unsure of what his role may be, but we agree that he should be encouraged to follow a course which could make it possible for him to play a role achieving the objective that I mentioned earlier—the installation of a genuinely non-aligned government and the removal of foreign troops from Kampuchea.

In regard to your comments concerning Japan's aid to Vietnam, you should know that the Secretary of State and the President both raised this issue with the Japanese in their meetings in April, May, and June. I am sure you are also aware of their position. We have made it clear to them, and to many other countries throughout the world, that we feel strongly that because of Vietnam's invasion of Kampuchea, its treatment of its own people and its willingness to accept a Soviet military presence in their country, it is inappropriate for countries to extend aid to Vietnam. We have also had substantial success in preventing major loans to Vietnam from the World Bank, the Asian Development Bank, and other international institutions.

As for your comments on the U.S. and Japan working together without informing China, I want to assure you again that this is not the case. We have kept you informed of our views, and prior to and following each contact that we have had with the Vietnamese we have briefed your government fully. We do this, Mr. Vice Premier, because we believe that the more we can work together on this difficult issue, the greater the chances of our reaching our common goal of an independent and non-aligned Kampuchea. I hope that your government will make the same efforts with us. I would note on many instances of

my own knowledge that you have done so. Mr. Vice Premier please excuse me for making this extended statement because of its importance. Our policies should be spelled out in some detail. I would like to make two related points.

It is important that we continue to make efforts to aid refugees, to increase the pressure on Vietnam, and to maintain international outrage at their policy of forced expulsion of their citizens. We will continue to do our part. We are not at all convinced that the Vietnamese have agreed on any permanent position to stop expulsion of their people and their recent decrease may be related to the monsoons.

When they expel their people, pressure is put on ASEAN and this creates international tension. We should continue to make efforts to aid the refugees and to keep the pressure on the source.

Finally, there is the problem of relief of a humanitarian aid effort in Kampuchea. As you know the situation in Kampuchea is desperate: no agricultural production, people starving, desperate human needs. This puts pressure on the people to flee to Thailand, which creates new problems. I would note that the puppet government has agreed “in words” to allow aid to be distributed within Kampuchea. Timing is important more than ever. Pol Pot should permit relief to be distributed in Kampuchean areas under his control. Otherwise there will be even further international condemnation of his policies. That completes my presentation.

Vice Premier Deng: I wish to thank Mr. Vice President for presenting the American position with regard to Indochina, Kampuchea, and Vietnam. I think the problem of Vietnam, Kampuchea and Indochina in fact are at our front step but they are on your front step as well. Some international opinion claims that Vietnam constitutes a danger only to China, but we do not think so. We think it an important part of the global strategy of the Soviet Union.

We do not take seriously the danger that the Vietnamese pose to China from the south or the Soviet use of Vietnam to threaten China from the south. Our forces on the Pacific Ocean are relatively small. If the Soviet Union uses Vietnam to attack China by land, we can only welcome them. We have full information on how powerful the Vietnamese land forces are.

To cope with a land attack from Vietnam, we only have to mobilize three provinces: Guangdong, Guangsi, and Yunnan. Those three provinces have a population of nearly 100 million.

(The Vice President shakes his head. Deng laughs heartily.)

So in deciding what to do with regard to Indochina, it is not merely a Sino-Vietnamese or an Indochina problem alone but it must be seen from an entire global perspective, particularly of the situation in Asia

and the Pacific. The Soviet Union already has control of the military bases in Cam Ranh Bay and Danang, and it will not be long before they control Sihanoukville. In her visit not long ago Madame Marcos said it was a very short distance from Indochina to the Philippines—a distance of only 100 knots. That is what Madame Marcos told us. That is their concern.

And to put it in a very vivid sense, the strategy of the Soviet Union is like a barbell—one end of the barbell is the Pacific and Southeast Asia. Another end of the barbell is the Middle East, with the Soviet drive toward the Indian Ocean. And the bar linking the two ends of the barbell is the Malacca Straits.

Vice President Mondale: Right.

Vice Premier Deng: If we do not try to frustrate their attack from this strategic perspective, then they would gain the strategic initiative in Asia and the Pacific. In event of any trouble, if they would try to block this passageway, at least Japan would face a very troublesome situation. Your Pacific fleet would have a hard time. Of course, I admit this is also aimed at China, but if they did so the direct effect would not be so very heavy. So it is very understandable that the ASEAN countries, Japan, and the U.S. are gravely concerned with this situation. I want to repeat and underscore that China does not consider this problem solely from its own interest but of course we are guided by our own interest. People have the impression that the Soviet Union has not yet gained control of the military bases in Vietnam, but I have repeatedly said this is not the case because the bases are built there . . .

Vice President Mondale: We do good work, Mr. Vice Premier. We build excellent bases. I have been there.

Vice Premier Deng: Of course, you withdrew some equipment, but that is very easy to fix. The basic infrastructure is there.

Vice President Mondale: That is true. The basic infrastructure is expensive, but the port is there.

Vice Premier Deng: We are agreed, and we must face up to this serious question. We agree that it is an important thing to watch. But the question is how to do it. We share some common views on how to cope with this problem, but there are also some differences. The point we share in common is how from a long term point of view to bring about a change in Vietnam. There are precedents—Egypt; Somalia; we can see signs of some change in Angola; Afghanistan is undergoing such a change. Although Iran has turned for the worse, the Soviet Union has not fully achieved its aims there. So we should say at least we should aim to work for a change in Vietnam.

Vice President Mondale: We think we see the beginning of some trouble for the Soviets in Ethiopia. It is just beginning.

Vice Premier Deng: We are not very clear about that part. The evidence of that is not very obvious yet.

Vice President Mondale: If at some point when we can do so we might want to go into that.

Vice Premier Deng: If there are some changes that would be a good thing of course. But we should note the fact that Vietnam is different from the other places. Of course, you have had a long history of dealing with the Vietnamese, but our dealings with them are longer than yours. I know their present leaders well. We fought together for decades.

So it can be said that we have a deeper understanding of the Vietnamese than you do. The most salient characteristic of the Vietnamese is that you cannot count on their words, and this has been proven time and time again. We do not know how the present leaders came about to be this way, but in any case the Soviet control in Vietnam is very tight. Of course we know the sentiments of the Vietnamese people are an entirely different thing. I think I can be very bold in saying that the great majority of the Vietnamese people have warm feelings for China. But no one there dares publicly to state their views. Hoang Van Hoan did not dare to air his views.⁵ No one knows how many people have been imprisoned for saying good things about China and those killed saying good things are not a few.

So we have not yet seen any indication to lead us to believe that there will be a change in the Vietnamese leadership or change in attitude in a relatively short period of time. I can tell you one thing, and we found this out only recently, that Le Duan manages to send a person that is trusted down to every company in the Vietnamese Army. This trusted confidant has greater power than the company commander. They have a spy system throughout. It should be our goal to work for such a change, but we have not yet seen indications of this change.

So we do not see many signs of such change taking place in the ruling clique of Vietnam. The other thing is that the Vietnamese will not give up their plan to form an Indochina Federation. It is only with support of the Soviet Union that they can succeed in their plan of forming an Indochina Federation.

As to when such a change might be affected, they will have to be bogged down in Kampuchea, bogged down in Laos, international difficulties will have to magnify, perhaps after three years, five years, there may be a new situation there. So if we are to work for such a change, at least in the coming three years, we will have to increase the pressure

⁵ Hoang Van Hoan was a friend of Ho Chi Minh and a member of the Politburo of the Democratic Republic of Vietnam. He defected to China and became a vocal opponent of Vietnam's anti-China policies.

from all aspects. And this would include putting pressure on the Soviet Union. As to the domestic difficulties, we feel very strongly that your Congressman Wolff has given the impression that their problems are not so severe as people believe—that it has recovered. Perhaps he has heard honeyed words.

Vice President Mondale: Do you agree with this? Our report is that their economy is in collapse.

Vice Premier Deng: It is very obvious. A blind person can arrive at that opinion.

Vice President Mondale: They have a tremendous rice deficit.

Vice Premier Deng: Not only rice. They have a shortage of all kinds of commodities. They have nothing in their stores. The wage of the ordinary person is enough only to pay for one or two packages of cigarettes, and not this kind of cigarette (pointing to his). Before our counterattack in self-defense, their armed force numbered not more than 600,000. After our counter-attacks, they increased their armed forces to more than one million to stabilize the situation. For a country of that size to keep a standing force of more than one million, where will you find enough work force? A standing force of one million needs a lot of logistical support. Now they depend on the Soviet Union. Some estimates say they are getting \$2 million a day from the Soviet Union, some estimates say \$2½ million. We do not know exactly, perhaps you have more information on that.

Vice President Mondale: Our estimate is \$2 million. And we estimate this year a total of \$850 million.

Vice Premier Deng: But that is mainly arms and ammunition. And, of course, they can get some food supplies from the Soviet Union but not much. But what about other commodities they use? The Russians know from the very beginning that they are shouldering a burden so they thought of two ways to deal with it. One, they wanted the Vietnamese to join COMECON, so as to let the East Europeans share the burden. The other suggestion was for the Vietnamese to try to approach the Japanese and Americans and West Europeans and to get some help from them.

Vice President Mondale: Yes.

Vice Premier Deng: And that is the reason why they have abandoned all their preconditions they had previously set for establishing diplomatic relations with you. So it is imperative now for all of us to keep up all kinds of pressure on the Vietnamese—political, economic pressure, and military pressure on our part. We do not expect other people to exert military pressure, but of course your increasing the Pacific Fleet is a form of increasing military pressure. In that way it will increase difficulties, and this burden on the Soviet Union will grow

heavier and heavier. Things will become more difficult. In time the Vietnamese will come to realize that not all their requests to the Soviet Union can be met. In those circumstances perhaps a new situation will emerge. Frankly speaking, when we heard that the Vietnamese enlarged their military force from 600,000 to one million we were very happy. And more than sixty percent of the military force are positioned north of Hanoi. To us that does not matter.

In Kampuchea they cannot work out a situation to get benefits from keeping their military forces there. So they do not get anything out of their occupation of Kampuchea. They send their poor quality flour to Kampuchea and take away rice from Kampuchea and this creates dissatisfaction with the Kampucheans.

Vice President Mondale: They take rice and send flour? They must be very popular!

Vice Premier Deng: Yes. We can see from among the non-aligned and ASEAN countries Vietnam is quite isolated. And some European countries and Australia have stopped providing the aid that they had promised. This is a good thing. So we should isolate them politically. Economically, let the Russians bear the burden. What Japan can give in effect is only a straw, but even this straw should not be given.

On the other hand, we should try to strengthen the forces of resistance in Laos and Kampuchea so that they have company for this resistance. What we should do really is not to give the Vietnamese any straw to hang onto, as the Japanese are doing. This straw would not be of real help to them, but politically it has a bad effect.

Vice President Mondale: It is a symbol.

Vice Premier Deng: Yes. The amount of the money does not matter. But politically it is a bad thing to do. So we say it will take some time to bring about a change in Vietnam. On your part you should take political and economic measures; on our part, we will add military pressure and after a certain period of time I can say for sure that a change will take place. We intend to present our different view to Foreign Minister Sonoda soon, and we hope that you will also present soon a message to the Japanese.

Vice President Mondale: The President and Secretary Vance have already done so. I will also do so again. We agree completely on this matter. And you should know that the Australians have stopped and the Swedes are reconsidering.

Vice Premier Deng: Yes, we are aware of that. What the Japanese are doing, to use a Chinese saying, is to supply people with coal during a snow storm—giving them a straw to hang on to. It is not advantageous.

Vice President Mondale: I first heard the story from a Polish cab driver in Warsaw. He told me Poland had this arrangement with the

Soviet Union: the Poles send them coal, and the Soviets send them snow.

Vice Premier Deng: That saying is an old Chinese saying.

In passing I want to say that we will keep up the military pressure. We more and more believe that our lesson we gave them was necessary last time. The Vietnamese themselves can appreciate this very clearly and so do the Russians. I want to tell you Mr. Vice President of our bringing to your attention a sentence from a statement we made when we announced our plan to withdraw our forces on March 5.⁶ If the Vietnamese continue to make trouble along the Sino-Vietnamese border, we reserve the right again to give them a lesson. The implication of that statement is to keep up military pressure. The Vietnamese fully understand that if they are to act beyond our tolerance we will take action again. But of course it is not our wish to do so again. But the Vietnamese know the significance of this statement. Strategically speaking, to do this is to keep up our military pressure. Of course, we will let you know if we intend to take such action in the future.

Vice President Mondale: You did last time.

Vice Premier Deng: Turning to Kampuchea, the situation is that Sihanouk has no real forces. He has some followers among the expatriates in Europe. But they are disunited among themselves.

Because they are disunited and argue with each other over who would get what post, Sihanouk got so mad he said, "I am washing my hands of politics." He was just showing his displeasure. As I said yesterday, we are in favor of and hope that a settlement can be made at an appropriate time. But the conditions for a political settlement must be the genuine independence of Kampuchea and the withdrawal of Vietnamese troops from the country. Any political settlement that departs from these two preconditions is in fact aiding the Vietnamese and aiding the Russians.

And I want to point out to you that in our dealing with Sihanouk, Sihanouk is not very clear cut about these points: real independence of Kampuchea and of Vietnamese withdrawal. He now considers Pol Pot as his arch enemy rather than the Vietnamese. He persists in thinking that he is the person who can negotiate now with Pham Van Dong. That is an unrealistic approach on his part. So we hope you will keep this in mind. As I said, any political settlement cannot run counter to those two preconditions. Because if we waiver on these two preconditions whatsoever, then the political settlement will not rid us of a Vietnam trying to form an Indochina Federation. And secondly, so far as Sihanouk is concerned, any political settlement must not include Pol Pot.

⁶ See footnote 3, Document 225.

This is an unrealistic approach because, whatever may happen in the future, at least for the present it would weaken the Pol Pot forces, which are almost the sole force in resisting Vietnam's position, and support the Heng Samrin regime in Kampuchea.

There are some 300 followers of Lon Nol who went to Thailand. Recently we gave some military assistance to this force as a core to help them go back into Kampuchea so that they can wage a fight against the Vietnamese armed forces along with Pol Pot.

Vice President Mondale: I understand there is a very uneasy relationship between Pol Pot and the KLM (Kampuchea Liberation Movement).

Vice Premier Deng: The leaders of the two groups have been in touch and coordinated their actions. But as to the people below, old animosities exist, and we can expect there are some small conflicts. But we do give help to all those who can go back to Kampuchea to put up a resistance. But those include forces who were opposed to Sihanouk in the past. Do you know that Lon Nol was an uncle of Sihanouk?

Vice President Mondale: Is that right?

Vice Premier Deng: Yes. They do not hold a very high opinion of Sihanouk's leadership. But regardless of everything, we hope that Sihanouk will become the leader of such a group. But we think that Sihanouk as a political leader is not taking a high enough stance in his present attitude toward working with Pol Pot. A political figure must have a very broad political outlook. Pol Pot has stated clearly that he supports Lon Nol as head of state. But Sihanouk has rejected this. In any government he wants to form or in which he serves as head of state, he wants to exclude Pol Pot and his forces.

The U.S. and Japanese governments want a political settlement. The question is which forces are to be included in this new government in the political solution. There are already two governments in Kampuchea—the government of Democratic Kampuchea and the other puppet government of Heng Samrin. Are you looking for a third government? The question is whether there are two governments or three governments. If there are two governments, it will mean reorganizing the government of Democratic Kampuchea with Sihanouk as its head of state with the Pol Pot forces. The matter is really two governments or three governments. The Democratic Kampuchea is already a member of the U.N. and the non-aligned states.

Vice President Mondale: We want one government. We want the Vietnam Government out. You cannot have an independent government with the puppet government. Our problem is Pol Pot. We think his reputation is such that he cannot reassert control of Kampuchea. His reputation is, let's be candid about it, very bad in his own country. And our position has been there should be a broad coalition;

we have not worked out modalities. That is the approach: a broadly based coalition. That is the approach that I recited earlier in my remarks. It is the only approach which we think provides for a long-range solution. This approach puts the international pressure on Vietnam. It is important that we not get ourselves into a position where we support someone who has no international support. We would be taking the heat off Vietnam in so doing.

Vice Premier Deng: The realities of the situation are that in deciding to form a united front we cannot exclude Pol Pot because Democratic Kampuchea is practically the only force of resistance now in Kampuchea. At present, if Sihanouk were to form a government it could only be a government of exiles either in Europe or elsewhere. If such a government were formed, it would be a blow to forces of resistance and therefore it would in fact be an aid to the Vietnamese. We are in favor of a united front that does not exclude Pol Pot and Pol Pot agrees with this position. And I can tell you that Pol Pot has already committed himself to the fact that there will be a different government with a different program and a different social system than he had in the past. The future of Kampuchea will be a democratic, not socialist system. To be very candid, we do not approve of their former form of socialism.

Vice President Mondale: If Pol Pot is the sole focal point of resistance, the situation is likely to get worse. I think we have to be clear about this. I earlier observed that Pol Pot's international reputation is bad.

Vice Premier Deng: The question of Pol Pot being the sole focal point of resistance is not a problem. The question is whether Pol Pot forces are to be included. Because if a third government were to be formed, we would be at once faced with the problem of whom would be recognized in the U.N. And you would be faced with that question.

Vice President Mondale: As you know, we have some immediate concern to be sure that at Havana the non-aligned movement not recognize the Heng Samrin regime.⁷ I hope that you do not think we are backing an exiled government. That is not our policy.

Vice Premier Deng: But that is exactly what Sihanouk has in mind, and he is hoping for support from the U.S.

Vice President Mondale: We are a great power, but we are not powerful enough to control Sihanouk's mind.

Vice Premier Deng: I am telling you the actual fact. So what we are trying to do is coordinate our efforts to try to bring about the efforts be-

⁷ The heads of state of the Non-Aligned Movement met in Havana September 3–9.

tween China and the U.S. to work for a coalition of all forces of resistance in Kampuchea against the Vietnamese. Let all these forces consult together and work out one program. And the first point in this program is patriotism, the second democracy, the third is non-alignment. Also, this of course will include the matter of a new social system. And this means to reorganize the present Democratic Kampuchea. Who will head the organization? Probably Sihanouk will still be the best person.

Vice President Mondale: I have heard your views and will take them back and report to the President. I would like to respond to the Vietnam point for a moment. We have tried to put pressure on Vietnam in many ways:

—First, when we first came in office, Assistant Secretary Holbrooke and Ambassador Woodcock began to see whether relations with Vietnam should be established. In light of their activities, their invasion in Kampuchea, their expulsion of their own citizens—we refused to proceed further in the recognition process. At this point, the diplomatic track is cold.

—Secondly, we never passed up an opportunity to encourage people supplying aid to Vietnam to cease doing so. We had some luck with Australians. We also hope to be able to persuade Swedes to stop. We urged Japan to stop, and I will do so again when in Japan.

—Third, we have placed major emphasis on the closest consultation with ASEAN countries including improved security assistance to Thailand, more modern planes, more economic assistance and military assistance. I personally traveled to Bangkok to reaffirm the Manila Pact. I went to the Philippines to get the long-stalled negotiations on Subic Bay extended on a permanent basis. This was very important for our presence in that eastern portion of the barbell along the Malacca Straits. We are now in much better shape and initiated similar consultations in Indochina. This relationship with ASEAN has been a crucial part in the process of increasing stability in the ASEAN and Pacific region.

—We have taken other steps. We have also been in the process of strengthening our Pacific Fleet. We have increased the number of our ships in the Indian Ocean and the Persian Gulf. We have encouraged Japan substantially to increase their forces and initiated joint exercises with them. We have reached agreement with Korea to delay withdrawal of our forces which we think will help keep stability in the area. We have tried to make clear that we are a Pacific power and that we intend to play a strong role in maintaining the stability of the area.

—An additional key factor is our new relationship with you and your government.

One final point, you and the President had a talk in which he expressed his feelings about the lesson you were about to teach Vietnam.⁸ Our feeling is the same if another second lesson is to be taught. There are many reasons for this, but one reason for our fear is that it provides the Soviets a further excuse to intrude further and on a permanent basis in terms of its military posture in Vietnam. We have seen that there are more port calls at Cam Ranh Bay and Danang than before. Now they have signal intelligence facilities, electronic sensors, and have increased aid from \$500 million to \$850 million a year. It is possible that they are using this pressure as an excuse to intrude farther in terms of their presence in Vietnam. That does have a deeply destabilizing impact on the entire Southeast Asian area. You know these matters better: that is one of our concerns.

Vice Premier Deng: The U.S. Government and President Carter made clear its view on this question, and we understand it. That is why following my visit in Washington I made three points: (1) We Chinese mean what we say; (2) We do things only after careful thought; (3) We do not act rashly. I repeat these three statements. The only difference is that, as I pointed out, the Russian military presence in Vietnam has existed long ago, so that the question of an excuse does not arise.

We are in favor of the U.S. strengthening its military facilities in the Pacific and the Indian Ocean. We are in favor of Japan strengthening their defense capabilities.

Korea

Vice Premier Deng: As for your forces in South Korea, I think you are aware of your position, and it is not necessary for me to go into it.

Indochina

Vice Premier Deng: I want to tell Mr. Vice President one thing, that ASEAN countries particularly Thailand, Malaysia, and the Philippines have expressed their apprehension that the Vietnamese may attack them, and I told them in the event of an attack against the ASEAN countries, we will stand on their side. And I told them that we mean what we say. You just mentioned U.S. assistance to ASEAN countries, particularly Thailand. I think this is a good thing. In Washington I expressed the wish that the U.S. might urge European countries and Japan to help Pol Pot.⁹ You mentioned relief supplies. I think they will accept such relief assistance, but of course there is the difficulty of transporting it.

⁸ See Documents 205 and 207.

⁹ See Document 205.

Foreign Minister Huang: The Swedish Ambassador will arrive in the Thailand–Kampuchea border area today, and he is in charge of handling relief supplies.

Vice President Mondale: And he will be there today?

Foreign Minister Huang: That is what we have heard.

Vice Premier Deng: The amount may not be large, but the political meaning is significant. But I want to point out one thing. Trying to give relief to the Kampuchians through the Heng Samrin clique, the Kampuchean people will not get anything out of it. If the approach is to give relief to the Kampuchean people through both Pol Pot and Heng Samrin, then it would be better not to give any relief at all because the greatest beneficiaries will be the Vietnamese and the Kampuchean people will not get anything out of it. When the Kampuchians were fighting against you, our aid materials to them ended up in the Vietnamese pockets because such aid materials had to go through Vietnam, and they funneled them off into their own pockets.

As to other international problems, there is a wide range of such problems, but I think probably we are both aware of each other's position and there will be other chances for us to talk about them.

But in our discussion today, we have touched on the major problem of concern to both of us—Indochina.

Pakistan

Vice President Mondale: The President gave me direct orders to ask for your view on the present situation in Pakistan and Korea and, if you have a few moments, we might go into it.

Vice Premier Deng: As you are aware, we offered our opinion in the handling of the case of Bhutto, but after his execution we told them we considered the matter closed. But all in all, Pakistan occupies a very important strategic position in South Asia and the Indian Ocean. Regardless of what happens internally in Pakistan, we of course will do our best to help them, and it is our hope that the U.S. will determine that Pakistan is a very serious matter. We hope you will be very careful and try to have good relations with Pakistan because we know that the Pakistanis are not very pleased with the way you are dealing with Pakistan and with India. They feel you emphasize India to the detriment of Pakistan.

Korea

Vice Premier Deng: On the Korean question, we have discussed this many times. Our present suggestion is that the U.S. considers getting in touch directly with the DPRK and leave aside the tripartite talks. Such contact can be held at many different levels and in the course of such contact maybe some modalities acceptable to both sides can be ar-

ranged. One thing I want to make clear is that while U.S. forces are still stationed in South Korea I do not think the DPRK will agree to any tripartite meeting. There may be something to be gained through direct talks. I want to clarify one point. As to the impression that the Soviet Union has a very large influence in North Korea, this is not correct.

Vice President Mondale: We do not believe that.

Vice Premier Deng: When Foreign Minister Huang told Dr. Kissinger that Kim Il Song had not visited Moscow for twenty years, Dr. Kissinger was very surprised. So that is the question we leave for you to consider. We feel that there is not a tense situation in that part of the world.

Vice President Mondale: I do not want to go over our position again. You are familiar with the situation in that area. I will not take more time to express our views. You know our hopes, and the way we believe progress can be made. I will report your views to the President.

Pakistan

Vice President Mondale: I will take a minute on Pakistan. It is a very serious problem. We do not have a tilt toward India. We want good relations with Pakistan and think it is important for all the reasons you cite. The problem is that Pakistan is presently planning to build their own nuclear weapons. This is creating a very serious problem. Our law prohibits practically all forms of assistance to nations that are proceeding in this way, and we have recently urged them to forego their construction of nuclear weapons and they persist in that effort. We feel that this is not only hurting our relations with that nation with whom we want the best possible relations and whom we are very inclined to help in terms of their security problem and economic problem.

It is bound to have a negative impact on our relations with India. The Singh Government stated that they were going to review the question of whether they would start building nuclear weapons in light of this action of Pakistan. This action and reaction and the increased tension presents an opportunity for all kinds of Soviet mischief in the area. They are not doing well there.

Let's not give them an excuse to get back in there by improving relations with Pakistan and with India. We have talked to you about this problem. We are very concerned about this. We want to expand our relations with Pakistan but have a problem. We have been unable to deter them. We do not know if you can help us or not, but we need help.

Vice Premier Deng: This question came up in my discussions in Washington, and I stated that we did not approve of their building atomic weapons and we have tried to urge them against it on many occasions. But of course they have a reason because the Indians exploded

a nuclear device. Of course, we can continue to urge them. Of course some people say that Pakistan is on the verge of exploding a nuclear device next year, but I do not think they have the capacity to do it so soon.

Vice President Mondale: We do not think it is that close—maybe 1982.

Vice Premier Deng: At most it will be, like the Indians, an underground nuclear device. It will not be a weapon. There has been speculation abroad that we Chinese were helping them. Actually, we are not doing any such thing. It is very wasteful and expensive, and it is of no benefit to them. If they have the money, why not spend it on improving conditions of the people? So we will continue to do what we can in persuading them, but it is not possible to expect that others will always listen to us. I was told in Washington that your aid toward India and Pakistan was based on their relative populations.

Vice President Mondale: If we were to do that, it would be a good indication for China! (Laughter)

Vice Premier Deng: Yes. We would approve of your policies in our case! But in the case of India and Pakistan, we hope it will be considered in a fair way!

Vice President Mondale: We want to. Another problem is coming up in the same way. The President had talked to Desai concerning abandonment of developing nuclear weapons. We pressed for an explicit commitment. Finally, the Indians agreed to install safeguards. We could not quite get them to acquiesce to inspection, and we are discussing this with them now. We continue to supply nuclear fuel for their electrical nuclear plant, and are pushing for an international system of control of their nuclear systems. If Pakistan continues with plans for detonating a bomb, this will invariably push India back into their old direction of a higher nuclear track. It would end chances for establishing controls on all their nuclear efforts. We would have to cease supply of nuclear fuel. Next, anti-American people might get elected to office. This would make it more difficult for us and you to deal with them. In a short time, we could get in a real mess. We should try to get India and Pakistan to cool down.

Vice Premier Deng: Both of us will try to persuade Pakistan. Of course, no one can foretell what the results will be. We have tried. It is not as if we have not.

Vice President Mondale: I know.

Vice Premier Deng: We could discuss many questions, but you will be meeting with Premier Hua this afternoon at 3:30. Shall we consider that our talks will come to an end? I think our discussions have been very useful. I think on both sides we are not talking in diplomatic language. As we continue to deal with each other in this kind of climate, to

increase our exchange of views, then the relations between our two countries will develop in a very satisfactory way. Let these talks with the Vice President be a beginning for the 1980s and for the coming decades.

Vice President Mondale: You have just summarized my views on these talks better than I can. You reaffirmed your reputation for honest and straightforward talk. These two sessions with you moved our relations along substantially. You lead a great country. I am very honored to be permitted to lead our American delegation in these talks. Thank you very much.

Vice Premier Deng: Thank you for your visit. We are signing two agreements this afternoon.¹⁰ I will meet you this afternoon.

¹⁰ Mondale and Deng signed an expanded cultural exchange agreement and an agreement on hydroelectric power development. ("Mondale Says Talks in Peking Put Ties On a Concrete Basis," *The New York Times*, August 29, 1979, p. A1)

266. Memorandum of Conversation¹

Beijing, August 28, 1979, 3:30–5:30 p.m.

SUBJECT

Summary of the Vice President's Meeting with the People's Republic of China
Premier Hua Guofeng

PARTICIPANTS

Vice President Walter Mondale
David Aaron, Deputy Assistant to the President for National Security Affairs
Denis Clift, Assistant to the Vice President for National Security Affairs
Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs
Leonard Woodcock, United States Ambassador to the People's Republic of China
Michel Oksenberg, Staff Member, NSC

Premier Hua Guofeng
Foreign Minister Huang Hua
Vice Foreign Minister Zhang Wenchin
Chai Zemin, People's Republic of China Ambassador to the United States
Han Xu, Director of American and Oceanian Affairs

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 47, Meetings: 8–9/79. Top Secret; Sensitive; Eyes Only. The meeting took place in the Great Hall of the People.

Chi Chaochu, Deputy Director of American and Oceanian Affairs
Wei Yongqing, Director of Protocol
Chen Hui, Interpreter

Premier Hua: I want to express my warm welcome to Vice President Mondale for coming to China to visit. I am aware that this is the first visit to China by the Vice President, but not his first visit in Asia. But you are the first high-level official to visit China after normalization of relations. I should express special welcome because there are two firsts involved: Your first visit to China, and the first official visit since normalization. Of course, the first time is the beginning and not an end. Are you accustomed to living here in China?

Vice President Mondale: Yes. I am now part Chinese (laughter) and an expert on Chinese food. Last night at the opera we heard two Chinese classics, *Jingle Bells* and *Do Re Mi*. May I say, Mr. Premier, that I am delighted and honored to be here representing my President and people. We have had a most successful visit. I think the normalization process is well underway, and I know our remarks are purposeful. I bring an important message, a letter to you personally from President Carter which I think will further advance the process.² We have had several good talks already with the Vice Premier. Also, it was my privilege, as you know, to address the student body at Beijing University and through them to the people of your great country.³ I learned this morning that the address was covered in full in the press.

Premier Hua: Great attention is being paid to your visit in China. This is the first time since 1949 that a foreign political figure has spoken in Beijing University.

Vice President Mondale: Since 1949?

Premier Hua: Yes.

Vice President Mondale: It was a wonderful feeling.

Premier Hua: So you are making a record on several counts. Your speech at the university is also a first.

(Press leaves the room.)

Vice President Mondale: It is not natural for people to be separated. It is a privilege to be a part of this process of reuniting two great peoples. Mr. Premier, I have a letter from President Carter to you. It contains a request which we hope you can accept to visit our nation early next year at a time of our mutual agreement. In the letter he indicates he would like to follow this trip with a return trip to the PRC later that year. If you can accept, you will find that you are greeted warmly

² See Document 262.

³ See footnote 11, Document 264.

with love and affection by the people of our country. We hope it will be possible for you to come for a visit.

Premier Hua: From your conversation with Vice Premier Deng Xiaoping,⁴ I was already informed of this invitation from President Carter. I accept President Carter's invitation with pleasure. And I look forward to visiting your beautiful and great country. As to the time when this visit can be made, Mr. Mondale is aware that China owes many other countries a debt in repaying a visit to those countries. So we have to make some specific arrangements for a program for these return visits.

Vice President Mondale: It is very important that it be a meaningful visit by yourself to broaden the relationship. The President does anticipate having serious discussions with you. You are free to pick any of our government leaders with whom you would like to speak, either in the Executive Branch, Legislative Branch, or Judicial Branch, leaders around the nation. You are invited to visit any city. You will be warmly received.

Premier Hua: And we are now on our part looking forward to welcoming President Carter to make a visit to China at a time convenient to him next year.

Vice President Mondale: Thank you very much. I will immediately report that to him.

Premier Hua: We will arrange the time through diplomatic channels through Ambassador Woodcock and also Ambassador Chai.

Vice President Mondale: We are in good hands.

Premier Hua: Ambassador Woodcock has done a very good job in China. He has cooperated with us well. When Vice Premier Deng visited your country in late January, he was given a warm and friendly reception by President Carter and Vice President Mondale. Now the Honorable Vice President has come to visit China. These visits by the leaders of our two countries help to deepen our understanding and friendship.

During this visit the Vice President has had two talks already with Vice Premier Deng. And I am aware of what took place during these talks. And I have read your remarks at Beida. On the whole, we consider the visit by Vice President Mondale to be very important. The visit by a high-ranking leader of the United States to China after normalization, and the discussions between us have been very good. It has been characterized by an American friend as friendly and very fruitful talks conducted in a warm atmosphere. I agree with this appraisal.

⁴ See Document 265.

And it has also been said that the visit by the Vice President means that Sino-U.S. relations have entered a new stage since normalization. I have told American friends before that in dealing with China–U.S. relations we must take a political and strategic perspective. You said that you have come to discuss the relations between the two countries in the decade of the 1980s. In fact, it is not limited to only that decade. Not only during the 1980s, but during the 1990s. Anyway, our two countries should live in friendship from generation to generation.

Vice President Mondale: That is a good point. We have had relations prior to the last thirty years, but they were flawed because they were unequal. There was no mutual respect between two sovereign nations. And relations with such a flaw underlying them could not be really thorough relations of the kind that a great nation should have. In this new beginning we are two truly independent nations without unequal treaties and unequal relations. Now we can have relations that mature independent societies have, based on equality and respect. That basis enables a relationship with a permanence that goes beyond the 1980s because it is not flawed.

Premier Hua: Very well said. If there is a good relationship between China and the United States and a continuance of these good relations, it not only serves the interest of the Chinese and American peoples, but also the interest of world peace. One sentence, one of your remarks at Beida, has attracted wide attention. You said that any action that tried to weaken or isolate us took a stance that runs counter to U.S. interests . . .

Mr. Han Xu (reading the President's letter to Premier Hua): That sentence is in President Carter's letter to you.

Vice President Mondale: Occasionally the Vice President speaks with words his President has previously used. Or he had better.

Premier Hua: I notice that many news agencies stressed this reference. And I want to say frankly to the Vice President that I am pleased to hear some of the news that you have brought to us in these talks, among which is that remark that I first cited which I think is a far-sighted view. I am pleased with it not because you have said something nice about China but because you are taking a strategic viewpoint in looking at the problem. We have told many visiting American friends that we must work together to cope with the Polar Bear. Our late Chairman told visiting American friends that we should form a line stretching from the United States, Western Europe, China, and to Japan. This is because we recognize that the main danger of war at present comes from the Soviet Union. Judging from events in the last year, the Soviet Union is still trying to take advantage of openings everywhere to expand. Mr. Mondale is aware of all these developments. In Afghanistan, the former President Daoud was a pro-Soviet person.

But he also wanted to uphold national independence and sovereignty. So he was gotten rid of by the Soviet Union.

Vice President Mondale: Our Ambassador, you know, was killed in Kabul—a very fine man.⁵ I attended his funeral. There was a very suspicious involvement of Soviet officials surrounding the way that was done. We do not charge the Soviets with having done it, but we know they have not done anything to help us protect that man.

Premier Hua: For instance, in South Yemen, President Rubia also had good relations with the Soviet Union, but he also advocated national independence and sovereignty. So it was a coup that got rid of him. And two Presidents, one in South Yemen and one in North Yemen, were killed within twenty-four hours. It is rumored—I have not been able to check it, but it is rumored—that some Cuban troops were involved in the attack on the South Yemen Presidential palace. Then there is Ethiopia. At present, we say that although the focus of Soviet strategy is still in Europe, it is actively trying to poke its hands in the Middle East and the Persian Gulf. The attempt to control the production and the transportation of energy resources, that is, oil, if they succeed in this attempt, will pose a great threat to Western countries dependent on oil. Of course, they are active not only in those places but in the Indian Ocean, Indochina, and the Pacific trying everywhere to extend their strength.

You signed a SALT II agreement with the Soviet Union. We have not publicly opposed it. But, Mr. Mondale, be aware that our view is that no treaty will actually restrain them. But the attempt to deal with Soviet expansion will be a long-term project. So long as the policy of Soviet imperialism does not change, they will persist in trying to expand. I do not know whether Mr. Mondale has read the will of Peter the Great.

Vice President Mondale: I confess I have not.

Premier Hua: It is widely translated among European countries. There are many versions of this will. Of course, it has not yet been definitely ascertained that this testament or will is actually that of Peter the Great, but the actions of Czarist Russia did conform to that document. And the actions of the present Soviet Government seem to exceed even that of Czarist Russia, that is, in their expansion and aggression. In saying all this I am only trying to make clear the reason why I think President Carter's remarks, and it was repeated by Mr. Mondale in the speech, show that you are looking at the problem from long-term far-sighted perspective.

⁵ Ambassador to Afghanistan Adolph Dubs was killed on February 14 during an exchange of fire between Islamist militants and Afghan security forces assisted by Soviet advisers.

Vice President Mondale: We appreciate that observation, and we hope we deserve that praise.

The SALT Treaty to which we refer, we believe, has several advantages which enhance the strength of our country. By its terms, there is nothing that we need to do to strengthen ourselves which is prohibited. And you may know we are about to commence a massive program with the deployment of what we call the MX missile. This missile is maneuverable so that the Soviets know that even if they knew where the missile was when they aimed at it—which they would not—they would be pretty sure it will not be there when their missile lands. And thus the Soviets know to start a war means their destruction. This MX missile has not three warheads but ten. They are highly accurate with the ability to destroy missile silos. We are replacing the warheads on some of our older missiles with these new, much more accurate silo-killing warheads.

At sea we are deploying the Trident submarine in the Pacific Ocean. It will carry missiles that are very long range, with highly secret nuclear warheads, with each missile capable of hitting the Soviet Union. Both the submarine and missiles will be far superior to anything the Soviets possess.

In Europe we are not only expanding the strength of the NATO conventional forces, but we are rapidly concluding an agreement with the NATO allies. Mr. Aaron here has been our chief negotiator. The agreement seeks to modernize theatre nuclear weapons to counter the threat of the so-called SS-20. We are deploying the Pershing II Missile and the highly accurate ground launched cruise missile which can fire 2000 miles and come within 100 feet of the target. It flies in so low that it makes their whole air defense system virtually useless although they spent \$100 billion building it.

Premier Hua: How much was that?

Vice President Mondale: They spent, we estimate, \$100 billion on their radar system to counter our manned bombers. The ground-launched cruise missiles make a mockery of the system because it is useless against these low-flying missiles. One of the dividends that flow from the SALT II Treaty is that we will be able to put more of our resources into conventional arms, particularly in Europe, to meet the very high buildup deployed by the Russians in Eastern Europe. Your government has been briefed about what it is we are doing in the Pacific. I will not repeat those matters. We are trying to meet the mischief of the Soviet Union in Africa and Latin America. And sometimes their efforts involve, as you well know, great subtlety. I would be interested in hearing from the Premier about your appraisal of the situation in Afghanistan.

Premier Hua: We know a little about the situation in Afghanistan, but not much. It seems that the anti-government forces are growing every day. It was reported—I saw a report yesterday that a provincial capital was occupied by the anti-government forces, but this news has not been confirmed yet. It is the capital of Kunar Province, some 200 kilometers to the west of the capital. But this news has not been confirmed yet. Foreign news reports think that this is quite possible because that provincial capital has been surrounded by anti-government forces for quite some time. It is said that one brigade has declared neutrality at the site. Other reports say that they have turned insurgent, and the government is trying to locate this brigade.

It seems that the anti-government forces have key different factions, and these factions have not come together to form one single force. There is news that three or four organizations have formed a union, but it is said that the biggest one in opposition did not join this alliance. These opposition forces have captured some weapons from government forces. But these are not sufficiently good for them to attack large cities. So the turmoil in Afghanistan will go on for some time.

Vice President Mondale: It is clear apparently that the Soviets have their hands full here.

Premier Hua: Opposition guerrillas are cutting communications on highways everywhere, including the highway in the west leading into the Soviet Union.

Vice President Mondale: Yes. They have destroyed that highway too.

Premier Hua: We have seen some news that the Soviet Union intends to make a change in the government and to get rid of President Taraki. It is also rumored they may put in power the son-in-law of the former King, but we are not very clear about how the situation is developing.

Vice President Mondale: I saw an intelligence report yesterday that the Soviet Government sent a telegram praising Taraki on the sixtieth anniversary of Afghanistan independence. Analysts of this cable noted the Soviets have been trying for some time to broaden the government to strengthen the government. So people believe that this cable is a sign that they will try to stick it out with Taraki. It is difficult to know.

Premier Hua: So we have to see how things develop in Afghanistan.

I want to add that I noticed that in the talks Vice President Mondale mentioned that Secretary of State Vance had made the determination to put China in the category of friendly nation and that you were going to treat China differently from the Soviet Union in terms of em-

bargo licensing. I was interested in hearing about this. In his talks, Vice President Mondale also said that the Trade Agreement will be sent before the U.S. Congress before the end of this year and that you felt that it would be passed by Congress. You mentioned in the remarks at Beida that the submitting of this Trade Agreement to Congress was not linked to any other matters. And this statement has been commented upon by the foreign press, saying that it probably refers to the fact that the granting of MFN status to China is not linked to granting of MFN to the Soviet Union.

Vice President Mondale: They are very shrewd reporters.

Premier Hua: You were very skillful in phraseology. You did not spell it out, but the reporters were very sharp to understand.

Vice President Mondale: There is some humor in the law that bears on friendly nation determination. It is the law that goes back to 1949 and our McCarthy era. The law defines an unfriendly nation as one that is a part of the international communist conspiracy, by which we mean Moscow. We felt you were not under the control of the Soviet Union. It would be harder to make the same determination for Moscow. Such a determination is in line with the normalization of relations between our two countries, and on the development of the whole range of political, economical, cultural, scientific, and technological.

Premier Hua: Yes. It is part of normalization.

Vice President Mondale: There is a wide scope for cooperation between our two countries. That is the message precisely that I wish to bring. I was asked in Washington before I left what does normalization mean. I said it can mean a very little, or it can mean an awful lot. And it is our desire that it would mean an awful lot. It would mean normalization in the fullest sense of the word. In order to achieve that with specific initiatives, I think we have made great progress in Congress, export licensing, trade, American business investment, in cultural relations, in specific ways that we can help in technical fields, and in exchange of information on strategic matters. That is what normalization ought to mean. I believe we are making real progress.

Premier Hua: I agree when you say that normalization can mean an awful lot or it can mean very little. It can be said that we have normal relations with some countries. For instance, with Libya we have normal relations. But we have many differences of views. And we only have regular state-to-state relations. But we think that in normalizing our relations with the U.S. there are large areas of common ground. To strengthen friendly relations and cooperation between our two countries is very important for the interests of our two peoples and for the interests of world peace. So we do not want to see normalization between China and the U.S. kept at the level of normalization between China and Libya.

You mentioned credit. Of course we welcome that in relation to the Chinese effort for development, for the realization of the Four Modernizations. Of course we rely mainly on our own efforts, but we also want in this process to absorb advanced know-how from foreign countries. We have to import advanced equipment and to accept foreign investments. We passed a law on joint ventures with both Chinese and foreign investment in the second plenary meeting of our Fifth National People's Congress.

Vice President Mondale: It is being carefully circulated and read by our business community.

Premier Hua: But, of course, because we have never had any such law and do not have much experience in this regard, we cannot write it in very great detail all at once. We will try to perfect it and supplement it in the course of carrying out this work. In the case of some aspects that are stated only in principle, we will try to make it more specific in signing the contracts. We think we will need to pass several more laws to make it more concrete.

Vice President Mondale: No wonder you are opening a law school.

Premier Hua: Some Japanese friends put forty questions to us about the joint venture law. And we asked them to give us some ideas on how to make it more specific.

But as Vice Premier Deng told you in the talks that we hope you do not link this credit arrangement with the money owed by the Kuomintang to you. If you link these two things together, we will find it very difficult to accept this. The United Kingdom, France, West Germany, and Italy have all agreed to give us some credit facilities. Their complaint is that we have not made fuller use of these facilities. We told them, of course, we have to consider our ability to repay. We cannot ignore our credibility. We Chinese always mean what we say and, if we undertake too many debts which we cannot repay, that will not be good.

Vice President Mondale: We understand. The credit arrangement we are offering simply allows you to move on a case-by-case basis regarding special projects of your choosing which we will have to work out together. We thought it would advance the broadening of normalization to have all available tools for expanding our relations. There should be no doubt of the availability of the instruments.

Premier Hua: We think that to determine credits on a project-by-project basis will ease the problem of repayment.

Vice President Mondale: Yes.

Premier Hua: Because when a project is undertaken for industrial projects, for instance, and is thrown into operation, then we will have the means with which to repay the debt.

Vice President Mondale: That is why MFN becomes so important. We understand if we were to sell to you, you have to be able to sell to us to generate the credits, to borrow, to build, to expand, to modernize.

Premier Hua: If we can export goods to the American market, that will of course increase our ability to repay.

Vice President Mondale: It is part of the mutuality that we need to tend to.

Premier Hua: When former President Nixon came to visit China, I received him and on our way to the airport, in sending him off, he asked me whether it was possible to have a very considerable expansion of Sino-U.S. trade. I told him that there were difficulties, because without most favored nation status it is not possible for Chinese goods to enter the American market and that is why we import more from you and export not so much. There is an embargo on the trade.

Vice President Mondale: We understand the importance of MFN. We have made a commitment in the Trade Agreement and we intend to deliver.

Premier Hua: We hope that this question can be gotten out of the way. It will remove an obstacle from our economic cooperation and expansion of trade.

Vice President Mondale: The President asked me to inquire privately about your estimate of what will transpire in your upcoming talks with the Soviet Union which is scheduled.

Premier Hua: When we announced that we will not extend the Sino-Soviet Treaty, we announced in that statement the proposal to hold negotiations between the two countries. The Vice President will understand and knows that the continuation or renewal of the Treaty of Friendship and Alliance with the Soviet Union would be unreasonable. As you know, we have concluded a Treaty of Peace and Friendship with Japan, and the Treaty we have with the Soviet Union on peace, friendship, and alliance contradicts the Treaty with Japan.

Vice President Mondale: There is a word in there called hegemony.

Premier Hua: Yes. That is why we decided not to extend the validity of that Treaty. Regardless of our disagreements on matters of principle and regardless of our objections to their hegemonism, we feel nonetheless that it is possible for the two countries to have normal relations on the basis of the five principles of peace for co-existence. But we are aware that these negotiations will be very difficult and will last a long time. In the Shanghai Communiqué we said that we are opposed to hegemonism. The same opposition to hegemonism was included in the Sino-Japan Treaty of Peace and Friendship. Now the Russians have suggested that in a new treaty with China they also want to oppose hegemonism. (Laughter) So this is quite a humorous situation. So we say

the important thing is to judge by your actions whether indeed you are against hegemonism. We are sending a delegation to Moscow for the negotiations in the middle of September. As I said, the negotiations I think will be very difficult and will take a long time. As to improvement of relations between China and the Soviet Union, we will have to see whether they are sincere in wanting to do so.

Vice President Mondale is aware that after Vietnam concluded a Treaty of Friendship with the Soviet Union, they launched their aggression against Kampuchea and stepped up their military buildup against China. Article VI of that Treaty between the Vietnamese and the Soviet Union in fact makes the Treaty have the nature of a military alliance. So in launching our counterattack in self-defense, we did not act merely from the considerations of China-Vietnamese relations, but from the strategic point of opposing hegemonism. That is to say, when the Soviet Union and Vietnam colluded to carry out hegemonism, are we to sit idly by or are we to do something about it? Of course, in deciding to make some reaction and to do something about it, we did take into consideration the worst possible consequences that the Russians might take some action.

And China was prepared to take the risk alone. Vice Premier Deng said that the Chinese mean what they say and that we do things after giving careful thought. So I am telling Mr. Mondale and asking you to tell President Carter that unless the Soviet Union changes its policy of pursuing hegemonism, Sino-Soviet relations cannot be improved because we will persist in opposing hegemonism. This is a fundamental point to keep in mind.

Vice President Mondale: I will report on that.

Premier Hua: Of course, China wants an environment of peace in which to build up its own country to achieve the full modernization. But if the hegemonists carry out expansionism and aggression, China will surely oppose it. And it seems that the Soviet Union will not change overnight their policy of seeking hegemony. If they do not change their hegemonist policies, neither will China change its policy of opposing hegemonism. China is a vast country with a vast population. But we are still rather backward industrially, agriculturally, and in science and technology. On account of the fact that China's industry, science and technology are not very developed, that means that our underground resources have not been fully understood or exploited as yet. Starting from this year, we have shifted the focus of our work to that of the Four Modernizations. At the second meeting of the Fifth National People's Congress we underscored the need to develop democracy and a socialist legal system. We did so with the aim to modernize the energies of the people to bring about a situation of stability and unity in which it is better to carry out the Four Modernizations.

Vice President Mondale: We have noted with great interest the movement of your government for the rule of law. As a society deeply committed to human rights, we see that movement as a most salutary one.

Premier Hua: If we are to bring about great order throughout China, it is imperative that we develop democracy and develop the legal system. For without law you cannot have stability and unity. We have also raised the slogan of readjusting, restructuring, reconsolidating, and improving the national economy. This is to ensure that our economy develops on a proportionate basis at a high and enduring speed. In the development of industry and agriculture, we stress that agriculture is the base. We must speed up the development of agriculture. We increased our investments in agriculture. We raised the purchase price of agricultural products. Last year we circulated some draft decisions to accelerate agricultural development on a trial basis. This year we will make these decisions formal. We think that only with the development of agriculture will we be able to solve the problem of feeding some 900 million people not only with grain but with meat and vegetables. Only with developing agriculture will we be able to solve the problem of clothing 900 million people. When I say solve the clothing problem, I mean that right now our textile fabrics come mainly from cotton, wool, silk, and linen. While we do have some synthetic fabrics, they do not constitute as yet a very big proportion. Only by developing agriculture will we be able to have the raw materials for industrial development, particularly the development of light industries.

Vice President Mondale: Mr. Premier, I do not wish to interrupt, but I know that around 5:15 we might spend a few moments alone . . . (People depart.)⁶

⁶ In a backchannel message from Beijing reporting on his meetings with Deng and Hua, Mondale reported, "Before the second formal meeting with Deng, I drew him aside to convey your message to him on the sensitive matter. He seemed pleased." The Vice President also noted, "I had a fifteen minute tete-a-tete with Hua covering the sensitive issue as well. I told him Harold would visit in the fall to discuss the matter further. He said the Chinese would welcome his coming." (Carter Library, National Security Affairs, Brzezinski Material, Trip File, Box 37, Vice President, Far East, 8/24/79–9/3/79: Cables and Memos, 8/27–30/79) For more on the "sensitive issue," see Documents 241 and 267.

267. Memorandum From the President's Deputy Assistant for National Security Affairs (Aaron) and Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, September 4, 1979

SUBJECT

Implications of Security Issues Raised During the Vice President's Trip to China

The Vice President's trip was much more significant than we had anticipated. Not only have we committed ourselves to securing a major economic package from Congress and the bureaucracy in the months ahead—trade agreement, OPIC, ExIm budgeting adequate for China in FY 1981 and beyond, licensing—more importantly we have moved significantly into the beginnings of a genuine security relationship with China.

To an extent, our public rhetoric has kept pace with the change. We attracted the attention we sought with the sentence: "Any nation which seeks to keep you weak or isolated in world affairs assumes a stance counter to our interests." In press briefings we carefully qualified our old, flat assertion that our policy toward China and the Soviet Union is one of balance by adding that while we seek to improve relations with both simultaneously, since our relations with each and our interests with respect to each differ, the ways in which we seek to improve relations with each will also differ.

In private, as you know, beginning with the President's May 3 presentation to Ambassador Chai Zemin² and your May 30–June 1 exchanges with Chai, we began to move into new territory. The Chinese request of May 30 for the F-15 or F-16 was the beginning. [*2 lines not declassified*]

The change in our policy is equally substantial, for we have put the Chinese on notice that we will differentiate between them and the Soviet Union. Chinese expectations have been aroused, and we have identified ourselves with a regime that faces a somewhat uncertain future.

As we move ahead, at least a moment's reflection is called for. We are moving swiftly into uncharted waters with a regime whose credi-

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), President's Meeting with [Vice Premier] Deng (Xiaoping, 12/19/78–10/3/79). Top Secret; Sensitive; Eyes Only; Outside the System. Sent for action.

² See Document 241.

bility and constancy has yet to be fully proven. We are running risks as to the Soviet reaction. [1 line not declassified] but we are less sure about the Chinese, since they may have an interest in letting it leak out.

While we support the new venture because of the extraordinary long-term promise as well as possible tactical benefits, others—including many who supported normalization—will shy away from the policies. That is one reason to avoid leaks, because as with normalization, it will be preferable to have our ducks lined up before the Congress is informed.

As a result of discussions in Beijing, we face these concrete issues:

—[less than 1 line not declassified] We need to analyze our options and develop a specific posture over the next few weeks.

—[1½ lines not declassified] There are many complexities we will undoubtedly discover as we proceed. Further, these issues pose great political sensitivities to the Chinese. The [2½ lines not declassified]. We have to proceed carefully, for we stand not only possibly to gain a permanent security relationship with China, but we possibly could lose our entire relationship as well. Deng Xiaoping let it be known that he had faced opposition on this, but had overcome it. [1½ lines not declassified]

—*Maps*: What more can we do for them? They are very keen on assistance in this area.

—[1 paragraph (4½ lines) not declassified]

—*Weapons*: We are not prepared to sell weapons to China. Interestingly, however, Deng disclosed that only the British will sell them military aircraft, meaning the Mirage fell through. One wonders about French willingness to sell the HOT and MILAN anti-tank missile. While we will not sell weapons, it may be that we should be even more active behind the scenes than the President was at Guadeloupe.³

In a private conversation, we also inquired whether the Chinese would welcome advice on how they might best respond to the Soviet threat, and they replied positively.

The key points here are that, first, our actions at this point can affect China's defense posture for years to come—thereby possibly reducing the potential harm they can inflict on us—and second, we have an interest in maintaining a military balance along the Sino-Soviet border. But in the last five years, certainly at the conventional level, Chinese vulnerabilities have increased significantly.

In short, though we do not wish to sell arms to China, we do have an interest in China's arms procurement and deployment policies. It

³ See footnote 6, Document 196.

behooves us to begin to explore their capabilities and strategies in greater depth, if they are willing.

—*Brown Visit*: The Brown visit has assumed even greater significance in the new situation. It should be scheduled soon, but enough lead time should be allowed to play [*plan?*]carefully for it. We recommend setting a November date, but not announcing the trip until October. This will also give us time to monitor developments on the Sino-Vietnamese border. We also need to consider whether we should inform the Chinese that the trip will have to be delayed if they intend to teach Vietnam a second lesson.

A good cover will have to be provided for the Brown mission. To this end, the delegation probably should include ACDA representation. But the major focus should be consultation on the defense problems—as a substitute for actually providing arms.

—*Next Steps*: Underlying all of these issues—[*less than 1 line not declassified*] weapons sales, [*less than 1 line not declassified*], maps, the Brown trip—are very important bureaucratic issues. How do we minimize the chances of leaks? How do we develop our options on each of these issues in intelligent fashion? Where do we negotiate these issues with the Chinese?

We strongly believe the following: (a) these issues should be handled as tightly as normalization; (b) only people who are working on the issue should be cut in; (c) all policy papers should be kept within the NSC; (d) pertinent Cabinet officials should be informed orally; (e) negotiations should be carried out in Washington. We recommend that you raise this with the President soon and nail it down—before Lake, Tarnoff, Reggie,⁴ et al, become part of the circle. We believe if these issues are compartmentalized and tightly controlled from the White House, leaks can be minimized or avoided at this end.

⁴ Reginald Bartholomew.

September 1979–January 1981

268. Memorandum From Secretary of Defense Brown to Secretary of State Vance and the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, September 8, 1979

SUBJECT

Trip to China

Following our Thursday discussion,² here is how I see the schedule, purpose, and scope of my forthcoming trip to the PRC.

To avoid any connection with a possible "second lesson,"³ the visit should be in October, well before any PRC action is feasible in terms of the dry season and the necessary buildup. Also that will make my visit part of a previous scheduled trip to the region.

I envisage a stopover of several days in Beijing for talks with PRC leaders. I would also hope to see a bit of China, but have no intention of visiting particularly sensitive geographical areas or military installations. I would not expect to engage in the kind of global *tour d'horizon* of shared political and security concerns which characterized earlier conversations with PRC leaders. Rather, I believe my substantive exchanges with them should concentrate on the global military balance with emphasis on 1) trends in the Soviet defense buildup, 2) the inherent strengths (as well as some vulnerabilities) in the US military posture, 3) the appropriate size and characteristics of China's military

¹Source: Carter Library, Brzezinski Donated Material, Subject File, Box 33, Meetings, Vance/Brown/Brzezinski: 8/79–9/79. Secret; Sensitive; Eyes Only. At the top of the page, Brzezinski wrote a note to Gates: "RG, V-B-B luncheon. ZB."

²Vance, Brown, and Brzezinski met for lunch on Thursday, September 6. In a memorandum the day before, Oksenberg advised Brzezinski that the lunch "should set the date for the Brown trip." In regard to "Sensitive Issues," Oksenberg wrote, "You should inform Vance and Brown that you are establishing a special SCC Committee under David Aaron to develop options [*less than 1 line not declassified*] and maps. The group will include Carlucci, Newsom, someone Brown is to designate, and Bobby Inman. You should indicate the President's desire for this matter to be treated with the same secrecy that we handled normalization, with all policy papers remaining under NSC control. No more people are to be cut into the circle unless the President approves." (Memorandum from Oksenberg to Brzezinski, September 5; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Brown (Harold) 1/80 Trip, 8–9/79)

³The "second lesson" refers to a possible second Chinese invasion of Vietnam in response to the Vietnamese invasion of Cambodia.

capabilities, and 4) arms control issues of mutual interest (to emphasize this aspect I suggest having George Seignious accompany me). I expect that Deng and leading members of the PRC defense establishment would be my principal interlocutors.

The principal purpose would be further to broaden and deepen our bilateral relationship with China. Our relationship with Moscow has long contained a security component (i.e., arms control negotiations), and there have been occasional military-to-military contacts. During my recent discussions with Defense Minister Ustinov, I invited him to visit the US. With the full normalization of our ties with Beijing it is time to develop a parallel dialogue and contacts with the Chinese by accepting their invitation.

More specifically, the ends I see are:

1. The trip—and the inference that Sino-US ties *could* take on more tangible security overtones in the future—can elicit from the Soviets greater restraint and sensitivity to US interests in third areas. This lever is one of the few we have, and the visit will point this out to the Soviets.

2. Substantive exchanges during my visit—[2 lines not declassified].

3. The visit should strengthen domestic bipartisan political support for our foreign policy efforts by demonstrating a capacity to deal with the realities of triangular politics on a hardheaded basis across a broad spectrum of issues. (This would help with SALT, but the political benefits should extend beyond that.)

4. I will begin an evolving interchange with the Chinese on defense subjects. This can produce, over time, greater benefits in terms of adjustments in the global balance of forces, the complementarity of our respective defense efforts, a greater measure of US influence over PRC policies, and a more responsible Chinese attitude towards arms control. It would be appropriate, for example, to encourage a dialogue about what makes sense for the PRC in the way of force structure.

It is important to minimize risks by careful attention to the details. To this end, I will:

1. Not generate Chinese expectations that we may be unable to fulfill—particularly on the matter of arms sales. I would indicate frankly what we *can* do (e.g., provision of some dual use technology), and what we *cannot* do (e.g., sell F-15s).

2. Stay away from any gratuitous “baiting of the Polar Bear,” in connection with the trip, and emphasize that it balances parallel arrangements and/or initiatives (Ustinov invitation) with the Soviets.

3. Plan for timely advance notice to key US allies of the trip and close consultations with them on the substance.

4. Consult with key Congressional leaders to avoid any misunderstanding about the objectives of the trip.

Since Ambassador Chai will be back in a few days, specific dates and other details should be proposed to him promptly in line with Deng's suggestion.

Harold

269. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski) and the President's Deputy Assistant for National Security Affairs (Aaron)¹

Washington, September 11, 1979

SUBJECT

Mondale Memcons

At the attached three tabs are the Vice President's memcons for the NSC files.²

You know how sensitive they are and, if you wish for me to keep them in my safe along with the other sensitive memcons, I would be willing to do so.

As you can imagine, Holbrooke has been at me asking when Cy Vance would get these memcons. I consider it clearly your responsibility to handle that end of things. One thought that occurs to me would be to have him read the memcons in your office. Another possibility would be then for me to deliver them personally to him and to obtain from him after he has read them.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 49, Mondale 8/79 China Trip: 9/79. Top Secret; Sensitive; Eyes Only Attachment; Outside the System. Sent for action.

² The memoranda of conversation are printed as Documents 264–266.

I am sending you separately sanitized versions of the memcons—not noted as such—for possible placement in the file of the EA Bureau.³ Those sanitized versions contain no reference to the most sensitive issues, including deletion of the export control cases⁴ and of any reference to our having obtained prior notice from the Chinese of their February incursion into Vietnam.⁵

Recommendation:

That you place these memcons in an appropriate file and that you give Cy access to them in an appropriate manner.⁶

³ Oksenberg sent the sanitized memoranda of conversation to Brzezinski under cover of another September 11 memorandum in which he wrote, “I believe these memcons should now be distributed to State for placement in the EA Bureau files. Access to them should be as limited as access to the other China memcons—i.e., only Holbrooke, Sullivan, and the Head of the China Desk can look at them. Distribution is useful, however, because in each session Mondale indicates that we are now seeking to develop a distinction in technology transfer to China and the Soviet Union. EA should be well informed of this policy so that it can implement it against opposition within State.” Brzezinski approved providing Holbrooke with the sanitized memcons. (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 9/79–12/80)

⁴ Brzezinski underlined, “deletion of the export control cases” and, in the margin, wrote, “Why?” Oksenberg explained in a September 12 memorandum to Brzezinski, “You asked why I deleted reference to the expedited license cases in the Mondale memcons I prepared for State. I thought you wished the V-B-B discussions of the Lockheed Jet Star and the digital enhancer to be secret. The President’s interest is not served by letting it be known that the White House is involved in facilitating specific cases. You will remember how we handled Daedalus: by keeping the pressure on, but by letting the favorable decision be made bureaucratically. However, I have retained in the memcons for State the general discussion of our willingness to distinguish between China and the USSR in COCOM.” (Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 49, Mondale 8/79 China Trip: 9/79)

⁵ Next to the reference to “prior notice,” Brzezinski wrote, “leave out.” He added, “Also leave out the *special item*, but give them the rest. Why hold back? ZB.”

⁶ Brzezinski did not mark either the Approve or Disapprove option.

270. Telegram From the Department of State to All East Asian and Pacific Diplomatic Posts¹

Washington, September 11, 1979, 2200Z

238556. Subject: China–Vietnam Confrontation: The Next Phase.

1. Secret—entire text.

2. Following is text of briefing memorandum sent to Secretary September 10.

3. Begin text. To the Secretary. From EA—Richard Holbrooke. Subject: China–Vietnam Confrontation: The Next Phase.

While the possibility of a Chinese “second lesson” remains, we believe the odds are against a major Chinese attack on Vietnam this year, in large part because of Chinese recognition of the difficulties involved in a frontal assault across the border in the face of the strong buildup of Vietnamese forces along the frontier.

Reports we have received suggest that Vietnam and China will take the following military moves at the end of the rainy season and the onset of the dry season in October–November–December.

—The Vietnamese will build up and launch a large-scale offensive in an attempt to crush Pol Pot and other resistance forces, concentrating upon western Kampuchea.

—The Chinese will increase their support of Pol Pot and KLM military elements—through Thailand—and try to keep the resistance inside Kampuchea viable.

—The Chinese will step-up their military/psychological pressure on Vietnam through a modest military buildup along the border and by instigating border incidents, perhaps some of significant scale, in order to divert Vietnamese attention and resources from Kampuchea and to strengthen the morale of Pol Pot.

—The Chinese will also try to stimulate insurgent activities in Laos, initiate a limited military buildup along the border and perhaps engage in some minor cross-border operations.

Both the Chinese and the Vietnamese are pursuing long-range goals in their conflict. The Vietnamese envisage consolidating their effective control of Indochina, strengthening their base against China, and establishing themselves as the dominant military-political power in Southeast Asia. The Chinese, who speak in terms of a three to

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840130–1471. Secret; Nodis. Drafted by Oakley (EA) and Lyne (EA/VLC) and approved by Holbrooke. Repeated to the White House.

five-year campaign, are primarily concerned with changing Vietnam's fundamental pro-Soviet policies, and secondarily concerned with breaking Hanoi's hold on Kampuchea and Laos.

Given these goals, the combination of Vietnamese tenacity and determination and continuing Soviet material and political support, plus the depth of the Chinese commitment to overturning a Hanoi–Moscow axis, there is every reason to expect their confrontation to drag on for some time in various ways, ranging from guerrilla warfare in Kampuchea and Laos all the way to renewed direct military conflict.

We believe we would have considerable warning of any major Chinese movements, as we did last January. The present concentration of Vietnamese forces and weaponry deployed north from Hanoi to the Chinese border would require a Chinese buildup for a major attack of such size (e.g. over one million troops plus air, artillery, etc.) as to be unmistakable weeks in advance. Our difficulty will be the ability to read accurately more modest buildups designed for different Chinese purposes, i.e. pressure but no attack, limited attack, surgical strikes at specified targets. (INR has just completed an excellent study on the range of Chinese military options and the warning we could expect for each of the options.)²

Obviously, a new major conflict would be the most dangerous threat to our interests and to the peace and stability of Asia. However, even assuming that does not take place, there are several negative consequences from a lesser level of confrontation which we, Japan, Australia and ASEAN must be prepared to face:

—Increased tensions inside Laos and along its borders, increasing its dependence upon Vietnam and placing greater pressure on Thailand, including an increased refugee flow;

—The continued destruction of the Khmer people through military conflict, famine or disease (international relief efforts can hardly succeed in face of major fighting); plus massive numbers of people trying to get out of the country into Thailand with resultant political strains for that country, as well;

—Renewed, more serious threats to Thai territory by Vietnamese forces in "hot pursuit" of Khmer resistance forces (a fear expressed to me by Kriangsak last week) and possibly deliberate retaliation for what Hanoi might perceive as an intolerable degree of Thai cooperation with China in supporting the resistance;

—Increased Soviet influence and perhaps military presence in Indochina due to Vietnam's need for support in prolonged military operations and its need for help in facing a possible direct Chinese attack.

In light of the dangers that either a major second strike or a heightened level of Chinese-Vietnamese confrontation will produce, we must

² This study was not found.

continue to use our influence with all directly or indirectly concerned parties to press for a political solution in Kampuchea. Although at the present time this seems impossible, at least until after the coming dry-season fighting has run its course, we can talk directly to all the involved parties and try to mobilize others to help.

The continuing conflict in Indochina, as well as the refugee and famine problems, should be one of the major themes in your meetings at the UNGA with the Chinese, Soviets, non-Communist Asians and Western Europeans. We need to work to ensure that international community attention remains focused on the following requirements of the situation there:

- A ceasefire in Kampuchea;
- Vietnamese and Chinese military restraint throughout Indochina;
- Pressure on the Vietnamese, Heng Samrin, and Pol Pot to permit an international relief effort to the Khmer inside Kampuchea;
- International assistance to Khmer refugees in Thailand as well as to Thai along the border uprooted by the refugee influx and by the spillover effect of the fighting in Kampuchea;
- The maintenance of a Vietnamese moratorium on organized departures;
- Increased resettlement offers for refugees and financial contributions for refugee operations.

We will be urging Waldheim to take the initiative in pressing for humanitarian relief to Kampuchea, and if possible, a ceasefire. I believe I should meet with Phan Hien, who will lead the Vietnamese delegation, to continue our dialogue. I will stress the importance of a political solution in Kampuchea, of an effective international relief effort there, and of continued Vietnamese restraint on refugees and caution on the Kampuchean-Thai border and in their relations with the USSR.

We should be careful in all *démarches* to address both the resolution of the fundamental issues and the need to alleviate the immediate effects. We should note that achieving these objectives would favor neither Vietnam nor China but could save hundreds of thousands of lives in Indochina, mitigate the misery for tens of millions more, and avoid the spread of tension, conflict, and misery into the ASEAN states, which are at present relatively calm and where the lot of their peoples has been improving.

End text.

Vance

271. Memorandum From Secretary of Defense Brown to President Carter¹

Washington, September 16, 1979

SUBJECT

Trip to China

The time has come to develop a strategic dialogue and military contacts with China to parallel arrangements we have with the USSR. A visit to Beijing during my trip to Korea and Japan next month would provide a timely opportunity to initiate the process. Fritz Mondale's discussions with Deng and Hua Guofeng indicate that the Chinese welcome my visit. Our current difficulties with the USSR (over the brigade in Cuba) and with the Congress (on SALT ratification) enhance the utility of an early trip.

I would envisage a relatively brief stopover in Beijing—2–3 days—for talks with PRC leaders. I would not expect to engage in the kind of global *tour d'horizon* of shared political and security concerns which characterized earlier conversations with PRC leaders. Rather, I believe my substantive exchanges with them should concentrate on the global military balance with emphasis on 1) trends in the Soviet defense buildup, 2) the inherent strengths (as well as some vulnerabilities) in the US military posture, 3) the appropriate size and characteristics of China's military capabilities, and 4) arms control issues of mutual interest (to emphasize this latter aspect I suggest having George Seignious accompany me). While I would also hope to see a bit of China, I would certainly avoid visiting any particularly sensitive geographical areas or military installations.

The principal purpose of such a trip would be further to broaden and deepen our bilateral relationship with China. Our relationship with Moscow has long contained a security component (i.e., arms control negotiations), and there have been occasional military-to-military contacts. During my discussions with Defense Minister Ustinov in Vienna, I invited him to visit the US. He said this was not the time to discuss such a visit. With the full normalization of our ties with Beijing, comparable arrangements with China are now appropriate.

Beyond this, however, I believe a trip at this time would help us with the Soviets although they will doubtless express discomfort. Indeed I believe it will help us because they will probably feel some dis-

¹Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Alpha Channel: 12/78–1/80. Secret; Sensitive.

comfort, or at least apprehension. The inference that Sino-US ties *could* take on more concrete security overtones in the future should provide the Soviets a powerful inducement for greater restraint and sensitivity to US interests. This lever is one of the few we have; it is perhaps the only one which the Soviets will immediately take seriously. And it would vividly demonstrate that failure to take our interests into account in areas of special geographic and historical sensitivity (e.g., Caribbean) can precipitate disquieting US actions toward their own neighbors.

To be sure our relations with neither China nor the USSR would be advanced if my trip appeared hastily contrived for tactical advantage. But that is neither the fact nor our purpose. The trip was conceived, discussed and broached with the Chinese before the issue of the Soviet brigade in Cuba surfaced as a serious problem. Obviously we should emphasize that in any public statements about the trip's origins and objectives. At the same time we cannot afford to allow the current state-of-play in US-Soviet relations to obstruct policy moves vis-a-vis Beijing which make sense on their merits—as I believe this does. If we fail to follow up promptly on their positive response to the Vice President's soundings, the Chinese will very probably conclude that our concern about negative Soviet reactions is the reason. This and other similar signs of US timidity could well influence the manner in which the PRC plays the US/USSR/PRC triangular relationship.

In the light of these considerations, I believe we should immediately accept the Chinese invitation, and consult with them with a view to announcing sometime this week dates for a mid-October visit to China. That would permit time for orderly planning, allow for sufficient advance notice to key allies, avoid any connection with a possible "second lesson" China may contemplate administering to Vietnam, and enable the visit to be added to my previously scheduled trip to the region.

Harold Brown

272. Memorandum From Secretary of State Vance to President Carter¹

Washington, September 18, 1979

I would like to give you my overall perception of where we stand and where we should be going in our relations with China.

Our China policy is one of the important achievements of your Administration. It has been of obvious strategic value. I am, however, seriously concerned that our strategic policies are beginning to show a “tilt” towards China rather than maintaining the essential balance which has characterized US foreign policy for almost a decade. This tilt could become a serious problem.

We have a major interest in pressing forward vigorously with our bilateral relationships with the PRC and in broadening the areas of global cooperation, thus making our relationships with China more truly “normal.” Fritz’s trip last month was a major achievement in this regard.

Furthermore, we also have a major interest in seeing the Soviet Union contained in its efforts to gain strategic advantage in troubled areas of the world, including Southeast Asia, South Asia, and Africa. Therefore, at certain points US and PRC global or strategic interests will be parallel, and we will find ourselves working together closely in the UN or elsewhere in pursuit of common objectives.

But this does not mean we should move into a military security relationship with China, for there is an element of finality in moving towards an alignment with China. Such a policy would suggest that we had given up hope of improving relations with the USSR. To create such an impression would not only increase US-Soviet tension but could precipitate major policy changes by our allies in Europe and Japan.

The triangular policy of balance which best serves our national interests should be based on certain principles:

First, our relations with both Moscow and Peking must remain better than the relationship between them.

Second, while armed conflict between China and the USSR is not in our interest, it would not be to our advantage for the present Sino-Soviet rivalry to end.

Third, our relationship with China, including the possibility of a security relationship, seems to moderate Soviet behavior, but we

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Brown (Harold) 1/80 Trip: 8–9/79. Top Secret; Eyes Only.

cannot threaten or enter into a security relationship without sacrificing that leverage.

Fourth, our China policy, while moving China closer to the West, should not preclude or reduce the chances of improved US-Soviet relations.

Judged by the above principles, I believe that our policy has passed the test on two of them. But our policy is in danger of failing the test of the third principle. The fourth, therefore, hangs in the balance, and with it, perhaps, the future course of US-Soviet relations.

We are now engaged in discussions with the Chinese of some extremely sensitive matters which already move us into the front edge of a non-public security relationship with them. The timing and pace of our discussions in these areas is critical, and the public side of this issue must therefore be handled with additional care at this time.

A trip to China by the Secretary of Defense must be part of such a careful and measured process. In my view, it should come next year, after Premier Hua's trip here, and after thorough preparatory groundwork in terms of public perceptions, allied consultations, and foreshadowing with the Soviets.

At the right time, discussions between Harold and his counterparts in China would be an appropriate step in our relations. I know that he would skillfully try to minimize risks by careful attention to detail if he went in the next few weeks, but the reality is that the trip itself at this time would generate new momentum and stimulate public debate over a military security relationship with China.

The present international circumstances lead me to recommend delay for the following reasons:

—It comes too soon after the Vice President's trip, with no significant PRC visit to the US as part of the mix: we would appear to be rushing to Peking again, much in the style of the Nixon-Kissinger years, without their coming to us either on substantive issues or in symbolic terms.

—Coming shortly before the dry season offensive in Cambodia and possible PRC counter moves against Vietnam, it may be read by some as an encouragement of Chinese action against Hanoi. We should maintain our careful stance on this issue.

—By engaging in intense consultations, we could probably explain to our allies why we were sending Harold to China at this time. But no matter how much groundwork was done, they would still be likely to conclude it was a precipitous decision related to the Cuban issue and wonder, particularly in Western Europe, what such a trip portends for US relations with the Soviet Union at a time when SALT hangs in the balance.

—The same point would hold true for public and Congressional consultations as well.

—A trip at this time may reinforce the growing Soviet fear that we have decided to form a *de facto* alliance against the USSR. If they reach that conclusion, it will not induce the Russians to act with moderation and responsibility on Cuba and will make it more difficult to resolve that issue.

—Finally, I am concerned that the Chinese themselves will read into the trip at this time a decision that we are ready to move into a military-security relationship.

As for our diplomacy on the Soviet brigade in Cuba, I do not see this as an appropriate or effective response. Should the time come when we are unable to resolve the problem by negotiations, we will need to act in ways related to Cuba, such as increased SR-71 flights, possibly reinforcing the garrison in Guantanamo, and increasing the number of naval and air patrols. If Moscow reaches the conclusion that we are moving into a security relationship with Peking—a conclusion they could be moved towards by a trip by Harold at this time—it will make it more difficult to resolve the Cuban issue.

I am not suggesting that we should fail to try to take advantage of our relationship with China to induce moderation in Soviet behavior. Rather, I am concerned that to carry such a policy to the point of entering into a military-security relationship with China could lose us the leverage the China factor now gives us. The China card, once played, loses its inhibiting effect.

273. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, September 18, 1979

SUBJECT

Secretary Brown's Visit to China: Conflicting Memoranda from Vance & Brown

I enclose two memoranda, one from Secretary Brown outlining the character of his planned visit to China, and one from Secretary Vance

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Brown (Harold) 1/80 Trip, 8–9/79. Secret.

recommending that it be postponed until next year.² Secretary Vance's memorandum, in addition, raises two additional issues: he addresses himself more generally to the need for balance in the U.S.-Chinese relationship; and he recommends that our response to the problem posed by the Soviet brigade in Cuba be limited to Cuba itself.

Insofar as the triangular relationship is concerned, I do not believe that we can have the same relations with the Soviet Union, a country which threatens us militarily as well as indirectly through Cuba and does so on a global scale, and China, which neither threatens us nor is engaged in any activities directed at us. While our relationship with China should stand on its own feet, it is simply unavoidable that the scale and warmth of that relationship will be affected by how the Soviets behave towards us. This applies even to a modest security relationship, and to forego that possibility altogether would be a unilateral concession (and an unreciprocated one).

With regard to Cuba, I agree that a *solution* for the brigade issue should be confined to Cuba; but if no solution is found, the only way we can respond is by addressing ourselves to the larger issue of Soviet assertiveness and disregard for our interests. Anything less than that will look either like cosmetics or like a one-sided concession. Again, it is not a matter of preference but of reality.

Finally, with respect to the Brown trip, you should take into account the following considerations:

(1) This visit was proposed to the Chinese by the Vice President with your approval and the date of October–November was discussed, following their extremely positive reaction. A change in our posture will now look like a zigzag, and it is likely to have a negative impact on some sensitive negotiations which I am now about to initiate.

(2) We did invite Defense Minister Ustinov to visit the United States and he declined; we hinted to the Soviets that they could invite Secretary Brown to visit the Soviet Union and they did not respond. Accordingly, we have tried to give the Soviets an equal opportunity.

(3) The time has come to send the Soviets a clear signal that their disregard for our interests will affect some aspects of the U.S.-Soviet relationship. Brown's prospective visit thus comes actually at an opportune time.

Recommendations

1. In the light of the foregoing, I recommend that you approve the visit; that it be scheduled for October–November this year; and that I be authorized to negotiate the dates with the Chinese (however, the an-

² Printed as Documents 271 and 272.

nouncement of such a visit has to be coordinated with the Chinese, and thus I doubt that it can be made before next week).³

2. To assuage Cy and to somewhat reduce the jolt on the Soviets, Cy should tell Dobrynin that Brown will be visiting China (he can refer in this context to our earlier invitation to Ustinov) but that in the substance of that visit we will remain conscious of Soviet concerns, provided they are also conscious of the need to be sensitive to our concerns. This will indicate to the Soviets that we are not moving toward a broad security relationship, and that we are aware of Soviet sensitivity—but that we are also not prepared to engage in one-sided respect for Soviet sensitivities, without reciprocity. Advance information will be an act of courtesy and will make it somewhat easier for Cy.

3. It might also be a useful gesture to suggest to Cy that he indicate to Gromyko that I am prepared, in the course of my forthcoming trip to Europe, to visit Moscow for the informal high-level U.S.-Soviet consultations that both sides have recognized are needed from time to time, which were specifically mentioned in Vienna, and which Dobrynin has occasionally suggested to me (as a means of enlarging the scope of the U.S.-Soviet dialogue). A visit by me to Moscow either shortly before or after Brown's visit to China would be a balancing act, and might be timely in view of the high probability that the Cuban issue will not yet be resolved. Although Cy may be of two minds on it, I should think in some ways he would view it as a desirable development, if the Brown trip goes forward. Moreover, his raising it with Gromyko would clearly underline the fact that it is being undertaken on his initiative. If you approve this thought, I would recommend that you indicate this to Cy yourself and not have me do it with him either formally or informally.

³Carter did not mark the Approve or Disapprove option under any of the recommendations.

274. Letter From President Carter to Secretary of State Vance, Secretary of Defense Brown, and the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, September 19, 1979

To Cy, Harold, Zbig,

Acting on my instructions, the V.P. suggested to the Chinese that Harold might visit the P.R.C. this fall. Deng accepted immediately and Fritz accepted the resulting invitation. I see no reason now to reverse this agreement.

My suggestion is that Cy remind the Soviets of our long-standing offer of an exchange of defense minister visits with the Soviet Union and inform them that Harold will be accepting such an invitation from the Chinese.

Fritz announced publicly in Peking that we would have no substantive military relationship with China.

Proceed accordingly.

J.C.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 25, Brown (Harold) 1/80 Trip, 8–9/79. No classification marking. The letter is handwritten.

275. Telegram From the Embassy in China to the Department of State¹

Beijing, September 20, 1979, 0710Z

6617. For Assistant Secretary Holbrooke from Ambassador. Subject: Sino-Vietnamese Confrontation: Policy Implications. Ref: A) State 238556, B) Bangkok 35321.²

¹ Source: National Archives, RG 59, Central Foreign Policy File, P840150–2480. Secret; Immediate; Nodis.

² Telegram 238556 is Document 270. Telegram 35321 from Bangkok, September 8, contains the comments of the PRC Military Attaché, who told a senior Embassy official that China's overriding short-term objective was to facilitate the survival of Kampuchean resistance forces, and that China might administer a second "lesson" to Vietnam if Vietnam threatened to destroy the Kampuchean resistance or to endanger Thailand. (National Archives, RG 59, Central Foreign Policy File, D790409–0573)

1. (S—entire text)

2. We are in substantial agreement with the analysis in your memorandum to the Secretary (Ref A), but the proposed action recommendations do not in our view get to the heart of the problem or adequately reflect the gravity of the crisis that may develop. From our perspective, the focal point for our efforts to cope with the likely dry season crisis in Indochina must center on the presence and activities of Vietnamese troops in Kampuchea. Unless we act now to mount pressure on Hanoi over this issue, we will be ill positioned to deal with Beijing's likely counteractions, which could have dangerous consequences.

3. As a minimum, I feel we should alter our approach in certain key respects. We should make it clear in our public and private statements that withdrawal of foreign troops from Kampuchea is a precondition for a political settlement. Secondly, we should insist on a commitment for troop withdrawal from Kampuchea as a precondition for a cease-fire. Unless we establish these minimum linkages, our approach will be seen by the Chinese and others as implicitly favoring the status quo, which will simply reinforce the Chinese view that military pressure on Vietnam is the only alternative for the present.

4. We do not pretend that there is a realistic prospect of forcing a Vietnamese troop withdrawal from Kampuchea at this time solely through external political pressures. But there are good reasons for focusing now on this issue. We will not only be upholding an important principle (the unacceptability of sending occupation forces into foreign countries); we will also cast in more blatant relief a dry season offensive by Vietnamese troops in Kampuchea, which may have some minimal deterrent value. Of greatest importance, the stronger the pressures we can mount on Vietnam over its troop presence in Kampuchea, the better positioned we will be to deal with the implications of a Chinese troop buildup this fall on its border with Vietnam.

5. The UNGA obviously provides us with a useful immediate forum to focus attention on the Kampuchean problem. But we may also wish to lean harder on the Japanese over the question of providing aid to Vietnam while SRV troops remain in Kampuchea. And we should consult promptly with our Asian friends and allies over the crisis we see ahead.

6. My immediate concern is over the contradiction that is emerging in our policy. On the one hand, advocacy of a political solution in Kampuchea at this stage, in the absence of realistic political measures that could effect a compromise, implicitly favors Hanoi. On the other hand, our strong interest in consolidating and expanding our cooperative relations with Beijing at a time when the Chinese are embarked on a high-risk strategy of confronting Vietnam over Kampuchea creates an impression of implicit Sino-U.S. collusion that no amount of public

rhetoric can mitigate. Its impression will be reinforced if high-level U.S. visits to the PRC take place during the period when the crisis is coming to a head. In this context, use of bilateral leverage to deter Chinese actions in Indochina would be viewed by Beijing as arbitrary and unfriendly, especially if we had not already demonstrated that we were prepared to go the limit in constraining Vietnamese actions in Kampuchea.

7. Whatever else can be said about the PRC's approach in Indochina, Beijing at least seems to have a coherent strategy for dealing with the situation. As documented with striking clarity in Embassy Bangkok's superb series of reports on conversations with the PRC Defense Attaché in Bangkok (Ref B), the Chinese are engaged in dangerous high-stakes game to prevent the consolidation of a hostile Vietnamese-oriented regime in Kampuchea. As already demonstrated, they are prepared to resort to force as necessary to accomplish this objective. Vietnam, of course, is equally determined to consolidate its position in Kampuchea and to bring to bear whatever force proves necessary for this purpose.

8. The PRC's strategy is both coldly realistic and is grounded in the revolutionary experience of China's top leaders. To men such as Deng, political solutions can only be expected to reflect the realities on the battlefield (which, in the case of Kampuchea currently favor Vietnam to what Beijing considers an unacceptable degree). Advocacy of compromise solutions is unrealistic unless both sides are prepared to moderate their objectives. And calls for ceasefires and other diversionary maneuvers should only be resorted to if they serve one's immediate military and political requirements. The Vietnamese have drawn similar conclusions from their own revolutionary experience.

9. Given the irreconcilability of Chinese and Vietnamese interest at this stage, our best available course may be simply to mark time until the scenario in Indochina plays itself out to the point where a political solution becomes feasible. There is force to the argument that since our own interests are less directly involved than those of either China or Vietnam, we cannot realistically expect decisively to affect the course of events. Nevertheless, we have much at stake even if our influence is limited. A renewed Sino-Vietnamese military confrontation could escalate to extremely dangerous levels, could produce a new flood of refugees and displaced persons, and could drag in other countries.

10. Aside from these dangers, the PRC's strategy is seriously flawed. In the first place, it is almost totally dependent on Pol Pot. Even if the Chinese are prepared cynically to abandon him once he has served their purposes, he may not prove easy to control or dispose of if his military fortunes improve. In view of his past record of barbarity, moreover, it is difficult to envisage a political settlement in which he is

accorded any significant role. As a result, Beijing's strategy makes more sense as a short term blocking action against Vietnam than as a longer term strategy for developing viable alternatives to the Heng Samrin regime.

11. Secondly, Moscow's support for Hanoi represents a joker in the deck. Soviet involvement could not only upset Chinese calculations; it could also lead to a dangerous game of bluff and counterbluff between two nuclear powers. In addition, Beijing's strategy is heavily reliant on Thai cooperation, and Thailand may prove less committed than China would like to a policy of high risk confrontation with Vietnam.

12. For these reasons, we can hardly view the developing crisis in Indochina this fall with equanimity, since there are too many elements of unpredictability in the outcome. For the moment, we see the risks of a second Chinese lesson as primarily a function of Pol Pot's staying power. If, with Chinese support, he can stave off the Vietnamese during the dry season, the Chinese may be satisfied with posturing and low-level skirmishing on its border with Vietnam. On the other hand, if his military fortunes appear in danger of imminent collapse, or if the Vietnamese spill over into Thailand, the risk of a major PRC military strike against Vietnam will be commensurately greater. We see no grounds for complacency in having so much riding on Pol Pot's fortunes over the next few months.

13. We recognize the complexity of this question and do not pretend to have all the answers. Our ASEAN friends may well prefer to temporize until the likely course of developments becomes clearer. There will be legitimate concern that confronting Vietnam on the issue of troops in Kampuchea will have an adverse impact on Hanoi's performance with respect to refugee matters. As usual, we may not be the best people to carry the ball since our own motives will be suspect. Nevertheless, we feel there is a strong rationale for moving now along the lines noted in para 3 above to position ourselves for the possibility of a renewed crunch in Indochina this winter.

Woodcock

276. **Telegram From the Taipei Office of the American Institute in Taiwan to the Washington Office of the American Institute in Taiwan**¹

Taipei, September 29, 1979, 0047Z

3407. Subject: Post Normalization Taiwan. Ref: Taipei 1882.²

1. "Post normalization" Taiwan was one of the reports cited in reftel as being under preparation. This cable is the summary of that paper, which will be pouched to the Department and to Tokyo, Beijing, and Hong Kong.³ Policy implications for the U.S. will be the subject of a subsequent message later this year.

2. Introductory Remarks.

—As anticipated, normalization has not "rent the fabric" of Taiwan's economic, political, or social system. The factors governing Taiwan's evolution, internal and external, are not basically changed by this single event. Normalization nonetheless was a significant addition to the elements of instability in the Taiwan equation, and how the U.S. handles its relations with Taiwan will remain an important factor.

3. Popular Reactions to Normalization.

Most on Taiwan were upset at least by the manner of U.S. normalization with the PRC. The Mainlanders in particular felt normalization undermined their protection from the PRC and left them more vulnerable to Taiwanese pressures. While some of the Taiwanese responded favorably to normalization as undermining the justification which the KMT and GONT use for maintaining Mainlander control in the

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790448–0144. Confidential. Repeated to Beijing, Tokyo, and Hong Kong.

² Telegram 1882 from AIT Taipei to AIT Washington, July 24, transmitted AIT Taipei's tentative schedule for reporting. (National Archives, RG 59, Central Foreign Policy File, P790144–1284)

³ AIT Taiwan divided the paper into five parts and cabled them in telegrams 3799, October 22; 3836, October 23; 3880, October 26; 3970, October 31; and 4033, November 3. (National Archives, RG 59, Central Foreign Policy File, D790484–1081; D790487–0514; D790494–0083; D790501–0660; and D790508–0197) On November 5, Pratt wrote to Roy, "I am enclosing a piece we have done on the general situation in Taiwan nearly a year after normalization. We sent it to Washington telegraphically because among the many inconveniences apparently is that we are not using the State Department airgram forms." He also explained the purpose of the report: "One of the reasons for putting out a rather general piece is that we have found many in Washington and elsewhere are operating on such different assumptions about what the government here is all about and what its plans for the future may be. This report is designed to provide a kind of first sketch, and we are inviting Taiwan observers in Washington and elsewhere to tell us what they see differently so that we may eventually get to a portrait on which there can be some consensus." (Letter from Mark S. Pratt to J. Stapleton Roy, November 5; Department of State, American Embassy Beijing, 1979 Central Subject Files: Lot 82 F 82, Pol 2 Taiwan)

party and government, they are increasingly aware of the disadvantages, particularly for Taiwan's security and the consequences for its economy.

4. Impact of Normalization on the Power Structure.

Normalization has not altered the basic power system on Taiwan although it has altered the climate for political development. President Chiang retains his preeminent position at the apex of each element of the power structure. While considered ultimately responsible for what was an important foreign blow, few consider that it was his fault, and his power was basically unaffected by normalization. The three principal elements of the power structure, the security services, the armed forces and the party, have undergone no major personnel or other changes following normalization. While the security services initially were stressed and the theme of unity in the face of an increased Communist threat was used to justify a modest crackdown, CCK has carefully orchestrated their use. Although many in the security services are unhappy with subsequent conciliatory actions ordered by the President, CCK's prestige as a professional security figure and his direct control over the numerous security organizations insure his ability to keep them receptive to his directives. The security organizations will probably continue to point out that conciliatory gestures by the President will be interpreted as signs of weakness, but the President has other sources of intelligence and advice on which he has no doubt relied in working out a more complex plan than that suggested by the security services.

5. The armed forces have two basic functions, internal security (as part of and as back-up for the other security services) and meeting the threat from the PRC including handling the American military connection. The former task has been in the hands of the Minister of Defense (General Kao Kuei-yuan) and the latter in the hands of the Chief of the General Staff (Admiral Soong Ch'ang-chih). Normalization has not reduced the importance of either the political/security soldiers or the professional soldiers, and CCK has to date made no changes in either leadership.

6. The KMT is one organization in which the beginnings of potentially important changes are being made. As a club of which all top leaders are members, the KMT is a powerful force in Taiwan. However, as an administrative apparatus, it has for years been defective, and CCK has frequently referred to the need to revitalize it. The postponement of the December elections provided CCK with time to try out a significant new approach, that of naming technocrats from outside the party to key administrative positions. Rejuvenation has been tried before, and this experiment has had only mixed success, but CCK now appears determined to make some changes. Opposition from the

old-timers of the party and the security services has so far been overruled, but at the same time the youths have only limited influence. Although the KMT is a symbol of the backward political structure, its actual role in the power structure is less significant than the others, and the current divisions within it between the young technocrats and the old party hacks make its future role even more ambiguous.

7. The technocracy has long been considered irrelevant in a discussion of the real power structure on Taiwan. Although many top technocrats are considered important if they have also an important KMT role, the technocrats as a group have not been taken seriously. However, it is increasingly evident to everyone that the Taiwan of 1979 is not the Taiwan of the early 1950's which was dominated by the incompetent KMT party hacks and the military. The technocrats as a group are essential to keep this new Taiwan functioning. In addition, the technocrats are given the principal credit as architects and builders of the new Taiwan. Also the increasing complexity of Taiwan has required continuing infusion of technocrats into the armed forces and party. The President's emphasis on competence, which is second only to that on reliability, has resulted in a diminution of the number of top officials still in positions of power who remain merely because of long service to the KMT. Time has facilitated CCK's task. Normalization was not blamed on the technocrats despite their almost universal connection with the U.S. In fact, it seems that the technocrats have been improving their position steadily, and normalization has merely highlighted the degree to which they are essential for the continuing development and strength of Taiwan. Normalization has therefore marginally improved their political position.

8. CCK's Game Plan.

Some outside observers have spoken of the "options" available to CCK as alternatives to good relations with the United States. The Soviet option is one which CCK has pointedly rejected, and few here believe that the Soviets could be relied upon to treat Taiwan as anything more than a pawn. Therefore, the USSR provides no alternative to the U.S. Another option cited has been the acquisition of a nuclear weapons capability. While CCK would like the ability to move towards production of such a weapon should circumstances become markedly more perilous, he is well aware that discovery of practical measures taken to acquire this capability would destroy the many ties with the U.S. on which he believes future security must be based.

9. Some have thought that CCK might declare Taiwan an independent country and ask for world recognition as such, including membership in the UN. Only a few rather unrealistic oppositionists seem to believe that such an effort would have any practical impact on foreign countries or the UN. Most recognize that normalization clearly

signalled that the U.S. would not respond to any such declaration. Most now note that it contains many dangers and few opportunities.

10. As another alternative to reliance on the U.S., some observers think CCK can work out an arrangement with the PRC. CCK clearly believes that the current PRC “united front tactics” provide no prospects for Taiwan since in effect the PRC has the precondition of Taiwan’s recognizing its inferior status as a province under the Beijing government. The PRC expects the fruits of negotiations prior to holding them. He also feels that the instability which the government and policies of the PRC have demonstrated since 1949 give little grounds for optimism about the permanence of any arrangements.

11. While Japan retains a certain prestige, there are few here who believe that it is capable of playing the kind of security role which would permit Japan to replace the U.S. as an effective backer.

12. The US Option.

CCK clearly considers that the U.S. option is the only realistic one. Shortly after normalization he described Taiwan’s policy as “swallowing one’s teeth with the blood on them,” the strongest Chinese expression of forbearance in the face of great provocation. The U.S. has been for years the principal influence on Taiwan and so many aspects of its economy as well as the backer of Taiwan’s security. CCK sees no alternative to the continuation of as much of that relationship as possible.

13. On the internal scene, CCK clearly intends to continue the economic programs which have resulted in the Taiwan “miracle.” On the political front he is well aware of the evolution which has resulted in an increased desire for political liberalization, and he clearly wishes to move in that direction. He is equally aware of the perils of liberalizing too rapidly and thereby losing control. He wishes to augment political dialogue without ceding any actual political power, a compromise solution which he hopes will be sufficient for the foreseeable future. He will also favor an increase in the participation of the Taiwanese in the relatively powerless legislative branch and in the executive branch, but few will probably be accorded positions of real power.

14. CCK does not view succession as simply a matter of finding an heir apparent and grooming him to take over. CCK’s own rise to power was through a unique process. He has attained a political power which he cannot expect to pass on to anyone intact since he alone functions within all the elements of the power structure. His goal therefore appears to be to have competent people in all aspects of the power structure, the security services, the military, the party, and the technocracy. It is this power structure which, following his demise, will itself work out a new sharing of power and the persons to exercise power under that system. In the shorter term, it appears he would expect the power

to revert to the Premier, the position from which he governed prior to becoming President. The succeeding President would be a figurehead (the current Vice President is insignificant) until the new power structure worked out who would accede to the Presidency and what powers the new President would have. While some might consider CCK is avoiding the succession problem, he has seen enough examples of leaders who have tried to exercise political power from beyond the grave to realize that it would be unrealistic to attempt to dictate the future.

15. The Oppositionists.

The oppositionists are not a political party, and they have no formal organization or leadership. They have a broad range of ideologies, and are united by little more than their criticism of the KMT and their desire to play a political role outside the KMT. While they are almost all Taiwanese, their political appeal avoids overt communalism. Because of prosperity, they lack a major political issue. While not a major challenge to the KMT, they do represent a good deal more than themselves and are a vote-getting force through criticism of the KMT/GONT and appeals for greater human rights and for a more important role for the Taiwanese in the determination of their own destiny.

16. The principal division among the oppositionists boils down to moderation or extremism; cooperation with CCK and the GONT (while criticizing) or confrontation; evolution or revolution. CCK appears to be ready to deal with a moderate, cooperative approach, but he may not be prepared to go far enough in adopting positions acceptable even to the moderates to attract oppositionists away from extremism.

17. The moderates appear to have the better leadership, more realistic politics, and better chances of backing—financial and otherwise—from the Taiwanese population than the extremists. They will certainly continue to contest elections with the KMT, but they will be gradualists in their approach to legislative power and subsequently to a role in the executive. They will continue to push hard on several issues such as the need for elections for a more representative legislature, the right to criticize the government/KMT (freedom of the press), and the rule of law, that is, law to protect the individual and not only as an instrument of the executive.

18. Prospects for Taiwan.

During the short term, there is a good chance that Taiwan will continue on its current course. The economy should remain stable and by careful orchestration CCK should be able to manage the internal political problems. Major economic problems caused by external events, perception of security difficulties from the PRC and the death of CCK could change that optimistic estimate.

19. During the longer term, the chances are greater of instability. There is a greater likelihood of the death of CCK (age 69) who is currently the glue holding many things together; the viability of his government system without him is untested. The security of Taiwan over the longer run may be perceived as more in question if the PRC pushes for the “resolution” of the Taiwan problem. With security problems Taiwan’s economy could not provide the economic development on which political stability has been based. Slow political progress, while acceptable under current conditions, will become increasingly perceived as insufficient. Even over the longer term Taiwan’s prospects are good, but there are many imponderables, one of which is U.S. policy.

Cross

277. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 5, 1979

SUBJECT

NSC Weekly Report #111

1. Opinion: Our Recent Conversation on China.²

I do *not* favor playing *the* China card. For one thing, there is not a single “China card” but many “Chinese cards”—and you have just dealt one of them. More importantly, the long-range strategic significance of a cooperative U.S.-Chinese relationship stands on its own feet, and thus is not a *tactical* matter.

Furthermore, there is a broader and very significant historical dimension to the U.S.-Chinese connection. Before World War I Imperial Germany was driven by the fear that it would end up being encircled. Initially, Bismarck managed the problem well, but his successors reacted to their fear in such a clumsy and pushy way that they produced precisely such an encirclement through the alliance between

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Reports [to the President], 102–120 [7/79–12/79]. Top Secret; Codeword. A handwritten “C” at the top of the page indicates that Carter saw the memorandum.

² Not further identified. According to the President’s Daily Diary, the President and Brzezinski met on October 4 from 8 to 8:25 a.m., after the President spoke on the telephone with Brown from 7 to 7:24 a.m. (Carter Library, Presidential Materials)

Great Britain and France, on the one hand, and France and Russia, on the other hand.

The Soviets today are producing, unwittingly, what they fear. It is they who so frightened the Chinese that they turned to us; it is they who have made the Europeans more aware of the importance to European security of the forty-four Soviet divisions diverted to the Far East; it is they who are producing the newly intimate Japanese-Chinese connection; and it is they who have made us more aware of the strategic significance of the new U.S.-Chinese tie.

At some point, it might be useful for you to use this historical analogy informally with some columnists or even in conversations with some Soviets. None of us want to feed Russian paranoia, but at the same time Russian assertiveness will only be contained if the Russians themselves come to recognize that it is counter-productive and not cost-free. In that sense, the Chinese connection is useful, and I believe that you have managed it with genuine geo-strategic skill.

[Omitted here is material unrelated to China.]

278. Telegram From the Department of State to the Embassy in China¹

Washington, October 6, 1979, 2307Z

262984. Subject: Secretary Vance's 10/04/79 Bilateral With Chinese Vice Minister Han Nianlong.

1. (C)—entire text.

2. Following is the full text of the memorandum of conversation between the Secretary and Chinese Vice Foreign Minister Han, held October 4, 1979 (10:00 a.m.) at New York.

Memorandum of Conversation

Chinese

Vice Foreign Minister Han Nianlong
Ambassador to the UN Chen Zhu
Counselor of PRCMUN Zhou Nan

¹ Source: National Archives, RG 59, Central Foreign Policy File, D790459-0452. Confidential; Priority; Exdis. Drafted by Roy and Freeman (EA/PRCM) and approved by Roger Sullivan (EA). Repeated Priority to Moscow, Tokyo, Bangkok, Kuala Lumpur, Singapore, Jakarta, Manila, USUN, Hong Kong, and Vientiane.

Deputy Director of MFA, Asian Affairs Dept., Liang Feng
PRCMUN First Secretary Gou Jiading
Interpreter Yang Chen Yi

US

Secretary Vance
Ambassador McHenry
Under Secretary Newsom
Assistant Secretary Holbrooke
Deputy Assistant Secretary Sullivan
Embassy Beijing DCM Roy

(After an initial exchange of pleasantries and introductions.)

Han: I saw Foreign Minister Huang Hua on the eve of my departure from Beijing, and he asked me to convey to you his best regards.

Vance: Thank you.

Han: Foreign Minister Huang will be accompanying Premier Hua on his trip to Europe.

Vance: Please convey my best regards to the Foreign Minister on your return.

Holbrooke: When will Premier Hua's trip begin?

Han: Around October 14 or 15. He will arrive in Paris on the 15th.

Vance: It would be useful to begin by bringing you up to date on where we stand with the Soviet Union concerning the presence of the Soviet brigade in Cuba. I don't know whether you have read the President's speech.² In it he outlined the situation leading up to the identification of the brigade as being combat capable, and following that my negotiations with Gromyko and Dobrynin and the exchanges of messages between the heads of our two governments, President Carter and Mr. Brezhnev.³

Han: Yes. I have read President Carter's speech.

Vance: Let me go over this briefly. You are aware of the Soviet assurances made in my conversations with Gromyko and in the exchanges of messages. As the President pointed out, our view remains unchanged concerning the combat capabilities of the brigade. However, we have noted as significant the Soviet assurances made with respect to the future. Nevertheless, we do not consider these sufficiently satisfactory, so President Carter outlined eight steps that he will take directed A) to the Caribbean area and the specific problems we face

² President Carter addressed the nation the evening of October 1 on the Soviet combat troops in Cuba and SALT II. The text of the address is in *Public Papers: Carter, 1979*, pp. 1802–1806.

³ Documentation on the U.S.-Soviet negotiations regarding the Soviet troops in Cuba is scheduled for publication in *Foreign Relations, 1977–1980*, vol. VI, Soviet Union.

there and B) certain other steps relating to the broader area, such as the strengthening of our rapid deployment forces and of our forces in the Indian Ocean. With respect to the Caribbean, we will monitor the status of Soviet forces by increased surveillance in order to insure that no Soviet units in Cuba can be used as combat forces to threaten the United States or any other nations in the Hemisphere. We are establishing the headquarters in Key West of a force with responsibility for planning, the conduct of exercises and the mobilization as necessary of forces to be used in the area. We will also expand our military maneuvers in the area. In so stating, the President made clear that we intend to remain in Guantanamo in accordance with our treaty rights. Finally, we will increase our economic assistance to the nations of the Caribbean and Central America, which will be of major importance. These are the current actions on which we are embarked in the light of the situation in Cuba.

Han: As regards the Cuba incident, that is the presence of Soviet combat troops in Cuba, China like other countries is following the situation. Of course, this constitutes a challenge by the Soviet Union to the United States. As our U.S. friends have pointed out, 2–3,000 men do not constitute a threat to the United States.

Vance: Right.

Han: The Soviet Union is fond of minor maneuvers. As Vice Premier Deng said to Vice President Mondale, this is only a trial balloon on the part of the Soviet Union to see how you will respond—to see whether you will give a strong reaction or not. I think your reaction is quite strong. It should be strong. Even though 2–3,000 men do not have much clout, there should be a gesture against them. This is the right approach. The present incident is reminiscent of the 1962 missile incident. When the United States reacted on that occasion, Khrushchev behaved himself. He tucked in his tail and went away. In view of the U.S. actions, the Soviets had no choice but to provide some explanations. They could not admit that they were combat troops, so they could only explain that they were there for training purposes. The Soviets say that the troops are not new and have been there for a long time. I think that the United States is very clear on this point, that is how long the troops have been there. Since the Soviets have taken this action, it was correct for the United States to make a gesture on its part. Based on our experience in dealing with the Soviets, whenever the Soviet Union takes an action, it must be countered with another action. As for what action should be taken, this depends on the circumstances. It can be soft or strong. I do not wish to comment too much on this point.

Vance: Let me say one thing. The situation now is different from in 1962. In 1962 it was a clear threat to the United States—the Soviets were placing nuclear missiles and bombers capable of carrying nuclear

weapons only 90 miles from our shores. So the actions taken had to be stronger than in this case.

Han: I did not mean to say that the two incidents were of equal magnitude. I only said that the present incident reminded me of the 1962 incident. Perhaps the United States had even more talks with the Soviets concerning the present incident as compared to 1962.

Vance: I had six talks with Dobrynin and two with Gromyko.

Han: That makes eight altogether.

Vance: Let me turn to Indochina. We share some objectives concerning the problems in Indochina. The defeat of the Soviet and Vietnamese efforts to replace the Government of Democratic Kampuchea with their candidate, the rejection by the General Assembly, is a big fact. The size of the margin is very interesting coming after the Non-Aligned meeting.⁴

Han: That is right.

Vance: We are obviously concerned by the new dry season offensive getting underway now and by the consequences in terms of loss of life as well as the political consequences that could flow from this offensive. First, on the humanitarian side, we must continue to press very vigorously for the movement of food supplies in to feed the starving people and those who have been driven from their homes and land by the military operations underway. We must keep the spotlight of public opinion focused on the fact that we are not getting the kind of co-operation needed if these people are to be taken care of. Don (referring to Ambassador McHenry), could you give the latest report on where we stand concerning the extension of visas and the expansion of the number of people working for UNICEF and the Red Cross.

Amb. McHenry: Initially we encountered some problems with the continued presence of UNICEF and ICRC representatives in Kampuchea. They were given exit visas, but after representations to them (Hanoi and Phnom Penh), North Vietnamese and Phnom Penh officials informed the United Nations that they could continue to stay and in fact that their numbers could be increased and that they would continue to cooperate on the food program. Shortly afterwards, we received some mixed signals which left some doubt concerning the precise nature of the cooperation that the United Nations will receive. One of the UN officials left for Geneva, but is prepared to go back. The United Nations was reluctant to have both representatives leave at the same time. It is still an open question as to the extent of the cooperation

⁴ Regarding the debate in the UN Credentials Committee and the General Assembly, see *Yearbook of the United Nations*, 1979, pp. 291–293. The most recent meeting of the Non-Aligned Movement was in Havana September 3–9.

that the Phnom Penh people will give to the UN. One of the difficulties was that as soon as the Secretary General received the information that the Vietnamese and the Phnom Penh people would be cooperative, there were statements from Phnom Penh and in the UNGA which suggested that they were pulling back since they viewed the relief program as a means of getting food to Pol Pot as well. Of course, the food program must take care of both elements and not simply go to Phnom Penh to feed its troops, which would make the problem much more difficult.⁵

Vance: Let me say two things. Because of the foot-dragging and pulling back on commitments already made, it is important for our two governments to work together in the UN to keep the spotlight on the situation and to make sure that the food gets in there.

Han: (Nods.)

Vance: Let me mention one other aspect. It seems clear that as the dry season offensive goes on, more refugees will go to Thailand. This will increase tensions and the prospect of a conflict which could embroil the Thais with the Vietnamese. This is a source of concern to us. Perhaps you could share your thoughts on these problems with us.

Han: First, I agree with what the Secretary said—that the most important thing in bringing relief to the famine-stricken people from a humanitarian perspective is to make sure that the relief reaches the hands of these people. We must be extra careful that the food does not help the Vietnamese troops to continue their war in Kampuchea. Otherwise, it will only serve to help Vietnam and to enable them to continue their offensive.

Vance: We agree on that.

Han: In addition, the Phnom Penh government is a puppet regime inseparable from Vietnam. Even more obvious, Vietnam is at the beck and call of the Soviets. On the things you mentioned above, Vietnam will certainly report to the Soviets, and Soviet backing will be at work. We must be alert to this and have a clear perspective on it. At the present time, there are quite a few countries in the world who from a humanitarian standpoint want to give aid to the famine-stricken people. The question is how to do it. During the last few days I have been in touch with the chairmen of several delegations. They all raised the question of how to get the food to the needy people. On the relief question, I think one should get in touch with many sides—not simply with Phnom Penh but also with Pol Pot and the Democratic Kampuchean forces. After contacting various quarters, we can try to resolve

⁵ For information on the UN efforts to channel international aid to Kampuchea, see *Yearbook of the United Nations*, 1979, pp. 277–278.

the matter. On your last point, I agree that the war in Kampuchea is escalating, and the Vietnamese dry season offensive will start soon. The Vietnamese are making full preparations for an offensive. Two things concern us as a result: This is bound to create more refugees fleeing to Thailand; and when the offensive begins, because of the disparity between the forces, the 200,000 Vietnamese troops will move from the east to the west closer to the Kampuchean-Thai border and will pose a greater threat to Thailand. I touched on this in my speech to the UNGA.⁶ I hope all countries and peoples interested in this will pay attention to the above points. The purpose of another Vietnamese dry season offensive is to wipe out all DK forces. In our view, the DK forces will suffer considerable losses, but it will be impossible for them to be wiped out completely. But there is a great disparity of forces. The DK side faces many difficulties, including shortages of ammunition and food. They are certain to pay dearly. All peoples and governments who uphold justice should render political, moral, and material support to the Kampuchean people. We also think that military and arms aid should also be rendered to the Kampuchean people. Many of our friends in the world are very dissatisfied with the conduct of the Pol Pot government and say that the Pol Pot government did lots of killing. But this should be put in perspective. The Pol Pot government made mistakes in its external and internal policies. This is a fact. We are aware of it. But these events in Kampuchea have been greatly exaggerated. Recently, Democratic Kampuchea issued a program calling on people of various strata and parties in Kampuchea to organize a united front, including Sihanouk, in jointly resisting the Vietnamese invasion. This is only on paper, but judging from elements of the program, they have now realized their past mistakes and want to correct them. We should allow people to correct their mistakes after they have made them. What's more, it is a fact that the forces of Democratic Kampuchea have taken up arms in a firm struggle against the Vietnamese aggressor troops. This is a just struggle against aggression and in defense of national independence and freedom. This is the reason for the vote in the UN of 71 to 35. This shows that the sympathies of most people are on the side of Democratic Kampuchea. On the question of the threat to Thailand, this indeed exists but I do not think for the time being that Vietnam will launch aggression against Thailand when it has not yet solved the Kampuchean question. This is impossible.

Vance: I agree that the food should go to people in the Pol Pot areas as well as those in the area controlled by the Phnom Penh government.

⁶ Han addressed the UN General Assembly on September 27, denouncing the "brutal aggression" by Vietnam. (Bernard D. Nossiter, "Peking Official, in U.N., Calls Moscow Threat to Peace," *The New York Times*, September 28, 1979, p. A9)

Han: It should go to the needy people.

Vance: Second, we will continue to press as firmly, strongly, and vocally as possible for withdrawal of Vietnamese troops from Kampuchea. However, we have differences with you on the question of Pol Pot. We have said that we do not believe either Heng Samrin or Pol Pot really represents the people of Kampuchea. After Vietnamese troops have pulled out, the Kampuchean people should be given the chance to choose their own government freely.

Han: The premise must be that all Vietnamese troops should be pulled out forthwith.

Vance: I agree.

Han: Of course there are not just the two parties represented by Democratic Kampuchea and Heng Samrin. There are also other patriots such as Sihanouk, Penn Nouth, and Son Sann.

Vance: I agree.

Han: I hope you will be aware of the fact that Democratic Kampuchea is engaged in a real struggle to fight against the Vietnamese. I just said that Heng Samrin is a Vietnamese puppet and that Vietnam is a puppet of the Soviet Union. It is the Cuba of the East. We have a Cuba in the East and you have one in the West. In an editorial in their own party organ, the Vietnamese said that they are proud to be a twin brother of Cuba. They had the gall to say this openly. I myself wrote two poems in response to this. They were not really serious ones, but in them I said that since you are so proud of being twin brothers, then let me ask, who is your father? One has to take a deeper look at this question. The fact is that the image of Pol Pot is not good. This is not only the opinion of the United States. I have met many others with the same view. We have made clear that he made mistakes, that we were dissatisfied with his conduct, and that we have criticized it. We also note that many of our friends in a number of countries hope to have a political solution in Kampuchea to make the Vietnamese pull out their troops. Some even think of granting aid to Vietnam to make them pull out. The United States has even considered lifting the embargo, granting aid, and establishing diplomatic relations in exchange for the withdrawal of Vietnamese troops. We think it is not realistic to pursue that now.

Vance: Let me clarify our position. We have said that there is no way that we could discuss establishing diplomatic relations with the Vietnamese while they have troops in Kampuchea and before the Kampuchean people have solved the problem themselves. We have not gone further than that to discuss aid or other questions. These are our conditions for even discussing diplomatic relations. After the refugees began to be forced into the sea, we halted the talks.

Holbrooke: We have never discussed aid at all with them.

Han: I said that I had heard such talk. People have raised this idea. We do not think it is realistic and know that you do not have it in mind now.

Vance: That is right. Time is limited, but there are one or two bilateral matters I would like to raise. We will be sending the Trade Agreement up (to the Hill) on October 23. We indicated when the Vice President was in China that we would do this by November 1. We have now reached agreement with Senator Byrd, the Majority Leader of the Senate, that we will do this on October 23.⁷ Secondly, we are very pleased with the Vice President's trip to your country.

Han: We are also very satisfied. It was a major event and a very fruitful visit. The visit further advanced our friendly relations.

Vance: We share that view. We look forward very much to Chairman Hua's visit to the United States and would like to receive your preferred dates for the visit.

Han: We are very pleased that Premier Hua has accepted your invitation for a visit. We are also pleased that President Carter has accepted our invitation to visit China. Next year there will be two major events. As for the dates for the visits, I propose that we engage in discussions later to determine mutually convenient times for both sides.

Vance: Good. I will leave this in your hands, Dick (Holbrooke). I am also pleased that Secretary Brown will be going to China later in the year. He is looking forward to the visit.

Han: We are presently considering dates for the visit.

Vance: Following up on the Vice President's visit, we hope for the early conclusion of a consular convention and a civil air agreement. We should both work to bring these to an early conclusion.

Han: We hope so.

Vance: Mrs. Watson, who is in charge of our consular affairs, will be going to China next month. Perhaps when she is there we can work out the final details of the consular convention.

Han: Good. She will be welcome.

Vance: I wish we had more time.

Han: We will find another occasion.

Vance

⁷ In a letter of October 23, Carter transmitted Proclamation 4679 to Congress for approval. The proclamation included the text of the trade agreement signed on July 7 by Woodcock and Li Xiang (see footnote 2, Document 256), which granted most-favored-nation status to China. Carter included a copy of Executive Order 12167, which granted China a waiver of the Jackson–Vanik amendment to the 1974 Trade Act. See *Public Papers: Carter, 1979*, pp. 2000–2007.

279. Memorandum From Michel Oksenberg of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, October 17, 1979

SUBJECT

Human Rights in China Heats Up

A PRC dissident has been sentenced to 15 years for passing secrets to foreign journalists, among other things.

Fox Butterfield, of the *Times*, is likely to make him a human rights martyr, and sentencing may be a topic of a *Times* editorial.² One question being raised is whether stiff sentences in China will lead to restrictions on computer sales to the PRC.

State will issue on an "if-asked" basis a statement decrying the stiff sentence. This is likely to elicit negative Chinese reaction, but it is probably better to go that way than to be accused of applying obvious dual standards. I will try to remain on top of this issue.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 10/79–2/80. Confidential. Sent for information. A stamped notation indicates that Brzezinski saw the memorandum.

² Butterfield wrote two articles about Wei Jinsheng for *The New York Times*: the first, "4 Arrested in China at Democracy Wall," on November 12, p. A7; the second, "China Dissident Likens Present to the Repressive Past," on November 15, p. A22. There were no editorials in *The New York Times* about Wei during this period.

280. Summary of Conclusions of an Ad Hoc Group on China Meeting¹

Washington, November 15, 1979

SUMMARY OF CONCLUSIONS

David Aaron chaired a meeting of the Ad Hoc Group on China to review planning for the Brown trip.

State, DOD, and NSC agreed on the basic objectives of the trip which can now be communicated to the Chinese. Our proposed agenda will cover assessments of the global military balance, regional security issues, bilateral issues such as subsequent contacts and export controls, and arms control.

State, DOD, and NSC concurred that the Chinese should be informed that General Seignious will be a member of the delegation and will seek to have talks with his Chinese counterpart.

State, DOD, and NSC concurred that Brown should seek to visit the industrial and military city of Wuhan in central China, and should indicate a willingness to visit military installations in that area.

State and DOD are to coordinate a paper on the modality and timing for implementing a pro-China differential in COCOM, as Vice President Mondale had indicated to the Chinese we would do. State, DOD, and NSC agreed, however, that this issue should not be taken to COCOM until conclusion of Congressional action on SALT and the Trade Agreement. If State and DOD cannot agree on the issue of modality, a paper will go to the President on this issue.

State, DOD, and NSC agreed that David Aaron should chair a working group to staff out papers on various arms control measures which Brown will convey to the Chinese even prior to his trip. An important paper in this area concerns encouraging the Chinese to test nuclear weapons underground. In no case would we provide assistance that would help them perfect their nuclear capability.

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0205, China (Nats), 19 November 79. Secret. The meeting lasted from 11:44 a.m. until 12:02 p.m. The participants were Sullivan from the Department of State, McGiffert and Armacost from the Office of the Secretary of Defense, Oksenberg and Huberman from the NSC Staff, and Aaron.

The NSC will task the Intelligence Community to ascertain whether there is any evidence the Chinese may be involved in Pakistani nuclear development.²

² On December 7, Bruce C. Clarke, Deputy Director of the National Foreign Assessment Center of the CIA, sent a memorandum to the NSC in response to this request to evaluate evidence on whether China was involved in Pakistan's nuclear weapons program. (Carter Library, National Security Affairs, Staff Material, Far East, Box 26, Oksenberg, Subject File, Brown [Harold] 1/80 Trip Briefing Book, 12/79) Oksenberg summarized it in a December 12 memorandum to Brzezinski and Aaron. (Ibid.)

281. Telegram From the Consulate in Hong Kong to the Department of State¹

Hong Kong, November 26, 1979, 0930Z

20984. Subject: Sino-Soviet Relations—Fading of Dispute Over Revisionism. Ref: (A) Beijing 8134 (Notal), (B) Moscow 25878 (Notal), Hong Kong 20481 (Notal).²

1. Summary: As China in the last two years has moved toward domestic policies that are revisionist according to its own earlier definition, its once acrimonious dispute with the Soviet Union over ideological revisionism has evaporated as an issue. Chinese attacks on the Soviet Union now focus exclusively on the Soviet military threat to China and Soviet global ambitions. With the removal of ideology as an issue, high level party-to-party discussions are probably no longer a necessary precondition for incremental improvement in state-to-state relations. End summary.

2. During a recent conversation, a foreign news editor for a PRC-controlled Hong Kong newspaper commented on the revisionism issue. He noted that Chinese attacks on Soviet revisionism dropped off starting in late 1977 after Yugoslav President Tito's August 1977 State

¹ Source: Department of State, American Embassy Beijing, 1979 Central Subject Files: Lot 82 F 82, Pol 2 USSR. Confidential. Repeated to Beijing, Tokyo, Moscow, Belgrade, Bucharest, AIT Taipei, and CINCPAC in Honolulu.

² Telegram 8134 from Beijing, November 14, examined reports that China was reconsidering its verdict on Soviet revisionism; telegram 25878 from Moscow, November 16, reported on Sino-Soviet negotiations; telegram 20481 from Hong Kong, November 16, reported on a speech by Chinese Politburo member Zhao Ziyang on China's political and economic policy. (National Archives, RG 59, Central Foreign Policy File, D790534-0235; D790532-0748; and D790532-0159)

visit to China and after China began to earnestly study Yugoslav and other Eastern European Communist experience. He said that given the current “practice is the sole criterion of truth” ideological line, it is impossible for China to continue to accuse the Soviet Union of revisionism. This source (a non-party member) also said that he had heard that the issue of whether or not the Soviet Union was revisionist had been the subject of an internal Chinese Communist Party discussion some months ago. This reference to an internal party discussion on Soviet revisionism parallels other reports (Reftel A). This source also noted that Politburo member Zhao Ziyang’s recent definition of socialism (Reftel C) was broad enough to include almost any social system based on public rather than private ownership.

3. The gradual decline and final demise of the Sino-Soviet dispute over revisionism can be traced in official Chinese state and party documents. The last concentrated Chinese ideological attack on Soviet domestic policies and leaders was Hua Guofeng’s August 1977 Political Report to the 11th Party Congress. The ideological line of Hua’s report, with its fulsome praise for Mao, the Cultural Revolution, and class struggle, has been repudiated by more recent state and party documents. In the process, attacks on the Soviet Union over purely ideological issues have steadily dropped off.

4. Hua’s February 1978 Work Report to the first session of the Fifth National People’s Congress (NPC), though more restrained than his August 1977 address, still attacked the Soviet leadership for betraying Marxism-Leninism. Hua blamed “the Soviet leading clique” for provoking the Sino-Soviet ideological dispute. He said that the debate over principle “must go on” although it should not impede normal state relations.

5. By contrast, Hua’s June 1979 Work Report to the Fifth NPC second session dropped all reference to Soviet betrayal of Marxism-Leninism. Hua stated that the deterioration of Sino-Soviet state relations was due to the Soviet military threat to China’s border. Hua said that relations could improve if the Soviet Union was willing to demonstrate sincerity through deeds, i.e. reducing border forces. He also attacked the Soviet Union for hegemonism, a code word for Soviet global ambition. On international issues we would think Hua’s various reports reflect the leadership consensus at a given time, rather than his purely personal views.

6. The last reference to Soviet revisionism in an authoritative Chinese party document appeared in the communiqué of the December 1978 Third Party Plenum. The communiqué cast doubts on Mao’s revolutionary guidance and the Cultural Revolution—the first time an official party document had done so. However, without mentioning Chinese domestic factors, the Plenum communiqué still blamed the

Cultural Revolution on Soviet revisionism. (“It was mainly because the Soviet Union turned revisionist that Comrade Mao Zedong took the opposition to and prevention of revisionism as his point of departure and started this great (Cultural) Revolution.”)

7. In the most recent authoritative Chinese party document, Vice Chairman Ye Jianying’s September 29, 1979, PRC Thirtieth Anniversary address, the concept of “revisionism” was placed under a dark cloud. Without mentioning the Soviet Union, Ye noted that opposition to revisionism was one of the motivating ideas behind Mao’s call for the Cultural Revolution. However, Ye claimed that at the start of the Cultural Revolution (by implication Mao himself) had no clear understanding of what revisionism was. Ye did not offer his own explanation. A very short section in Ye’s speech on foreign affairs mentioned Soviet global ambitions and hegemony.

8. Over the last year-and-a-half several Chinese theoretical articles have essayed a distinction between “revisionism” and “revision”. This distinction appeared for the first time in a major article in a Jiefang Junbao special commentator article reprinted in *People’s Daily* on June 24, 1978. The article is one of the earliest and most important pieces in Deng Xiaoping’s “practice is the sole criterion of truth” campaign. The article argues that “the development of Marxism-Leninism and Mao Zedong thought undoubtedly includes the revision of outmoded theories and this cannot be described as revisionism.”

9. More recently, on October 20, 1979, a *Guangming Ribao* wrap-up on the philosophy symposium held during a series of Academy of Social Science symposia also touched on the issue of “revision.” According to the *Guangming Ribao* story, philosophy symposium participants “believed that those who uphold the scientific nature of Marxism should have the courage to revise the outmoded things in Marxism-Leninism and Mao Zedong thought, a ‘revision’ based on the implicit definition of Marxism.” (“Revision” as appears in the original Chinese text.)

10. Comment: with the removal of ideology as a contentious bilateral issue, high level party-to-party discussions are probably no longer a necessary precondition for incremental improvement in state-to-state relations. In this connection, we tend to believe the assertion (Reftel B) that current talks do not involve ideological questions. Ongoing discussions on the Chinese side are led by Wang Youping, a Vice Foreign Minister, who is not even a Central Committee member. Without Central Committee standing he would have no authority to discuss ideological questions.

11. More broadly, China is going through a period of ideological soul-searching that makes sharp conflict with other Communist Parties over ideology unlikely. One American scholar of Soviet affairs has lik-

ened the Chinese search for a new ideological consensus to similar events in Eastern Europe and the Soviet Union in the 1960s. The same scholar concluded that “despite China’s intense animosity toward the USSR, current ideological trends in China may not be at all that far apart from the growing ideological pragmatism in the Soviet Union.” In historical perspective, China’s return to a pragmatic path and the evolution of Eurocommunism may signify the end of ideology as a crucial arena for debate in what was once called the international Communist movement.

12. Intellectual contacts in Hong Kong have been telling us for some months that there is growing consensus within the party and among Chinese intellectuals for improved state-to-state relations with the Soviet Union. Reading between the lines of an article in the July 1979 *Red Flag*, one source saw a suggestion China might resume large-scale import from the Soviet Union of technology and equipment which, though not up to world standards, would still be useful given China’s backward economy and unemployment problem. Of course, China would expect to get these at a low price.

13. On border questions, it is probably significant that China dropped its public demand for “negotiations on resolving the border question” between the February 1978 and the June 1979 NPC sessions. The demand was in Hua’s Work Report to the February 1978 Fifth NPC first session but not in a similar passage in his June 1979 report to the Fifth NPC second session. Also of possible significance is a recent suggestion that Chinese scholars should be allowed to freely publish articles on border questions without official approval. The suggestion was made during the history symposium of the Academy of Social Sciences symposia series, according to *Guangming Ribao* on October 27.

Shoesmith

282. Memorandum From Secretary of State Vance to President Carter¹

Washington, December 9, 1979

This paper deals with certain issues that have to be resolved in connection with Harold Brown's trip to China. A second paper will provide a broader review and analysis of our relationship with China and convey my concern about a growing tilt on our part.²

Decisions made in connection with Harold Brown's forthcoming trip to China will affect our long-term relationship with Beijing, as well as with our European and Asian allies and with the Soviet Union. The most important of these are (a) US export control policies toward China, especially our handling of dual-use technology, and our approach to implementing our commitment to treat China differently from the Soviet Union in COCOM; (b) whether we wish to sell China equipment which would enable it to conduct its nuclear test program underground; and (c) what public symbolism we wish to impart to Harold's trip.

Our new relationship with China consolidated an essential element in the global balance of power, and significantly enhanced our national security. It opened the prospect of cooperation with a quarter of mankind, without whose active contributions no global issue of significance (e.g., energy and natural resource management, food, environment, or nuclear nonproliferation) can be satisfactorily addressed. The continued development of relations in the 1980s with China should remain a central goal of our foreign policy, especially in those areas which threaten no one, advance our commercial and other interests, and lead to a better quality of life for Americans, Chinese, and other peoples of the world. We need to distinguish clearly between these areas in which our relationships with China should be pursued on their own merits and those where they must take into account the likely reaction of our allies, third countries, or the Soviet Union.

China has great utility to us in strategic terms because it is a powerful country on the Soviet border with which our military ties are only potential, and the likelihood that we might develop such ties remains ambiguous. It is not in our interest to dispel this ambiguity, either by ruling out all possibility of more active cooperation with China, or by implying that we intend to join the PRC in a de facto anti-Soviet alli-

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 55, Chron: 12/11–20/79. Top Secret.

² This paper was not found.

ance. The implicit security aspects of our relationship with China (with its unspoken threat of greater development) has been an important factor in deterring Soviet adventurism. But developing it is less likely to produce moderation in Soviet behavior than strategic claustrophobia and irrationality. Our allies understand this well.

I am not advocating a policy of mechanistic “evenhandedness” toward China and the Soviet Union. The obvious differences between the two, in strength, behavior and threat to the US, are too great for any such approach to be sustainable over the long term. China differs fundamentally from the Soviet Union: it is economically underdeveloped; technologically and militarily backward; a regional, not a world power; not now a direct threat to our security or that of any of our allies; and just beginning to structure its relationship with us. Some aspects of our relationship with China resemble North-South more than East-West relations. These differences are important, and our policy must take account of them. But we must also take full account of the way in which others assess what we are doing with Beijing. I do believe we must treat China and the Soviet Union in a balanced manner and this must be the perception we convey to the world.

This is why I believe we should move very carefully, in our export control policy toward China. We should clearly rule out export of any items destined for military end-use. We should export dual-use equipment and technology only if we have adequate reason to believe diversion to military purposes is unlikely. We should also review such transfers on a case-by-case basis in order to assess their international political impact.

Similarly, in COCOM, I think we should proceed carefully and gradually in implementing Fritz’s August commitment to Deng. Decisions that we have already made on certain high technology exports to China, and increasing pressure from our allies, argue for some alteration in COCOM’s procedures in order to maintain its viability. Our final decisions on this matter should be deferred until after Congress passes the Trade Agreement with MFN, which is Beijing’s highest priority at this time. I anticipate that this will take place in late January or early February. If we make any change in our export control policies prior to that date, we will be required by Congress to discuss it with them in advance, and this will seriously complicate passage of the Agreement. We have already discussed this matter with the two Congressional committees which sought hearings on export controls this month; they have agreed to a delay on the understanding that no decisions will be made before consultations with them next year.

We should continue intensive internal examination of this issue at the staff level. Specifically, I believe that after Harold’s trip we should consider a procedure for China along the lines of the Belgian proposal,

under which exceptions could be approved on the basis of “the current situation in China.” This avoids a cumbersome “China list,” retains a careful case-by-case review of sales to China, and can be accomplished informally. I do not believe that COCOM should authorize exports of equipment or technology for military end-use or even for civilian end-use where diversion might threaten international stability.

I believe that the proposed sale of equipment and technology to help the Chinese nuclear testing program go underground is not in our interests.

It could only be viewed by the Soviet Union, the Indians, and others as the beginnings of a nuclear relationship with China, with all that implies. It would be inconsistent with our efforts to negotiate a Comprehensive Test Ban Treaty. Over time, the Chinese will come under increasing diplomatic and world pressures to halt atmospheric testing and move underground and may find it in their interest to do so, particularly in light of the new worldwide role they want to play. This is what happened in the case of the French. This is the development we should further.

Since the planning for the trip is entering the final stages, I believe that it would be extremely useful for you to meet with the Vice President, Harold, Zbig, and me so that we can discuss the sensitive and important decisions that you will be making on the matters described above.

283. Memorandum From Secretary of Defense Brown to President Carter¹

Washington, December 13, 1979

SUBJECT

U.S. Policy Toward China

I have read Cy's memorandum to you concerning my trip to China.² While I concur with several of his specific recommendations,

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Outside the System File, Box 55, Chron: 12/11–20/79. Top Secret; Via Alpha Channel. A copy was sent to Vance.

² See Document 282.

there are other points on which we differ, and I believe that it will be important to resolve these matters prior to my departure.

Our new relationship with China contributes favorably from our point of view to the global balance of power. The further development of this relationship in the 1980s will contribute to the security as well as the prosperity of both the United States and China. I agree that the development of security cooperation with Beijing must be managed with great care, taking fully into account allied and Soviet reactions. I also agree that the ambiguity that marks our strategic relationship can serve American interests.

I believe, however, that we can best exploit that ambiguity by approaching security cooperation with China in a more open-ended fashion. Some types of cooperation—e.g., reciprocal exchanges of visits by military personnel—are simply by-products of a normal political relationship. The Soviet Union has no reasonable grounds for objecting to such exchanges. The real issue is more sensitive forms of security cooperation that would imply a closer and more purposive alignment (to take an extreme example, arms sales). Clearly we wish to move very cautiously in this field. But with respect to these more far-reaching steps, I believe our interest will best be served not by ruling them out unequivocally as a matter of principle or even of policy. Rather our objective should be to reinforce the impression to the Soviets that however little or modest we have undertaken with the Chinese to which they could object or honestly fear, we *could* do much more. We want to make clear that Soviet conduct will affect decisively the future pace and contours of Sino-U.S. security cooperation. On the one hand we must avoid gratuitously provoking the Soviet Union and alarming our allies. But it is equally important that the Soviets understand that if they engage in aggressive or expansionist actions which challenge the shared security concerns of the United States and China, Washington and Beijing may respond with cooperation in the field of defense as well as diplomacy. To make that point effectively to the Soviets, in addition to what we *say* along these lines, it is necessary to have some very limited cooperative activities underway to underscore the future potential—not least by dramatizing the contrast between what we are doing and what we could do if the Soviets force us to it.

While Cy eschews a policy of “mechanistic even-handedness” toward China and the Soviet Union, he urges “balanced” treatment of both major communist powers. In deciding what is “balance,” however, we must recognize that the USSR and China pose different problems for us and offer us different opportunities. The Soviets constitute our principal strategic challenge. They pile up military capabilities far beyond their defensive requirements; they threaten the security and even existence of free societies and values; and they display a con-

sistent predisposition to opportunism in third world disputes. Perhaps, given the strength, the Chinese would like to do the same. But the Chinese are, on the other hand, by comparison a weak power, and their strategic interests are largely convergent with our own. In promoting a policy of balance, our objective vis-a-vis the Soviets is to constrain their growing power. In pursuit of that aim we have acknowledged our stake in a strong, secure, and friendly China. We also have an interest in avoiding gratuitous provocation of the USSR—and avoiding being manipulated by China.

These considerations should shape our approach to specific issues:

—*Export controls and technology transfers.* I would certainly fore-swear arms sales to China at this time, and the same applies generally to military end-use technology. I see no reason, however, why our declaratory policy should flatly rule out such sales under all circumstances in the future. Rather our position should be that we do not now choose to do this. (If at all possible, we should persuade the Chinese to act in ways that will permit us honestly to say we have not received any requests for sales of arms per se.)

As for dual-use equipment and technology, I agree that we should preserve a case-by-case approach. But I think that we should evaluate specific requests not only in terms of the possibility that such technology might be diverted to military purposes, but also consider the possible consequences of such diversion for U.S. interests. It should *not* be our policy that we will sell to China only if we would make an identical sale to the USSR. In short, I believe some differentiation in the technology we transfer to China on the one hand and the Soviet Union on the other is justified not only because China is less capable of exploiting military applications, but because, even if diverted, some types of dual-use technology are less likely to be placed in the service of aims which are hostile to our own.

—*COCOM.* I agree with Cy that we should defer any effort to consult with the COCOM countries on this question until Congress completes ratification of the U.S.–China trade agreement. I am also inclined to believe that the so-called Belgian proposal offers the most promising method of increasing our flexibility vis-a-vis technology transfers to China without eroding our capacity to control exports to the Soviet Union.

—*Assistance for China's nuclear test program.* Some acceleration in China's movement of its nuclear testing program underground would be advantageous to the U.S. and its allies, and the Chinese have raised the question of U.S. help with drilling and diagnostic techniques. However, I believe we should proceed very cautiously in this area, not least because China's motives are unlikely to be limited to learning how to avoid the environmental costs of atmospheric testing. I share Cy's res-

ervations concerning the wisdom of selling equipment and technology to the Chinese to help them move their test program underground. I would not oppose helping them with diagnostic methods—classified or not. If the provision of unclassified information concerning drilling techniques for underground tests would facilitate an earlier cessation of atmospheric testing, I would be prepared to support that. (There is no particular reason the drilling equipment need be U.S.—we use Australian-built drills.) Because of the sensitivity of this area, such cooperation should be undertaken in public and involve no government-to-government collaboration susceptible to misinterpretation by the Soviets, American allies, or various potential “proliferators.”

Harold Brown

**284. Memorandum from the Director of Net Assessment,
Department of Defense (Marshall) to Secretary of Defense
Brown¹**

Washington, December 14, 1979

SUBJECT

Chinese Perceptions of the US-Soviet Balance

Attached is a study that you may find useful in preparing for your trip to China.² In any case, it provides an interesting view of Chinese ways of thinking. Pillsbury points out that the Chinese approach to deterring war places emphasis on the ability to psychologically influence the emotions of the opponent, whereas the Western notion of deterrence is based more on influencing the opponents' rational, non-emotional calculations of the military balance or the consequences of attacking.³

¹ Source: Washington National Records Center, OSD Files: FRC 330-82-0205, China (Reds), Oct-Dec, 1979. No classification marking. There is no indication that Brown saw this memorandum.

² Attached but not printed. Michael Pillsbury wrote the report, entitled “Chinese Perceptions of the Soviet-American Military Balance” and dated December 1979, as a contractor for the System Planning Corporation hired by the Office of Net Assessment. In 1980, the System Planning Corporation published a declassified report by Pillsbury with the same title.

³ Pillsbury argued, “The Chinese at times seem to be suggesting a fundamentally different model of man than has informed Western thinking about deterrence and defense. The frequent use of animal metaphors by the Chinese to describe international life

Pillsbury highlights some of the specific ways in which Chinese assessments focus on areas that we do not normally pay much attention to; pages 26 to 43 are the most useful to read, along with the summary, pages 5 through 10.⁴

A.W. Marshall⁵

suggested that a review of new findings in biology might shed light on this implied Chinese model of man. Recent research did indeed suggest that a number of phenomena to which the Chinese leaders devote more attention than their Western counterparts may be at work in the area of strategic perceptions. Other recent findings in brain research also suggest that human brains may well function in a fashion closer to the Chinese version of strategic reality than conventional Western notions." (pp. 9–10)

⁴ Pages 26 to 43 examine Chinese views of deterrence and other issues, such as who would survive a Third World War, how such a war would be fought, and how to assess the U.S.–USSR military balance of power. The introduction and summary argue, "Since 1968, the Chinese government has put forward an interpretation of the Soviet-American worldwide competition which seems to have no counterpart in the United States or elsewhere in the world." The main components of this view were: "(1) the two superpowers, the United States and Soviet Union, are each seeking military superiority over the other, (2) neither is able to attain this military superiority, (3) a stable balance of power is therefore not possible, (4) an arms race is under way which cannot be controlled, (5) the Soviet Union is the main source of a world war for which it is now preparing, (6) this coming world war may be postponed, perhaps indefinitely, by a number of measures aimed at restraining the Soviet Union, (7) if these measures fail, the inevitable world war will arouse the world's people to rise in revolution with the result that the United States and the Soviet Union will suffer 'inevitable doom,' followed by a 'worldwide victory for socialism.'" Pillsbury argued that these views, although seen as bizarre by many foreign observers, deserved to be taken seriously.

⁵ Marshall signed "Andy" above this typed signature.

285. Memorandum From Secretary of State Vance to President Carter¹

Washington, December 19, 1979

SUBJECT

Arms Sales to Taiwan

Issue for Decision

What arms should we agree to sell Taiwan beginning in 1980 and how we should handle announcement of our decision.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 69, Chron: 1/80. Secret.

Discussion

We have a dual problem in determining our position on the resumption of arms sales to Taiwan. On the one hand, our action should be taken in such a way as to reassure Congress and Taiwan that we continue to have an interest in Taiwan's legitimate defense requirements. On the other hand, we wish to avoid provoking the PRC to react in a manner harmful to our developing bilateral relationship.

Arms sales was the most sensitive issue involved in our normalization discussions with Beijing. The Chinese took issue with our announcement that we would continue sales of "selected defense weapons" to Taiwan but agreed nonetheless to proceed with normalization. We did agree not to make new arms commitments to Taiwan during 1979 until the Mutual Defense Treaty terminated on January 1, 1980.

In comments this year to visiting US officials and Congressional groups, top PRC leaders appear to have accepted that we will continue to sell arms to Taiwan, while cautioning us to be careful in selection. During the Vice President's trip the Chinese also noted their understanding that we would continue sales. We have accordingly put together a package of arms transfers which we believe demonstrates our restraint and which should elicit no more than a pro forma objection from Beijing.

Taiwan views our arms sales commitment as the keystone of their security policy and will be anxious for reconfirmation of our pledges early in the new year. On November 8, a high-level military delegation met with State and DOD representatives in Washington to outline their desired arms purchases. As expected, high-performance fighter aircraft topped the list, with most other requests focused on air and sea defense weapons.

With respect to fighter aircraft, we see no reason at this point to change our position of denying sales to Taiwan of F-4, F-16 or F-18 aircraft, all of which have offensive capability as well as violate the arms transfer policy. In the past, Taiwan has expressed interest in acquiring 60–100 F-104Gs coming out of European inventories to replace its own aging F-104s. We previously offered to assist Taiwan in purchasing F-104s from third parties and plan to reiterate this offer. Further, in November 1978 we announced we would have no objection to Israel's selling its indigenous fighter—the Kfir—to Taiwan.² We would plan to maintain this position of non-objection. Last, no decision has yet been made to authorize development of an FX as the follow-on aircraft to the F-5E/F series. Taiwan will predictably be interested in such purchases,

² See Document 147 and its attachment.

and at such time as a decision is taken we may expect them to be in touch with us.

There follows a list of arms sales recommended for approval for Taiwan early in 1980. In this connection, you should note that we previously informed Congress that we would make no decision on new commitments until the Mutual Defense Treaty terminates on January 1, 1980. In view of your heavy present schedule, this recommended list is being forwarded for your consideration now. In addition to these cases, there are other pending Taiwan requests which we plan to consider later in 1980.

Timing

An early announcement of the sales is important, both to reassure Taiwan and its friends in Congress and to make clear our intentions to Beijing. We have already offered to brief members of the SFRC and HFAC during the week of December 17 in a general way regarding the kinds of sales that will be under consideration and are likely to receive favorable decision once the moratorium ends. Secretary Brown is travelling to the PRC January 5–13. A prior announcement of the recommended sales would enable us to discuss them with Chinese leaders while avoiding the impression that we cleared the sales in advance through Beijing. To this end, we wish to inform Congress of our intended arms sales as soon as possible after January 1, 1980, but no later than January 4 (the day Secretary Brown departs for his PRC visit).

Recommendations:

I recommend that you approve the six new FMS cases attached for notification to Congress. Their total value will be about \$287.7 million. All fall within existing policy guidelines and the conventional arms transfer ceiling. None would result in excessive economic burden or stimulate arms races or regional imbalances. They are consistent with human rights criteria and with PD-13,³ and would contribute to US foreign policy and national security interests. Attached is a description of each case with a place to record your decision. The Department of Defense and the Arms Control and Disarmament Agency join me in recommending their approval.

³ PD-13, "Conventional Arms Transfer Policy," May 13, 1977, aimed to restrain the transfer of conventional weapons.

Attachment

PROPOSED ARMS TRANSFERS

<u>Value (\$M)</u>	<u>Description</u>
34.2	284 Improved Sea Chaparral Missiles

We have previously supplied Taiwan with basic Sea Chaparral, which is a low altitude, point defense anti-aircraft system for ships. The Improved Sea Chaparral provides the additional, needed capability of engaging a target head-on. This missile system is defensive in nature and due to its short range (2–3 miles) does not constitute a threat to the PRC.⁴

<u>Value (\$M)</u>	<u>Description</u>
25	5 Honeywell H930 Weapons Fire Control System

The Honeywell fire control systems are to be installed in obsolescent ex-US Navy destroyers to provide integrated control of all sensors and weapons systems and thereby upgrade the ship's capability to defend against high performance aircraft, missiles, and fast patrol boats, all of which the PRC has in its inventory. We have previously supplied ten of these systems.

<u>Value (\$M)</u>	<u>Description</u>
63.3	14 MK–75 76mm Gun Mounts and 19,500 rounds Ammunition

These 76 mm rapid firing guns are to be installed in obsolescent ex-US destroyers to upgrade their air defense capability against high speed aircraft and missiles. We have previously supplied two of these mounts, and the Honeywell system described in preceding paragraph will provide fire control.

<u>Value (\$M)</u>	<u>Description</u>
144.4	Improved-Hawk Battalion (5 batteries, 280 missiles)

The I-Hawk is an anti-aircraft missile system which provides a medium range defense against missile and plane attack. We have previously sold Taiwan three I-Hawk battalions (14 batteries), and this addi-

⁴Carter checked the Approve option and initialed "J" below all of the proposed arms transfers.

tional battalion (5 batteries) will enhance their overall air defense posture, while posing no threat to the PRC.

<u>Value (\$M)</u>	<u>Description</u>
12.2	753 MK 12 IFF Sets

The Mark 12 IFF, used in conjunction with radar to distinguish friend from foe, represents an evolutionary improvement to a system previously supplied and is required to upgrade Taiwan's air defense posture and to ensure positive identification of Taiwan aircraft. It is completely defensive in nature.

<u>Value (\$M)</u>	<u>Description</u>
8.6	49 TOW missile launchers, 1,008 missiles, and ancillary equipment

The TOW guided missile launchers and missiles will be used to provide additional anti-tank capability for Taiwan ground forces. The TOW system is already operationally deployed in Taiwan.

286. Memorandum From Secretary of Defense Brown to President Carter¹

Washington, December 29, 1979

SUBJECT

My Trip to China

I depart on January 4 for a week-long visit to China. During my four days in Beijing, it is likely that I will meet with Hua and Deng, as well as with leading members of China's defense establishment. Subsequently, I am scheduled to visit various Chinese military units, schools, installations, and defense industries in Wuhan and Shanghai. On my way back, I shall stop in Tokyo and Honolulu to debrief the Japanese

¹Source: Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 6, Defense Department: 12/79. Secret. A copy was sent to Vance. At the top of the page, Carter wrote, "Harold—Very good. J." He added, "Check with me just before you leave. J." An attached note from Brzezinski reads, "12/29. Mr. President—Harold's memo is consistent with your earlier instructions. Cy will comment soon. Zbig."

government and CINCPAC; I plan to return to Washington on January 16.

The broad objectives of my trip to China are:

—To develop an institutional framework for wider contacts and exchanges between the U.S. and Chinese defense establishments.

—To broaden and deepen the security dialogue between our governments by sharing assessments of the military dimensions of the Soviet challenge, and exchanging views on our respective strategies for countering that challenge.

—To discuss regional security issues of immediate concern (e.g., Korea, Indochina, Afghanistan, Iran and Pakistan) with an eye to coordinating our policies in those areas to the extent possible.

—To draw the Chinese into a more sophisticated discussion of arms control matters of mutual interest.

—To convey to the Chinese, the Soviet Union, interested allies, and the domestic public that we regard modest steps toward defense cooperation with China as a natural by-product of a normal political relationship. We want further to convey that our relationship with China will evolve as we each see in our own interest, where those interests run parallel; we do not intend to be provocative to the USSR, but we will not let the Soviets dominate the relation between the U.S. and the PRC.

We have agreed with the PRC to discuss the following agenda: Trends in the global and regional military balance, arms control issues, regional security problems, and bilateral questions of mutual concern.

1. *Assessment of the military balance.* I plan to provide PRC leaders with a hardheaded rundown on Soviet strategic and conventional military capabilities, emphasizing the dangers implicit in current Soviet attempts to exploit opportunities in the “arc of crisis” running from the Middle East through Southeast Asia. I shall detail the actions we are taking to counter the Soviet challenge, with special emphasis on our expanded defense budget, recent NATO decisions on TNF, our moves to carve out a new and expanded security role in the Middle East/Persian Gulf area, and measures we are taking to develop a Rapid Deployment Force. In return, I shall seek to obtain a better reading on Chinese assessments of Soviet strengths and weaknesses; a fuller appreciation of PRC strategic doctrine; and a clearer understanding of where defense fits into China’s modernization priorities, and how these priorities will shape their plans for importing modern military equipment and/or dual-use technology from the West.

2. *Arms control.* Aside from providing the Chinese a picture of how the Administration’s arms control efforts fit into our broader national strategy, I will encourage PRC leaders to recognize the political as well

as strategic benefits of a more active PRC role on international arms control issues. More specifically, I plan to:

—Offer to establish special communications facilities between Beijing and Washington (a “hot line”) in order to permit rapid and confidential exchanges between our governments during international crises. I would have in mind a “full time” circuit, but less sophisticated and less expensive than the MOLINK. I plan merely to make a general offer as a basis for discussion, leaving the details to be worked out later.

—Urge the Chinese to move their nuclear testing program underground as expeditiously as possible, and indicate a willingness to provide unclassified data concerning underground tests (but not diagnostic materials or restricted information on technology) as an inducement.

—Sound out the Chinese about their accession to multilateral arms control agreements such as the Seabeds Treaty, and Outer Space Treaty.

—Suggest that the PRC implement swiftly its expressed intent to take a seat in the CCD.

3. *Regional security issues.* Unlike previous trips where U.S. and Chinese leaders have engaged in a global *tour d’horizon* on security and political issues, I plan to concentrate on a few areas of special and immediate concern.

—On *Korea*, I shall take note of recent Chinese assurances that North Korea will not seek to exploit the recent political changes in the ROK, emphasize the importance of continued DPRK restraint, remind the Chinese that direct discussions between authorities in Pyongyang and Seoul are indispensable to promote coexistence on the peninsula, and encourage them to urge the North Koreans to reconsider their attitude toward our proposal for Tripartite Talks which remains on the table. I will add that we are not prepared to initiate² direct contacts with the North—however informal—to discuss Korean issues without ROK representation.

—With respect to *Indochina*, I will confirm our position that the U.S. and China share many common objectives in Indochina, acknowledge our continued understanding and acceptance of the division of political/military labor discussed during Vice President Mondale’s trip, noting however, political problems the U.S. may face in sustaining current policy efforts if Sino-Thai collaboration in support of Pol Pot forces becomes too blatant and visible. In this latter connection, I intend to reaffirm our conviction that the Pol Pot forces should not be the sole focal point of resistance to the SRV, and explore with PRC leaders the

² Someone, probably Carter, crossed out “initiate” and wrote “establish.”

possibility of diminishing the role of Pol Pot and his close associates in order to facilitate the development of a more broadly-based Khmer resistance—perhaps with Sihanouk playing an increasingly prominent role as a “third force” capable of galvanizing indigenous resistance and wider external support.

—With respect to *Pakistan*, I intend to inform the Chinese of our intent to improve relations with Islamabad, and explore how they might be helpful in this regard. In addition, I plan to discuss how U.S.–Pakistan and Sino-Pakistan relations may be useful in dealing with current difficulties in Iran and Afghanistan. I shall restate our concerns about Pakistan’s nuclear activities, but without high expectations of securing Beijing’s cooperation in turning them off, and will note that (in Warren Christopher’s year-end trip to Pakistan) we reiterated our position about the Pakistani nuclear program but said we would not let it stand in the way of military sales or other cooperation except as we are bound legislatively (e.g., no FMS credits).³

—As for *Afghanistan*, I shall share with the Chinese information on Soviet military activities, indicate to them how we plan to respond to recent developments, and consider with them ways to concert our efforts to counter the Soviet’s blatant interventionism and force Moscow to pay a high political price for it internationally. I plan to raise the possibility of joint U.S.–PRC–Saudi action through Pakistan in affecting the situation in Afghanistan. As part of our effort to make the Soviets pay for their actions in Afghanistan, and perhaps to contain them, I will make plain in my public statements that the subject of Afghanistan was discussed with the PRC.

—With respect to *Iran*, I will give the Chinese a rundown on late developments and seek to elicit PRC support for further U.S. moves to isolate Iran, secure the release of U.S. hostages, and diminish Soviet opportunities to exploit the situation.⁴

4. *Bilateral security issues*. As I indicated in my memorandum to you of December 14,⁵ I believe the nature of our future security connection with China should be left somewhat ambiguous and the attitudes of both sides open-minded. However, I do not intend to encourage any Chinese illusions that we are prepared to contemplate arms sales, joint military planning or formal security arrangements at this stage. I do plan to propose a modest expansion of contacts and exchanges between

³ Someone, probably Carter, underlined “bound legislatively.”

⁴ On November 4, Iranian militants overran the U.S. Embassy in Tehran and took 52 Americans hostage.

⁵ Presumably Brown is referring to his December 13 memorandum, see Document 283.

our defense establishments, and convey USG decisions on key technology transfer cases. Specifically:

—With respect to *contacts*, I plan to invite my counterparts (Defense Minister Xu and/or Geng Biao, Secretary General of the Military Commission) to visit the United States, expand our respective military attache offices on the basis of reciprocity; increase cooperation in the field of medical research; suggest a more extensive pattern of visits (including professional lectures on modern military programs and tactics) between our National Defense University and the PRC Military Academy; reaffirm our willingness to have U.S. Navy ships visit Chinese ports; and offer in due course to have U.S. experts discuss with Chinese counterparts our experience in such support areas as communications and medicine.

—As for *technology transfers*, I shall convey our decision on the Landsat D case as an earnest of our intent to differentiate between the technology we are prepared to export China on the one hand and that which we are willing to authorize for sale to the Soviets on the other. I do not plan to foreshadow to the Chinese the specific approach we will adopt to implement a China differential within COCOM. I will reaffirm our intent to initiate such an effort *after* the U.S.–PRC Trade Agreement is ratified by the Congress.

With respect to the future trajectory of Sino-U.S. defense cooperation, I intend to convey to the Chinese our belief that there is ample scope for exchanging views, contacts, and some dual-use technology as a by-product of normal political relations, leaving consideration of more sensitive forms of cooperation for circumstances in which our mutual security interests are more directly and ominously challenged. I shall indicate that this incremental approach is not only most likely to exert a salutary deterrent effect on the Soviets, but insure domestic and allied support for broader Sino-U.S. defense cooperation if it should become necessary in the future.

Harold Brown

287. Minutes of a National Security Council Meeting¹

Washington, January 2, 1980, 1–3:25 p.m.

SUBJECT

Iran, Christopher Mission to Afghanistan, SALT and Brown Trip to China

PARTICIPANTS

The President	CIA
The Vice President	Deputy Director Carlucci
<i>State</i>	<i>White House</i>
Secretary Vance	Zbigniew Brzezinski
Deputy Secretary Christopher	Hamilton Jordan
<i>Defense</i>	Lloyd Cutler
Secretary Brown	Jody Powell
Deputy Secretary Claytor	David Aaron

MINUTES

The President began by saying that the NSC would first discuss Iran and Pakistan and then reduce the membership to the statutory members for a more private session.

[Omitted here is discussion unrelated to China.]

Turning to the issue of multilateral economic actions and the question of COCOM restraints, Dr. Brzezinski said that we were prepared to pursue the “Belgian formula” in COCOM and this would involve liberalizing sensitive exports to China on a case-by-case basis thereby creating a de facto differential. However, we would not announce formally that COCOM had created such a differential. The President approved this approach.

On the question of consultations with others to reinforce U.S. economic actions, the President said that we should consult particularly on credits. That we should deny Soviet Union credits and urge others to do the same. The Secretary of State pointed out that we do not provide credits to the Soviet Union. The President responded by saying we should nonetheless urge others not to provide further credit.

Returning to the COCOM issue, the Vice President suggested to the Secretary of Defense that he use the fact of the China differential in his discussions with the Chinese next week. The President asked what the allied reaction was to the concept of a China differential. Deputy Secretary Christopher said the reaction was good. The Secretary of

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Box 2, NSC Meeting #26, Held 1/2/80, 1/80. Top Secret; Sensitive. The meeting took place in the Cabinet Room.

State said that on a case-by-case basis we would look at China differently. The Secretary of Defense added that he would not explain to China how we would do this but only the fact that we would do it.

Dr. Brzezinski summarized by saying that we accept the idea of a differential in practice but do not establish a public principle. Deputy Secretary Christopher thought that the allies would be prepared to go even further and Secretary Brown said that this would be fine, but that he would proceed as indicated with the Chinese.

[Omitted here is discussion unrelated to China.]

The meeting was then restricted to the statutory members plus Mr. Aaron. Dr. Brzezinski reviewed the alternatives to strengthen Harold Brown's instructions in regard to his China trip. He noted in particular that we had added the idea that we would be prepared to provide China with an over-the-horizon radar.

The Secretary of State said that he had not heard of this issue until this morning. Secretary Brown said that that was true of him as well. Dr. Brzezinski noted that it was the Vice President's idea [*less than 1 line not declassified*] which appeared to be an extremely interesting one.

The Secretary of Defense said that we could provide them with something to track and give them an indication of specific actions by the Soviet Union.

The Secretary of State said that if we do this without Congressional approval, we will have a very bad reaction. He said he was against it.

The Secretary of Defense said that he does not need it in his instructions. He felt he had a good package already. The fact that he is going and able to assure the Chinese of our interests in their security and that we were prepared to help the Pakistanis would be adequate.

Dr. Brzezinski said the Secretary of State was correct in that heretofore we would not do something like this either for the U.S.S.R. or for China, but that was before we had an invasion and we now have an increased sense of vulnerability in Asia and China is an important deterrent to Soviet activity.²

Dr. Brzezinski asked whether it was in our interest to stand aside. He thought there was a difference between offensive and defensive military equipment, and with Soviet tanks moving towards the Indian Ocean, our unwillingness to provide anti-tank weapons was not a contribution to regional stability.

The Secretary of State said that this is not a decision that the President had to make now and that he should first consult with the

² The Soviet invasion of Afghanistan began on December 27, 1979.

Congress. The President said that he did not have to consult Bob Byrd: that we should sell weapons to China, including F-16's.

Dr. Brzezinski thought that the public would not understand why we were unwilling to be helpful to the Chinese in this kind of a situation. Secretary Brown said that this issue did not have to be decided before he left. He could raise [*less than 1 line not declassified*] our willingness to give them early warning capabilities.

The President said that he did not look upon over-the-horizon radar as violating what we have said previously concerning providing arms to China. He thought it was the sort of thing that should be explored. Our policy is not to sell weapons. We approve of the ally sale of defensive arms.

The Secretary of State intervened to say that that was not precisely it. We do not take the position of approving the sale of defensive arms. We simply say that is our allies' own concern.

The President said that the situation in Afghanistan and Iran does add a new dimension. He thought that we should be prepared to modify our position but how to modify it should be further explored. Something along the lines of the over-the-horizon radar he thought should also be explored. In addition, we ought to reexamine COCOM and our restrictions on sensitive equipment. The most important thing he concluded is that we give a strong signal of support to the Chinese and of displeasure to the Soviets.

Secretary Brown said, however, that we also need to leave some room on the ladder of escalation, otherwise there is no need for Soviet restraint. Dr. Brzezinski added that we do need to give enough of a signal so the Soviets know we are serious.

Dr. Brzezinski said we are facing as acute a dilemma as when the British came to us to say that Greece and Turkey were our problem.

The President said that he was not sure that what we had decided today will deter the Soviets from going into Pakistan and into Iran. Both the Secretary of State and the Secretary of Defense agreed that it would not, but that it would provide a signal. Secretary Brown said that our response must make the Soviets wonder whether the next step will be worth it.

Turning back to China, the President said that the basic memo from Harold Brown on his instructions for China was good.³ The Secretary of State agreed.

The President then said that before Secretary Brown leaves, he would like to sit down and review his instructions. He suggested that

³ Carter is probably referring to Brown's December 29 memorandum, see Document 286.

this be done at the Friday breakfast in order to confirm the Secretary's instructions. The Secretary of State noted that there were two other items suggested to be added to Secretary Brown's list and two others that he could not agree with. Dr. Brzezinski said that Secretary Brown's instructions were generally agreed among the three of them along the lines indicated by the Secretary of State. He summarized by saying that Secretary Brown's memo was generally acceptable, but that the final signoff would await the Friday breakfast. The President agreed. He said that we should continue to explore what further might be done for the Chinese.

He then commented that since discussing the issue of the kinds of signals that need to be sent to the Soviet Union in this crisis, he was inclined to go ahead on a grain embargo in order to give the Soviets a signal on their behavior. The President asked that there be a further discussion of the grain issue tomorrow morning. He said that we need to get broad-based support for a grain embargo which is what he was inclined to go with at this stage.

The meeting adjourned.

288. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, January 4, 1980

SUBJECT

Harold Brown's China Trip

Harold Brown has sent in a message requesting further guidance on a few items.

—Do we plan to follow up on Harold's suggestion of trying to arrange a trip to Beijing by the Pakistani Defense Minister during Harold's stay there? He assumes we will not and agrees with that but wants to know for sure.²

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Agency File, Box 6, Defense Department: 1/80. Top Secret; Sensitive. Sent for action.

² Carter checked the option "Do not follow up" and initialed "J."

—Harold points out that the Chinese will be extremely interested in what support [1 line not declassified] we are prepared to provide the Afghan insurgents. [3½ lines not declassified]³

—Harold suggests we brief selected Congressional Leaders on some of the key aspects of his visit and particularly the COCOM differential. He also suggests that we mention the OTH radar to Senator Glenn in “absolute confidence.” If you approve, we will coordinate an appropriate statement and approach to selected Congressional Leaders.⁴

³ Carter checked the option “Approve; inform the Chinese” and initialed “J.”

⁴ Carter checked the Approve option and initialed “J.”

289. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to Secretary of Defense Brown¹

Washington, January 4, 1980

SUBJECT

Instructions for the China Trip

The President has reviewed your memorandum of December 29 and approved its contents as guidance for your forthcoming trip.² In addition you are instructed to:

—Propose follow-up consultations between U.S. and Chinese senior officials concerning Afghanistan and explore ways to coordinate U.S. and Chinese support for Pakistan, including Chinese agreement to permit overflights of aircraft and equipment being delivered to Pakistan by the U.S. There should be no public discussion of such overflights.

—Indicate that we are undertaking to differentiate in COCOM between the technology that we are prepared to transfer to the USSR on the one hand and China on the other hand, and that LANDSAT D is an example. However, any public linkage of the LANDSAT D decision to Soviet aggression against Afghanistan should be avoided. Inform the

¹ Source: Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People’s Republic of), Alpha Channel: Trip: 12/78–1/80. Secret; Sensitive.

² See Document 286.

Chinese that we are prepared to approve the Western Geophysical Systems case if modifications in the computer technology requested can be mutually agreed upon; in this connection you may initiate discussions with the Chinese concerning appropriate modifications.

—Preserve for now our public position that we have no current plans to sell arms to the PRC. If the Chinese request the U.S. to sell military equipment, you may explore their interest in procuring over-the-horizon radar equipment for purposes of augmenting their surveillance and warning capabilities. If they appear interested, you may offer to undertake a non-public site survey on a no-commitment basis.

—In inviting Geng Biao and/or Defense Minister Xu to make a reciprocal visit to the U.S., you may explore PRC interest in regularizing such meetings.

Zbigniew Brzezinski

290. Memorandum of Conversation¹

Beijing, January 7, 1980, 9–11:45 a.m.

SUBJECT

Meeting between Secretary of Defense Harold Brown and Vice Premier Geng Biao, People's Republic of China

PARTICIPANTS

Chinese Side:

Vice Premier Geng Biao
Wu Xiuchuan, Deputy Chief of the General Staff
Zhang Wenjin, Vice Minister of Foreign Affairs
Zhang Zhenhuan, Vice Chairman of Defense Science Commission
Zhou Jiahua, Deputy Director, Department of Defense Industries
Chai Chengwen, Director, Foreign Affairs Bureau, Ministry of Defense
Han Xu, Director of Department of American and Oceanic Affairs
Ji Chauzhu, Deputy Director of Department of American and Oceanic Affairs
Ling Ching, Director of Department of International Affairs, Foreign Ministry
Huang Zhengji, Deputy Chief of Intelligence, Department of the General Staff

U.S. Side:

Secretary Brown
Ambassador Woodcock
Mr. Komer
Mr. Seignious
Mr. McGiffert
Dr. Dinneen
Mr. Holbrooke
Mr. Ross
VADM Hanson
Mr. Armacost
Mr. Platt
BGen Smith
Mr. Oksenberg
Mr. Neuhauser
Mr. Jayne
Mr. Stempler
Col Gilliland

The meeting began with introductory comments in the presence of members of the press. Vice Premier Geng Biao noted that it had been one year and one week since the establishment of diplomatic relations be-

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0217, China (Reds) 25 May 1980. Top Secret; Sensitive. The meeting took place in the Great Hall of the People. Prepared by Lieutenant Colonel Alfred K. Richeson (OSD/ISA) from Nicholas Platt's notes. On January 6, from 5 until 6:30 p.m., Dinneen and Seignious met with Liu Huaqing, Deputy Chief of the General Staff, to discuss export controls, arms control, and technical means of improving Sino-American communications. (Department of State, Files of Nicholas Platt, DOD 1980–1981)

tween the US and the PRC, congratulated Secretary Brown on the rapid progress during the past fifty-three weeks, and on behalf of all his comrades welcomed Secretary Brown to China.

Secretary Brown responded that both sides should be congratulated for the accomplishments of the past year and noted that these talks should deepen and broaden the relationship. He further noted that during the next fifty-three weeks we will make even greater progress.

Geng noted that Secretary Brown's visit added a new element to the relationship with the exchange of military personnel in addition to political, scientific, cultural, and economic exchanges. He again welcomed Secretary Brown to China.

Secretary Brown thanked Geng and stated that he and his delegation had been treated very well and hoped that we could reciprocate that welcome very soon.

Geng thanked Secretary Brown and indicated that he was sure that the Secretary's visit would be a very successful one. He then introduced the members of his delegation and noted, that according to practice, the Chinese always like to have their friends speak first.

Secretary Brown:

—Mr. Vice Premier, although we have exchanged military attaches and have had other contacts between our defense establishments, my visit initiates high level, formal contacts between our defense officials. As in the economic, scientific, and cultural realms, a sense of self interest brings us together. We approach you with respect and a determination to build an equal relationship for mutual benefit. We don't regard you as our pupils, nor do we regard ourselves as pupils, although we both have much to learn from each other.

—This morning, if you agree, I suggest we cover three subjects: first, a brief review of the global context in which our talks are taking place; second, a discussion of the Afghan situation and its implications for both of us; and third, a discussion of wider bilateral contacts between our defense establishments, and ways by which we can encourage broader contacts.

Global Strategic Setting

—I would hope we can have a wide-ranging discussion of the global military balance and of our respective security planning this afternoon. There are a great many subjects, and we may not be able to get to them all.

—Turning to the security context in which we meet, we share an interest in limiting the ability of the Soviet Union to translate its growing military strength into political advantage, and we share also an interest in finding ways of resisting direct Soviet military pressure—

as in Afghanistan—or indirect pressure, as in Ethiopia and Kampuchea where to a larger extent they use surrogates—equipped, trained and advised by the Soviets.

—The combined strength—not only economic, political and agricultural, but also military—of the United States, our NATO allies, Japan and China is sufficient to counter Soviet expansionism, providing—and this is an important provision—each of us fulfills our distinctive responsibilities to the maintenance of a global balance-of-power.

—The Soviets have the advantage that they are somewhat monolithic—they can dictate to their East European allies and to a lesser extent Vietnam and Cuba. On the other hand, the US, NATO, Japan and China are very diverse—there is no central power. Diversity may be seen as a disadvantage; but it also leads us to do what we do best and we must do that if we are to be successful.

—The question before us is one of strategy.

—In general, we have enormous advantages in the economic and political competition with the Soviet Union; they too have advantages, particularly in unstable areas of the Third World where political processes are often dominated by military elements, where the scope for subversion is great, and where Soviet propaganda can exploit ignorance or religious fanaticism to fan hatred of America. And there are obviously a number of regions in the world like that—many heated up right now.

—The Soviets, I am convinced, hope to achieve their objectives without fighting a major war with NATO or with the United States. I believe this not because I have an optimistic view of Soviet motives, nor do I consider that Soviet behavior is defensive or aimed at preserving the status quo. Rather, because the Russians recognize the strength of the US and NATO, they hope to reach their objectives without a major war.

—As a result, I believe that the Russians would much prefer to use an indirect approach: by making gains in areas where there is little or no opposition; by avoiding, when they can, the appearance of direct challenges and relying instead on covert action, or failing that, on third country “proxies,” always using their own military forces only as a last resort when there is no other way; and by challenging us in circumstances where they can hope to limit our response by the manipulation of Western or Third World public opinion.

—In this way they hope to build a position of strength through which they can intimidate our major allies and friends—and, perhaps, the Soviets think, ultimately even the United States itself.

—If that happens, we and all our friends would suffer a defeat as surely as if we were to be defeated in a bloody war. Thus, I do not be-

lieve that a Soviet interest in avoiding a major war makes our problems any easier. Instead, it means that we must find ways to combat Soviet encroachments in areas where there may be little military strength to oppose them, and where political circumstances may make the use of our own military strength difficult or even counterproductive. At the same time, we must take care also to maintain the military capabilities necessary to keep the Soviets from thinking that a military attack on any of its major adversaries would benefit them, or that they can intimidate us in smaller crises.

Afghanistan

—If I may, I will now turn to Afghanistan. We and China face an immediate test in Afghanistan where the Soviet invasion represents an ominous departure in Russia's willingness to intervene militarily outside its own borders; and positions Moscow better to exert political pressure on Iran and Pakistan—these are the key to Soviet aspirations to obtain access to the Persian Gulf and the oil of the Middle East.

—Our concern is twofold. Soviet intervention in Afghanistan severely disturbs the regional balance in Southwest Asia; and this act threatens to disrupt the global network of strategic relationships and understandings constructed over the past generation.

—The threat to peace is tangible and immediate. It presents a challenge to the United States that we will not shirk. Even more, it represents a challenge to all the neighbors of the Soviet Union and to the world community, a challenge which must not go unanswered.

—We assume the Soviet Union's immediate aims in Afghanistan will be (1) control of Kabul and all major production centers; (2) control of major roads; (3) control of the major passes between Afghanistan and Pakistan; and (4) restriction on the ability of the outside world to obtain solid information on the insurgency. These aims appear achievable in the short term.

—A total "pacification" suppression of insurgency of Afghanistan on the other hand will be a much longer term and expensive undertaking, but one that the Soviets will undoubtedly attempt. The Soviets have major problems on their hands: a weak political structure in Afghanistan; the loyalty of the Afghan army is questionable, and it appears that the Soviets are disbanding it; terrain favors insurgents; the Soviet-Babrak "pacification" theme is unlikely to find acceptance among the highly nationalistic and religious people of the countryside.

—However, the insurgents face many problems as well. Despite their numbers, they are ill-equipped and poorly led. Moreover, there appear to be many groups. (Several hundred groups with no central command.) They are no match for Soviet troops. Pakistani support depends on a shaky regime in Pakistan—one that does not have firm con-

trol but does have good friends—notably China and to a similar extent the US—but which feels isolated and exposed to Soviet threats, and somewhat to a threat from India.

—Soviet prospects in Afghanistan are therefore uncertain; we should not underestimate their determination to prevail. And they may succeed unless we make them pay a very high price for this action.

—Accordingly, the United States has already begun to take actions designed to raise the costs so high that Moscow will be forced to reconsider the wisdom of its decision in this case and to reject similar temptations in the future.

—In addition, we are working in concert with others to place the Soviet invasion of Afghanistan on the Security Council's agenda, consulting with other countries to deny the USSR further credits, and urging our allies to take other appropriate actions to isolate the Soviets diplomatically and raise the economic costs of its aggression.

—I believe that in addition to such measures, we must take action to provide political and material support to the insurgent forces in Afghanistan. And in this regard, I have a couple of questions for you: What support is China currently providing to the Afghan insurgents? Do you have plans to expand that support?

Vice Premier Geng Biao: First, I would like to add a few points to what you have said. The Afghan people are fiercely religious people. The several republics of the USSR bordering Afghanistan used to be inhabited by Moslems but the USSR tried to abolish the religious people there. The Afghan people are very aware of this. It is very difficult for the Soviets entirely to subjugate the Afghan people.

—The current problem, the one thing that is lacking, is that Afghan people opposing the Soviets do not have a united organization. But, I do not think that is a big difficulty to overcome. In the process of resisting the Soviets, a leader will emerge. So far we have not found any discord among the Afghan rebel groups. There is no infighting among them. They all are fighting against the Afghan government troops and the Soviet aggressors.

—We are very pleased to hear the US Government has made the decision to provide assistance to the anti-government forces in Afghanistan and to Pakistan. You know that we have been giving aid to the Pakistanis and they are satisfied with what we have done. As to Afghanistan, we plan to give assistance to various organizations, groups, and peoples in Afghanistan in resistance to the Soviet invasion. We plan to give them assistance via Pakistan. However, our assistance has to be in limited quantity: small arms, medicine, and material such as quilts and clothing. We are making efforts in this direction. This is what I wanted to tell you. Thank you for your information on your assistance to the insurgents.

Secretary Brown: Thank you for this information. It is certainly true that what happened to the Muslims in the USSR will not be attractive to the Afghans. However, it is true that over the last ten years, the Soviets were able to suppress the religious sentiment among the Uzbeks, the Tadzucs, and so on. That is because they obtained little help from the outside. I, myself, visited the area for a few days five years ago—such places as Tashkent, Samarkand, and Bokhara. It was clear to me that the Soviets have been successful in “pacification” and Russification of these Muslim nationalities in the USSR.

Pakistan

Let me follow up on Pakistan. We must also work with others to provide additional support for Pakistan. One of President Carter’s first moves was to call Zia and reassure him of our support. We offered to send Warren Christopher to Islamabad, but the Pakistanis preferred to postpone this.

—The Pakistanis’ main concern is what might happen to them if the Soviets do gain control in Afghanistan—especially if the Soviets believe that they have grounds for “punishing” the Pakistanis for helping the insurgents. We will do what we can to stiffen the Pakistanis’ resolve to support Afghanistan. What arguments do you think would be most useful for us to use? What do you think you can say to reinforce our representations?

—We are in the process of working out the dimensions of our own assistance to Pakistan. We have decided to seek an amendment in our Foreign Assistance Bill to exempt Pakistan from current restrictions in our law which currently prevent us from extending FMS credits and Economic Support Fund assistance to Pakistan. We have already approached Congressional leaders on the subject. While plans are as always subject to Congressional concurrence, what we have heard from Congress is encouraging. We are thinking in terms of providing very substantial amounts of FMS and ESF over the next five years to the Pak’s. We are also seeking additional support for [from?] Western and Moslem countries.

—While we are planning to resume economic and military assistance to Pakistan despite the nuclear problem, it would obviously be easier for us to secure Congressional support for a large program if the Paks reassessed their nuclear activities. We don’t want to let this stand in the way. But what we can do will be influenced by Pakistan’s nuclear program.

India

—India remains a critical element. A strategy that preserves Pakistan but propels India into greater dependence on the USSR is unwise. The key is to get India to recognize that the new situation in Afghani-

stan poses a security problem for the *entire* subcontinent. It is unfortunate that there has been no effectively functioning Indian government during recent weeks.

—It is important that the most favorable context be created for an Indian policy reassessment. In particular, the Indians must be brought to realize that there is no longer a concern about a threat from China. We think it is important that you renew a dialogue with the new Indian government and seek a compromise understanding on the border issue that would permit India to turn its attention elsewhere. We believe this deserves your serious consideration.

Afghanistan

—The events in Afghanistan are a major historical turning point which increases the likelihood of a major US military presence in an entirely new region of the world. Nobody at this point can predict with certitude what the outcome of these events will be, although the Soviet reaction to various protests and denunciations, including those of both the US and China, is completely predictable. These prospects were taken into consideration by the Soviets before they made their move in Afghanistan. It is therefore incumbent on both of us to exceed the Soviet expectation as to what our response would be. The Soviets must be made to understand that this decision (to invade Afghanistan) will be much more expensive, much more costly, much more damaging to them than they had reckoned, and that it should not set a precedent for similar further actions on their part.

—At the same time, we will be increasing our own ability to project military power into the Gulf region. Our Indian Ocean naval capabilities are being augmented; we are expanding our facilities at Diego Garcia; we are undertaking discussions with Oman, Somalia and Kenya on base access rights to various bases there, and we are broadening our discussions on security matters with Gulf states—particularly with Saudi Arabia and Oman.

—By this action, we intend to demonstrate that this region is of vital importance to us, and that the US Government is pursuing these interests with a sense of purpose and commitment.

—That is all that I wanted to say about Afghanistan. I would be interested in hearing what your side has to say on this issue.

Global Strategic Setting

Geng Biao then made the following points:

—There are several subjects I would like to cover. First a few words with respect to the Soviet's strategic position in the world.

—The world situation has become more turbulent and intense. The Vietnamese, in order to realize hegemony in Indochina, have mounted

a large offensive. But it is not going smoothly and has created more refugees. It poses a threat not only in the region.

The Soviet invasion of Afghanistan poses a major threat not only to the region but to the peace and stability of the world as a whole. The reason I say is that the Soviets are directly involved with their own troops.

What's more, Iran has held US Embassy staff members hostage, and this has caused tension between the US and Iran in every aspect.

Another question is that negotiations between Egypt and Israel are at a stalemate and this carries seeds of a new crisis. Meanwhile we are aware that there was a coup d'état in South Korea; with Park's assassination, a fierce power struggle among the military people is now going on in that country. Moreover, the Soviet Union has its troops in Cuba, right under the nose of the United States. It refuses to withdraw its troops and has expanded its influence in Central America and the Caribbean. There have been various factors at work making turbulence in the world, but the main one is the expansion of the Soviet Union and its striving for hegemony. In some instances, Soviet actions have directly created the turbulence. In other cases, they are exploiting local turbulence. Besides, the energy crunch is a major cause of turbulence in the world. The Soviet Union has been making conscious efforts to stir up trouble in the Middle East and Persian Gulf areas, and its objective is to cause trouble in the availability of energy resources. For a considerably long period to come the situation in that region is to be turbulent, before alternate energy resources can be found. You are bent upon putting pressure on OPEC members; the Soviet Union is bound to take counter measures. This will give the Soviets an opportunity to exploit the situation, and this is bound to result in a dangerous situation. The Soviet Union has been reaching out in every direction to expand its influence and to win victories without war.

I think factors making for war are growing rather than diminishing, but it is our view that a war involving the major powers is not likely to come in the near term, because the Soviets have not completed their preparation for war yet and have many shortcomings and weak points.

Now we have entered the 80's and it seems that the 80's will be even more turbulent and tense than the 1970's. Will the world reach its most dangerous point in the mid-80's? Will there be a major war then? We still have to see how the international situation evolves. We have noted that many Western experts have written books on the possibility of war in the 80's (laughs). As for China, we do not want to see a major war. Our objective is to develop our country, and to achieve this objective, we need a peaceful international environment of long-standing. We know that peace cannot be begged for. Nor can it be one state alone.

There is a need to protect the independence and security of middle sized and small countries and firmly to oppose Soviet hegemonism.

—Our general maxim is to oppose hegemony and pressure world peace. How to oppose hegemony:

—First, enhance our vigilance, get prepared in every way, and beef up our defense capabilities.

—Second, China, the United States, Japan, and Western Europe should coordinate their policies.

—Third, we must support the Third World countries in their resistance to Soviet aggression and the threat posed by the Soviet Union. We should coordinate our efforts. In this regard, we hope the US will settle contradictions with the Third World in a proper way, and hope you will be patient and not offer the Soviet Union opportunities to exploit. All of us should act in our overall interests in resisting the Soviet Union. Each should adopt its own measures in accordance with its own circumstances and work together in order to resist the Soviet Union and upset its strategy.

—Recently President Carter and other members of the US government made speeches emphasizing US determination to build up defense capabilities and take a strong stand versus the Soviet Union. In this regard, we endorse the statements and decisions that have been taken.

—During Chairman Hua's trip it was evident that the people in Europe have come to see more clearly the threat of Soviet expansionism. In order to counter this threat, Western Europe has agreed to deploy new missiles and, after Prime Minister Thatcher's visit, relations between the US and Europe appear to have improved. We approve of these steps.

Afghanistan

As for Afghanistan, the Soviet's massive invasion warrants attention and concern on our part. In this respect, the Soviet Union's own troops are directly involved in undisguised invasion, like the invasion of Czechoslovakia in 1968. Now the Soviet Union has extended its so-called theory of limited sovereignty from socialist countries to a non-aligned, Muslim country of the Third World. If the Soviet Union can do this in Afghanistan today, the likelihood is that they can do it to Pakistan, or some other country, tomorrow—the first targets would be Iran and Pakistan. While Afghanistan is the first country, the Soviet Union mainly has its eyes on Asia, and the action poses a threat to South Asia and the Gulf area as well. It occurred at a time the US experienced a tense situation vis-a-vis Iran.

—The Soviet Union may gain something temporarily, but in the longer term they will gain the opposite of what they set out to do. Now

a new situation has been created. All the Muslim countries and peace-loving countries have risen up in opposition to Soviet hegemonism. Even Iran has registered its protest to the Soviet Union over its invasion. And these factors may help to bring an early resolution to the crisis between the US and Iran. It seems to me to a large extent we should talk to other countries about the matter and do a good job of it.

Pakistan

The domestic situation in Pakistan is rather difficult. Zia faces a number of difficulties. If the Soviet's barbarous aggression goes unchecked, the next target is Pakistan. Now Pakistan also thinks along this line. Now Pakistan's leaders are very worried about the Soviet invasion of Afghanistan.

If the new Indian Government should keep on opposing Pakistan, even in a more fierce way, Pakistan will be sandwiched between Afghanistan and India with even more problems on its hands. After studying this question, we have concluded we must boost Pak determination to resist the Soviet Union. Now, after the event in Afghanistan, the US has made a decision to extend military aid to Pakistan. We think that you have made the right decision. We hope your aid will arrive in a timely fashion and that there will be plenty of assistance and that we will not see the restrictions to aid you have placed in the past.

Yesterday, Mr. Secretary, you mentioned the possibility of the US flying assistance to Pakistan over China.² I said that we would give this positive consideration. Now I would like to add a few points. Overflights are not a big question and can be solved easily. But the question is the size of aid. A few flights—two or three flights—for symbolic purposes will not serve Pakistan's practical difficulties—because of the size. If the scale is too small, or if you ship ordinary weapons they will not be able to solve their problems. To be frank with you—after all, although I'm a civilian, I was in the military a long time and you are the head of the military establishment—we think in the past the US did not treat its Pakistan allies very well, e.g., by comparison with India, to whom you devoted more attention. The question is the size of your assistance and plans you have made. In the past, the Paks didn't have enough confidence in you, nor do they now.

—Mr. Secretary, you asked what aid China will provide to Pakistan. I would like to throw the question at you. The reason why I ask is that after we acquire this knowledge, we can talk to Pakistan. Our words can carry some weight. Moreover, if the size of the US aid is big enough to help Pakistan, and it comes quickly enough, the problem of overflying China with two or three or more planes can be solved easily.

² No record of this meeting was found.

Sino-Soviet Relations

—Now I would like to say a few words about Sino-Soviet relations. The Soviet Union is entirely responsible for the deterioration of relations. It is not China that is responsible for the low state of relations. Since Brezhnev took office, he has gone further down the road of the anti-China line of Khrushchev and Brezhnev is more cunning in doing that. The first round of the Sino-Soviet talks ended with no results. The second round is supposed to take place in China. The specific timing has not been decided.

The Soviet Union has refused to resolve outstanding bilateral questions or to clear away obstacles to normalization. What it wants is only an empty document to govern Sino-Soviet relations—an empty document with no consequences.

—What we have insisted on is that the Soviet Union should lower the threat to China on the Sino-Soviet border, lowering the forces on the border to 1964 levels, withdraw troops from Outer Mongolia, stop supporting the Vietnamese against the PRC, and enter border talks in an earnest manner so as to solve the border problems in line with the status-quo. I have just now given you the bottom line of our Soviet policy. So long as the Soviet Union doesn't change its hegemonistic policy towards China, there can be no change in Sino-Soviet relations. It is impossible for the Soviets to carry out what we have demanded.

—China has all along supported the struggle for general disarmament and is prepared to participate in the CD in Geneva. This will be the first time, and we would like to get to know more about this topic. At first, don't expect for us to offer any proposals. Only genuine disarmament will enhance the security of various countries. The Soviet Union has been most vociferous in support of disarmament and most active in expanding its armaments. According to assessments of the Institute for Strategic Studies in London, the total Soviet force is 4.4 million. However, this does not count the 450,000 frontier troops along the borders.

Indochina

—Regarding the question of Indochina and others, I believe Foreign Minister Huang Hua will discuss this with you at luncheon.³

Afghanistan

—Yesterday you talked about making a statement to journalists that we have consulted concerning Afghanistan. Perhaps your people

³ Brown met with Foreign Minister Huang Hua in Guest House No. 18. Their discussion focused on events in Indochina and Pakistan. (Memorandum of conversation,

will get with our people from the Foreign Ministry and draft a proposal. It is a fact we consulted, and there is no need to hide it.

Hot Line

—With regard to the establishment of the Hot Line, we have not studied this proposal seriously yet and we would like to give it further thought. In the meanwhile our Ambassador and Defense Attache in Washington and yours in Beijing provide a means of communications. Until we reach agreement on this subject we have a very convenient method of communication.

Taiwan

—Yesterday you talked about Afghanistan and other sensitive questions, especially Iran and Indochina. These are sensitive questions; we agree. Quite frankly, we think that there is another sensitive issue. That is Taiwan. Quite often, your people talk about resuming arms sales to Taiwan and for us that is a very sensitive question. We hope that you will help us by cooperating with China on this problem, in order to bring about an early return of Taiwan to the embrace of the motherland. If the US continuously sells arms to Taiwan, it may lead to an outcome that China must fight a war to ensure that Taiwan returns to the motherland. This would be a departure from the right strategy in the global contest that we have just talked about. Please forgive me for being frank but I am a soldier.

H[arold] B[rown:]⁴

Korea

—I welcome frank and friendly talks and will reciprocate in kind. In order to leave some time to discuss bilateral issues, I will be brief and to the point.

—We see the world somewhat similarly but not identically. There is some divergence. I see the situation in Korea with some uneasiness. I met with your US Ambassador to Korea in Tokyo and that reinforced my view of the situation in Korea.

Africa

I am perhaps more optimistic about the United Kingdom situation in southern Africa than perhaps you are.

January 7, 12:30–3 p.m.; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80

⁴ The initials "HB" were added by hand.

Global Strategic Context

But as regard to Soviet motives and actions, deterring war, and constraining Soviet actions our views are very similar. In some respects, it seems to me, our respective staffs must have written our talking papers together, thus keeping us from getting our money's worth.

—Certainly as regards to building up our defenses and US, China, Japan, and Western Europe cooperation in assisting the Third World in resisting Soviet expansion, we see things much alike.

—President Carter is very much in favor of the US and China coordinating their efforts in support of third countries. Therefore, I suggest that this evening we announce that we will have follow-on discussions of the Soviet actions in Afghanistan. We need not say where these discussions will take place or at what level, but such an announcement will have a salutary effect in reminding the Soviets that the US and China can cooperate. If you agree, we can draft the statement along the lines you mentioned and add these points to them.

(Geng looks to Zhang Wanjin, who nods.)

Geng Biao: I think this is feasible.⁵

Iran, Pakistan

Secretary Brown:

—Let me now turn to two middle size countries, Iran and Pakistan. We can discuss Iran more at lunch, but I would like to make some points now.

But I do want to point out that although many middle size countries are under Soviet pressure, not all middle size countries behave in equally sensible ways to the pressure from the Soviet Union. Moreover, not all mischief making countries are large countries, and we must not give third world countries the idea that they can take advantage of unrest or instability. Just as the Soviet Union must pay a price for disrupting stability, middle and small countries must learn their responsibilities as well. We are patient, but patience is not unlimited. Our patience depends in part on what develops. If we see that others point out to the middle size countries that if they fail to live up to their responsibilities there will be penalties for them also, then we can display more patience. Diplomatic and economic penalties can have the necessary effect. This is preferable to going to other forms of action.

⁵ *The New York Times* reported that both sides issued a statement on January 7 "saying the two delegations had talked about Afghanistan at length and had 'decided to have follow-on discussions on the effects in the region of the Soviet actions and to consult further on appropriate responses.'" (January 8, 1980, p. A3)

—It goes without saying if we are to foster an international process of peace, diplomatic procedures must not be violated. The seizure of diplomatic hostages must not be allowed to spread. We all have a stake in this.

Geng Biao:

If every country should hold hostages, the world would be chaotic.

Secretary Brown:

We are aware that Pakistan needs arms, and we will move forward on this. We have not yet decided how much but are thinking of a five-year program, which we will start this year. Over the next five-year period we are considering hundreds of millions of foreign military sales credits and similar amounts of economic assistance, augmented by contributions from other countries to include Saudi Arabia. We are aware of Pakistan's limited capability to absorb such assistance and do not wish to exceed their capability. In any event, we intend a level of effort that far exceeds a few symbolic flights over the PRC.

Hot Line

With respect to the hot line, attaches and foreign ministries are useful, but we are thinking about very rapid communications measured in hours or maybe tens of minutes. We think it would be very useful and hope that you provide it very careful consideration. Technical details can be worked out, but if we could announce it on this trip, it would signal a new, close relationship between our two countries.

Taiwan

One more point reference Taiwan. At the time of normalization we agreed to disagree in a quiet way. We have said what we plan to do and have done what we said. We have made modest and selective sales of military arms to Taiwan to further stability in the region and not to foster instability.

—I would now like to raise a procedure question. I have more to say about bilateral issues. However, we can delay until this afternoon or we can discuss them now. I leave the choice to you.

After a short discussion it was decided to resume discussions at 4 p.m.

Nicholas Platt

291. Memorandum for the Record¹

Beijing, January 7, 1980, 4 p.m.

SUBJECT

Second Meeting Between Secretary of Defense Harold Brown and Vice Premier Geng Biao, People's Republic of China

PARTICIPANTS

No change from first meeting

Secretary Brown opened the discussion by welcoming Geng Biao to his Guest House, which for a few days will be ours, and asking him to speak first. Geng declined, however, and asked as host for the entire visit to hear the U.S. first.

Secretary Brown: We have some presentations on the balance of forces. I will hold them off for a while so we can talk about the bilateral issues that I mentioned this morning.

—I now would like to suggest measures for sustaining bilateral contacts and consultations between our two defense establishments. Increased interaction between us would promote mutual understanding, expand our capability to act in mutually reinforcing ways when our interests coincide, and narrow differences between us when our interests—as they sometimes will—diverge.

—I have a list of suggestions which I would like to propose and I hope that you have some also.

—First, I would like to invite you to my country at a mutually convenient time and to suggest that from now on, we meet on a regular basis.

—Second, I propose that we expand our respective attache offices on a reciprocal basis as soon as adequate working and living accommodations are available for our attaches in Beijing.

—Third, I would like to invite a delegation from your Military Academy to visit our National Defense University in Washington, D.C., and to tour some of our military installations in the United States.

—Fourth, we both know that modern military forces require extensive support organizations to sustain them. We would be willing at an appropriate time to discuss our experiences in these fields with you. If you are interested, we might start with exchanges in two areas: communications and medical support. We could also discuss some aspects of transportation and logistics, although, in the latter case, we would not wish to imply that we had entered a supply relationship or were engaged in joint planning for military contingencies.

¹ Source: Washington National Records Center, OSD Files: FRC 330-82-0217, China (Reds) 25 May 1980. Top Secret; Sensitive. The meeting took place in Guest House No. 4. Prepared by Lieutenant Colonel Richeson from Platt's notes.

—With respect to these proposals, we would be prepared to announce any or all of them at the end of my visit, even if some of the dates remain to be arranged. Of course, we would welcome your suggestions on this kind of exchange. If you wish to discuss the details of any of them further, we could do so now or I would suggest that you designate someone to get in touch with Mr. Komer or Mr. McGiffert.

—Finally, we have an overriding interest in preventing crises in the world from escalating to confrontation and war. We have established special communications arrangements with both friends and adversaries to facilitate rapid and confidential communication in crisis situations. We have such arrangements with the United Kingdom, the Soviet Union, and Federal Republic of Germany and others. We believe a direct communications link, dedicated to high level priority communications between our leaders, both in times of crisis and other cases of special sensitivity, is both substantively and symbolically appropriate given the new state of our relations and the importance of our two nations in world affairs. I discussed this with you yesterday and Dr. Dinneen and Ambassador Seignious also had discussions with your side. If you are interested in pursuing this, we are prepared to initiate some detailed discussions on the modalities. I would welcome hearing from you on these proposals now.

Geng Biao: Fine. Now I should like to say a few words.

—In the last year, since the establishment of diplomatic relations, our bilateral relations have developed in rapid fashion. There have been many exchanges of visits, study tours, and visits by many people. Apart from delegations of government leaders to the US, we have sent 380 study groups to the US totaling 2900 people. Thus far, we have also signed fifteen agreements and there is no doubt that our relations will continue to make headway in days to come. We have been thinking about future visits by the leaders of our two nations.

—As regards the suggestions about regular consultations between our two nations on major events, we will take it under consideration. If there is anything we need to talk about, we will go through our embassies and consulates.

—We welcome your offer to expand our attache offices after the accommodation problems have been solved in both countries.

—We would like to accept your invitation for a return visit by our Military Academy to the United States. We can continue to talk about discussions concerning logistics between our two countries.

—But at the same time, we have seen rapid development of commercial and economic relations between our two countries. We would like to see an early granting of Most Favored Nation status as it now acts to restrict our bilateral trade. We would like to hope that, while there has been some development, you will lift the embargo that is a

legacy of the past and not place China in the same Y category as the Soviet Union.

—Mr. Secretary, when you met with me yesterday, you mentioned technology transfers. I was wondering if you want to talk in more detail about it now.

Secretary Brown: That is the subject I want to talk about next. The way I understand the procedures including MFN, the matter is before Congress and they must act affirmatively if China is to be granted Most Favored Nation status. If they act affirmatively, we can expect to have the Most Favored Nation bill passed by the middle of February. I would note that while this matter is under consultation, it is important that nothing happen that would link the PRC and the Soviet Union and Iran.

Geng Biao: China will not veto the Iranian resolution.

Secretary Brown: Perhaps the situation may develop whereby the Soviet Union will not have to veto it either, depending on how China acts. He continued the discussion of technology transfer by making the following points:

—Let me now turn to export controls and technology transfer. Vice President Mondale stated during his visit here that we had drawn a distinction between you and the Soviet Union. At present, we are doing so on a case-by-case basis. We recognize this process is cumbersome and within the Executive Branch we believe we have identified the methods for drawing a distinction between China and the Soviet Union that still preserves our legitimate national security interests. And we will be consulting with Congress on this in establishing our new policy.

—We have offered to discuss specific cases with you. Something we do only for Romania among countries on the Y list. And I brought Mr. Dinneen with me to initiate direct contact with you, for the first time, to explore these issues; that is, to hear from you those types of specific technology transfers that you desire.

—We have licensed several items to you which we would not license to the Soviet Union and I am prepared to discuss two additional cases.

—As we move forward in this area, we must speak frankly to one another about our concerns. We must not enter into arrangements that may prove unworkable or that infringe on the sovereignty of our countries or damage our interests. I think we can make progress in this area by working together in a cooperative spirit.

—There are two such cases before us: LANDSAT D and Western Geophysical.

—On LANDSAT D, we are prepared to support the PRC request subject to certain safeguards which we believe are reasonable and

workable. Further discussions on these details will be held here during Dr. Frank Press' visit later this month, but LANDSAT D is an example that China is not in the same category as the USSR in our export licensing procedures.

—The Western Geophysical case is a difficult case because of the high technology involved. We are reviewing it again in the context of a leasing arrangement rather than a sales arrangement. Because of the large computer capacity of this system, our experts—and Dr. Dinneen is the appropriate member of our group—would appreciate hearing your views on the requirements for this large capacity system. Before we discuss this further, I would appreciate your views.

Geng Biao: Yes, we can continue these discussions in counterpart meetings.

Secretary Brown: I agree. If you wish, you should come up with someone to speak to Dr. Dinneen and if you have any specific requests, they should be given to him.

Geng Biao: As to the form of the transfers, we do not wish to impose our will on others. Perhaps we can discuss it tomorrow or as time goes by. Take the case of the most favored nation, if we wait awhile now it appears that we will receive it in the near future.

Zhang Wenchin: We have been waiting since July!

Secretary Brown: The point I want to reiterate is that we do not treat the PRC and the Soviet Union in the same way. If you let me know your interests, we will deal on a case-by-case basis. We will not be governed by the principle that if we can't sell it to the USSR we will not sell it to the PRC.

Geng Biao: I hope so.

At this point in the discussion, it was decided to have a series of counterpart meetings. The first group to meet would be on technology and the U.S. representative would be Dr. Dinneen. The Chinese representative would be Liu Huaging, Assistant to Chief of the General Staff. On arms control, the U.S. representative would be Ambassador Seignious, and the Chinese representative would be Zhang Wenchin, Vice Minister of Foreign Affairs. For military to military contacts, the U.S. representative would be Mr. McGiffert and the Chinese representative would be Chai Chenwen, Director, Foreign Affairs Bureau, Ministry of Defense.

Dr. Brown: I had earlier suggested that we have broad discussions on the military balance, but last night I had some other ideas and I will suggest then that we do these discussions in counterpart meetings.

Geng Biao: Yes. I am in favor of that. We will handle them through counterpart discussions.

Secretary Brown: I think that there are a number of balances. Mr. Komer will be in charge of the U.S. side. I would suggest that Mr. Komer and Brigadier General Smith speak to the nuclear balance and Ambassador Komer is also an expert on the European balance. Mr. McGiffert could discuss the Middle East, as he is our expert in that area. The naval balances and rapid deployment could be discussed by Admiral Hanson. They can all meet in one group or they could break up into several groups as they see fit.

Geng Biao: For our side, the Deputy Chief of the General Staff will be in charge. It will be up to him to determine who will be at the meeting.

Secretary Brown: We will look to you as we expect to learn from you as much as provide information. I suggest 3:00 p.m. tomorrow so that I can visit the PLA Military Academy, but I would stress that we would like to hear from you also, and not just speak ourselves.

Geng Biao: We will also prepare a position. We do not want to relinquish the right to speak.

Secretary Brown: It is not necessary to go through the discussion now.

However, when the US presentation is made tomorrow, as balances are examined and US plans for the improvement in the balance are made, you will note that arms control plays an important part in our strategy. Arms control measures do not prevent competition, but they can stabilize the competition and reduce uncertainties in the future.

For that reason, arms control is a part of our national security. There are two choices: we can build up our forces or hold down Soviet forces. Negotiations on arms control enable us to limit Soviet forces.

Of course, it is important that any agreement so reached be verifiable, but we have found it possible to reach verification agreements which enable us to measure Soviet strength. We need to know the number of Soviet missiles, with or without an agreement. Agreements in fact enable us to learn more about Soviet missiles than we would otherwise know.

I won't say more about the virtues of arms control, but will leave that for the meeting General Seignious will have with the Vice Foreign Minister.

So, let's leave it to counterpart groups at 3:00 p.m. tomorrow, or other times that may be arranged.

Geng Biao: You won't have a light program, visiting the Academy.

Secretary Brown: Yes. The technology transfer and equipment transfer groups will meet at 10 a.m. tomorrow.

Geng Biao: Fine. If there are no more points you wish to raise, we can stop the discussion at this level.

Nicholas Platt

292. Memorandum of Conversation¹

Beijing, January 8, 1980, 10 a.m.

SUBJECT

Meeting between Secretary of Defense Brown and Vice Premier Deng Xiaoping

PARTICIPANTS

US Side

Secretary Brown
Ambassador Woodcock
Ambassador Komer
Assistant Secretary McGiffert
Assistant Secretary of State Holbrooke
Deputy Assistant Secretary Armacost
Brigadier General Smith
NSC Staff Member Oksenberg
NSC Staff Member Platt
Colonel Gilliland, Defense Attache to Beijing

Chinese Side:

Vice Premier Deng Xiaoping
Geng Biao
Wu Xiuchen
Zhang Wenjin
Lie Huaching
Chai Chenwen
Han Xu
Ji Chiao Zhu
Huang Zhenji

Deng: It should be noted that since the Shanghai Communique of 1972, our relations have developed in a satisfactory way. Only last year

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80. Top Secret; Sensitive. Prepared by Brigadier General Carl Smith from Platt's notes. The meeting took place in the Great Hall of the People. Earlier in the morning of January 8, McGiffert and Hanson met with Chai Chen Wen, Director of the Foreign Affairs Bureau of the PRC Ministry of Defense. (Memorandum of conversation, January 8, 8 a.m.; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Brown (Harold) 1/80 Trip Memcons: 1/80)

we realized the normalization of US relations. Then, I visited the United States and afterward Vice President Mondale visited our country. Our subsequent relations have continued the momentum begun by these visits. Dr. Brown, you have come to visit us as the United States Secretary of Defense. I think your visit itself is of major significance. So I would like to extend a cordial welcome to you, Mr. Secretary, your colleagues and your friends here.

Dr. Brown: Thank you very much Mr. Vice Premier. It has now been one year and one week since normalization. The great value of normalization is not merely the establishment of government relations but the strategic advantages which accrue to both countries which follow from my previous conversations with Vice Premier Geng and you.

(Note: At this point the photographers departed and the meeting was continued without further interruption.)

Deng: This is an eventful time.

Dr. Brown: Yes, our visit is taking place when so many important developments are happening in the world. To be able to discuss these events is an added value of normalization.

Deng: (spoken as hot towels were being passed). China is backward. We have nothing to export but towels such as we are using now.

Dr. Brown: Not so. Ideas can also be exported, and the idea of using a hot towel, as so many other ideas, came from your country and has spread to the entire world.

Deng: You and Vice Premier Geng have covered a great variety of subjects in the two sessions you have had with each other.² I would like to engage in further discussions with you on matters of mutual concern. I wonder if there is any topic you would like to raise for discussion?

Dr. Brown: As I indicated, Mr. Vice Premier, the day of recognition is now fifty-three weeks behind us. I know that you, Mr. Vice Premier, played a central role in normalization. The strategic value of relations between the People's Republic of China and the United States has since become very clear to all of us. Vice President Mondale said when he was here that normalization means not only the establishment of a close relationship but also close consultation in global matters. (Deng tells translator he is not speaking loud enough.) My trip at this critical time and my discussions with Vice Premier Geng, Minister Xu, you, and tomorrow with Premier Hua, show the true value of normalization and the need for each of us to take concrete actions.

² See Documents 290 and 291.

We have been discussing a long list of items in these past two days, but I would like to explain to you the background of developments in the United States which have changed US attitudes toward the world and the United States' position in the world. Soviet behavior in the last year or more—use of Cuban and Vietnamese proxies for military purposes in the Third World—has had an effect on US public opinion. Soviet fortification of northern islands off Hokkaido have also had an effect on American and Japanese opinion. The Soviet military buildup which in fact has continued for over twenty years has finally sunk into American consciousness as an important fact. But more recently and most importantly, events in Iran and Afghanistan have demonstrated the situation and crystallized the American mood.

We were increasing our defense budget and we will do more. We persuaded our European allies to agree to deployment of long range theater nuclear forces on their territory. We intend to increase our military presence in the Middle East and Arabian Sea area. Moreover, we have accelerated our plans to have rapidly deployable military forces. We will increase our arms supply to Pakistan. The United States is increasingly united behind the policies of President Carter in these things. The United States is more ready than ever to play a central role with our allies and national partners to organize opposition to Soviet expansion.

As I say, we have a long list of topics to discuss, but perhaps you would say which ones need attention, or perhaps you would like to respond to points I have raised and wish to raise your own.

Deng: With respect to global strategy, at least one can say that within the last few years China has always been making its position clear on the question. Besides, we have pointed out explicitly that the Soviet Union is the source of international turbulence and crisis and is a threat to peace and security in the world. And, we have pointed out clearly that the Soviet policy of hegemony and global expansion will not be changed in any manner by any single factor.

There is only one way to cope with the Soviet Union—all of us should unite so as to deal with the Soviet Union in an earnest fashion. In the past, some people tended to read China's point of view as an attempt to divert peril to other areas. They thought we had an incorrect point of view. They thought that the Soviet Union's focus was on China. When Chairman Mao and Premier Chou were still with us, on numerous occasions they expounded the view that the Soviet strategic focus was on Europe (including the Middle East, North Africa, the Mediterranean, and even the Persian Gulf). The strategic focus on Europe means that the Soviet Union's strategic focus is on the United States. At that time the Soviet Union had one million troops in the east, but should it be said that all one million troops were directed against

China? We have said they are primarily against the United States and the Seventh Fleet. We say they are addressed against the United States and Japan. People raise the question, "What should be said about the Soviet strategic focus in the west—in Europe? Three fourths of the Soviet Union's military strength is directed against the west. This fact forms the basis for my presentation. Basically, the Soviet stance has not changed. What has happened in Afghanistan, Iran, Africa, South Yemen, Ethiopia, and the Middle East shows that Europe and the West still remain the strategic focus of the Soviet Union. My personal judgment is that for a considerable length of time the West has not offered an effective response to actions of the Soviet Union, so the Soviet Union has strength to spare to augment its forces in the East. The Soviet Union has beefed up its Pacific Fleet.

Meanwhile the Soviets have used Vietnam—what we call "the Cuba of the East"—to engage in a direct invasion of Kampuchea, to control Laos, to threaten the ASEAN countries, and to establish bases in the Pacific region. Meanwhile the Soviet Union has redoubled its efforts to pursue a policy of southward thrust toward the Indian Ocean which was the policy followed by the Soviet Union from the time of the Czars until the present leadership. Such a line of action by the Soviet Union does not contradict the constant focus on the West, but has linked its strategy in the West and strategy in the Asian and Pacific region.

I think that Vice Premier Geng must have mentioned the following fact. Soviet policy is like a dumbbell—in the Pacific they are trying to increase the strength of their naval fleet and of their three services and in the Indian Ocean area they are accelerating steps toward security access to the Indian Ocean. This is a strategic policy of a southward drive. The two policies are like two edges, both aiming at the Straits of Malacca. Then, if there are troubles, this line could be cut immediately.

Dr. Brown: Vice Premier Geng and I did discuss global strategy. Our concepts are very much alike but we did have some differences in detail. The Soviet fleet is no match for the US fleet, so the real threat to China is along the Sino-Soviet border.

So, it is most important that we coordinate our policies against the Soviet Union to try to keep the peace. We have explored this, especially Iran, Afghanistan and Pakistan. It would be useful to explore this a bit more.

Deng: What I was driving at was that although Soviet strategic focus remains on the West, the issues of the Asian and Pacific region have now linked together with those of Europe, and this is the recent change in the situation.

For example, during my trip to the United States, I emphasized to President Carter that only if Japan, China, Europe, and the United

States get united will we be able to deal with the Soviets. Of course this also involves unity of Third World countries situated along this geographic line.

And, besides we have all along emphasized the point that treaties and agreements with the Soviet Union will be of little value. I belabored the point in the United States that we are not opposed to negotiations or signing treaties but these will not have the effect of restraining Soviet hegemonistic acts. What we need is down-to-earth concrete acts. At that time and in this context, I cited the Sino-Japanese Peace and Friendship Treaty and normalization of Sino-American relations. These are down to earth, concrete moves. At that time, I also talked about the strategic alliance between the US and Western Europe countries and how to increase the strength with Western European countries. I also talked about the need to increase the defense capabilities of the Japanese. On that occasion, I also said that increasing Chinese defense capability will help maintain peace and resist Soviet hegemony. I even went to the point of saying to one American friend there are one million Soviet troops in the east which we don't think are directed solely against China. But, if they were solely directed against China and if we could pin down two million Soviet troops, what harm would that do? You must be aware of my thoughts.

Dr. Brown: Yes. The question you have raised is in the midst of being implemented. The United States and Europe are each improving their strengths and increasing their cooperation. Japan is increasing its defense expenditure and closely cooperating with the United States. US/Chinese cooperation is also increasing.

Deng: We, on our part, are satisfied with what Japan, Europe, and the United States have done—that this is the correct line of action. If I may say, it would have been better if this could have been done even earlier. If so, some events could have been avoided. Please don't regard this as a critical comment; it is just my analysis.

Dr. Brown: We just should learn from the past to coordinate our actions now and take visible parallel actions. Regarding Afghanistan, we have agreed to follow-on talks and parallel actions. For example, we've agreed to aid the Afghanistan rebels whom the Soviets hope to crush because of their religion and we are also going to help Pakistan.

Deng: As far as Afghanistan is concerned, the only correct approach to Afghanistan is to give aid to the resistance forces, and we should work together on this. But, I'd emphasize that this kind of aid must be more than symbolic. I must note the fact that Soviet aggression involves the fate of the whole nation. Facts in Afghanistan prove that most of the Afghan troops have leaned toward the resistance forces, although some have been disarmed. The Afghan people have been fighting fiercely against Soviet aggression. We must turn Afghanistan

into a quagmire in which the Soviet Union is bogged down for a long time in a guerrilla warfare.

Dr. Brown: That is what we intend to do, but we must keep our intentions confidential. With regard to Pakistan, aid will be given much more publicly. We are beginning consultations with the Pakistanis about this. We will ask Congress to amend the law concerning military assistance to Pakistan, and we expect Congress to be cooperative. As soon as we have an agreement with President Zia on the amount of assistance, we will start our deliveries. Vice Premier Geng earlier assured me that provided aid to Pakistan was more than symbolic, there would be no difficulty in using Chinese overflight as one way of delivering supplies. It is also important that the PRC supply the Afghanistan freedom fighters with arms. We would like to know your plans in that regard.

Deng: Since the southward drive strategy of the Soviet Union is to seize warm water ports along the Indian Ocean, Pakistan inevitably becomes the next target on the Soviet list. Personally, I must have said on no less than ten occasions to my American friends that the United States should aid Pakistan. With regard to question of South Asia, there is no other way except giving aid to Pakistan. As you know, it has always been our view that the US policy giving more attention to India than Pakistan is not an appropriate policy. Regarding India, we have always felt that the United States should try to cultivate good relations, and this has had a good effect. But India is not a stabilizing factor. Perhaps you already know the general election results.

Dr. Brown: I do not know, but in any case, if no Party gains a majority, it will take some time to settle. Perhaps you can say how that will come out.

Deng: Indira Gandhi has gotten 70% of the vote. It is very difficult to judge at this time how India will go. Even if Indira Gandhi should follow India's previous policy; still India is not the most reliable and stabilizing factor in southern Asia. Let's not talk about Indira Gandhi. The present government is thinking of recognizing the Heng Samrin Regime. Perhaps after Pakistan has been strengthened, India will become a more stabilizing factor. What one should try to achieve is to make Pakistan a genuine stabilizing factor in South Asia. We hope the United States will give earnest and sincere thought to this question. If one does not keep this clear in one's mind, then one's attitude toward India will make one vacillate in one's position toward Pakistan. In the past the United States has refrained from aiding Pakistan. I think in part this is the work of India, probably because of a fear of offending India. Since you now have decided to aid Pakistan, I am sure India will send you one note after another, strongly objecting.

Dr. Brown: There are limits on our ability to aid Pakistan because of their nuclear explosive program. Although we still object to their doing so, we will now set that aside for the time being, to facilitate strengthening Pakistan against potential Soviet action.

Deng: That is a very good approach. Pakistan has its own reasons for developing a nuclear program. We ourselves oppose the Pakistan effort on nuclear weapons because we believe it meaningless to spend money on such a program. Pakistan has its own arguments, i.e., India has exploded a nuclear device but the world has not seemed to complain about this. So now you have decided to put this aside and solve the question of military and economic aid to Pakistan. We applaud this decision. We give large amounts of assistance to Pakistan. One can say that great amounts of military equipment now in the hands of Pakistani troops come from China. In order to strengthen our links with Pakistan, we have built a highway in the most difficult terrain through the mountains. The question of continuing Chinese aid to Pakistan does not exist. Moreover, Chinese armaments are rather poor in quality. While the United States has decided to give aid to Pakistan, you must now convince Pakistan this is a sincere and genuine US effort and make them believe that they will benefit from modern US weapons. I know that the Pakistanis have many grievances against the United States. This developed to the point that Pakistan withdrew from CENTO. Have you approached Pakistan on the aid question?

Dr. Brown: We have given them some information and will give them more. Pakistan has indicated that they did not wish to have a visit from a survey team until they have received answers to their questions on the magnitude and type of supplies we have in mind.

Deng: You should directly approach Pakistan to raise this question. I would like to cite an episode. It was through the work of Pakistan that Henry Kissinger came to China to talk about normalization and to set the trip of President Nixon. Since you were able to talk with them about this, you should be able to talk to them now.

Dr. Brown: I am aware of this Pakistani help, and this will help put aside some of our reservations.

Deng: You may recall that I raised the question of aid to Pakistan with President Carter. He said the US will give aid in proportion to the population of the two countries. I said this was not feasible. The Pakistanis and Indians are afraid of each other. If the population ratio formula should be used, Pakistan will be in an increasingly inferior position. We hope that since the United States decided to give aid to Pakistan, it will really satisfy Pakistan's requirements. We hope your aid to Pakistan will not be affected too much by India's reaction. This is especially important since Indira Gandhi has come into office. We hope the US will not mention the Pakistani nuclear program because India

has already said that the United States has supplied them with enriched uranium.

Dr. Brown: We will continue to maintain our opposition against Pakistani nuclear development, but we nonetheless will also provide aid to Pakistan. But we must also remember that Soviet actions are directed not only at Pakistan but also at Iran. The United States is in a very difficult position vis-a-vis Iran. Iran is a very complicated question. So long as the hostages are held, we cannot have good relations. We need Chinese support on the United Nations sanctions because if there is no vote for sanctions there will be increasing pressure on the United States to take unilateral action against Iran. That could be damaging but necessary. In that event US-Sino relations would be strained. We were grateful for Chinese cooperation in December in the United Nations Security Council and I hope this will continue. We need an affirmative Chinese vote in the UN Security Council.

Deng: May I return to Pakistan? I believe it is better if US would enter direct discussions with Pakistan. Chinese policy with regard to aid to Pakistan has been consistent for the past twenty years. Regarding Chinese aid to Afghanistan resistance forces, we are supporting the refugees through Pakistan. Regarding how the US feels about giving aid to resistance forces in Afghanistan, you may wish to discuss this with the Pakistanis. There are perhaps already 400,000 Afghan refugees living in Pakistan.

Regarding the UN Security Council vote on Iran, our government departments concerned are still studying this question.³ When one considers the question of Iran, you should not just take into account the present circumstances. You should also take into account the longer view. One thing to be considered is how much practical effect sanctions will have. If the sanctions should fail to have great practical effect or to face a difficult road, I think it would be better not to have a resolution than to have one. As far as China is concerned, if China should vote for sanctions, this would cut off relations between China and Iran. Ayatollah Khomeini is anti-Chinese now, but the Iranian people still have ties to the Chinese people. So the question is whether this channel of communication between China and Iran should be blocked or retained

³ Telegram 313 from Beijing, January 11, reported that China would abstain on the Security Council vote on sanctions on Iran. On the first page of the telegram, Carter wrote, "Zbig—Shows a lack of courage. They always want *others* to act—to stand up to the Soviets' etc. J." (Carter Library, National Security Affairs, Brzezinski Material, President's Correspondence With Foreign Leaders File, Box 3, China, People's Republic of: Vice Premier Deng Xiaoping, 12/78–1/80) China did not abstain on the vote on January 13 but did not participate in the voting. Because the Soviet Union, a permanent member of the Security Council, vetoed the resolution, it did not pass. For information on China's role in the Security Council consideration of the resolution, see *Yearbook of the United Nations, 1980*, pp. 309–311.

so that China could play a future role in US/Iranian relations. Of course, China does not play any role in this at present.

But even at present, Pakistan has certain contacts with Iran. Shahi, the Pakistani external advisor, met Khomeini. Of course, Pakistan does not have much influence on Iran, but the channel is there. So perhaps your aid to Pakistan will at a certain point have an effect on contacts between Pakistan and Iran.

If China should vote for UN Security Council sanctions and the Soviet Union then casts a veto, sanctions would not come into effect. Then China's word would carry far less weight in the Arab world, but the Soviet Union would benefit in the process.

Dr. Brown: I have heard these arguments and discussed them with your Foreign Minister yesterday.⁴ I would like to make three points. First, nobody has good communications with Khomeini and the value of influence with the people is not clear. Second, sanctions will be voted on one way or another. Thus it is not a question of whether there is a vote, but of solidarity—between the United States and its friends, including the People's Republic of China. If sanctions are voted down without a Soviet vote, this will be a great victory for the Soviets. Third, many think US-Iranian relations are at stake. We must not allow the UN vote to become a US-Iran issue, in which case the kidnappers will continue to control the hostages. The hostages must be released at an early date, so we can compete with the Soviet Union for influence in Iran. As long as the hostages are held, the American people will demand some action. Iran is even more important than Pakistan, and it would be particularly bad if the Soviet occupation of Afghanistan facilitated Soviet access to Persian Gulf oil and to Iran.

Deng: There is another possibility. A veto of the UN Security Council resolution would lead to expanded Soviet influence in Iran. At the moment, a Soviet veto may bring Khomeini and the Soviet Union together. The Soviet Union has its partisan forces in Iran—the Tudeh Party. The Soviet Union has considerable influence on mass organs such as trade unions and student organizations. We would like to advise the United States not to act rashly. It is better to slow down the pace, so the US can give sanctions good thought. It is so complicated—there are many factors working. Regarding China, it is a question of maintaining contact with the Iranians, and this vote will also affect China's relations with other Islamic countries. It is a complicated issue. We would prefer for the vote not to take place in the next few days. I hope the United States will think this through carefully and weigh the various aspects. You should go slow. It is not good to act rashly.

⁴ The discussion was at the January 7 luncheon meeting; see footnote 3, Document 290.

Christmas is already over, so you now have ample time to consider this.

Dr. Brown: The United States has been quite patient with regard to unilateral action. It is not easy for us to be patient if our friends say we should be patient because there is nothing they can do to help us. While contact with the Iranians is important, how can we do future business with an Iran which thinks kidnapping is an acceptable action. It is hard to believe anyone can have contact with the groups who support the kidnapers. But I hear you. We will consider the matter carefully. A vote is inevitable, but I don't know how fixed the timing is.

Deng: I think the issue could be pursued in a prudent way. Give us more time, and we will consider it and you consider it?

Dr. Brown: Would timing affect the Chinese vote? For example, if the vote came after the Afghan vote?

Holbrooke: The Security Council has already voted.

Dr. Brown: Yes, but the Security Council has voted on the Afghanistan issue, but it now will go to the General Assembly. Would a delay in the vote increase the chances of a favorable PRC vote?

Deng: We will continue to study this matter. It is far too complicated. I have already made my position very clear.

Since there is not much time left I would like to raise three points. First, the Kampuchean question. I hope the United States will stick to its present position. The reason why I say this is because some countries (for example the United Kingdom) have adopted a most unreasonable position—derecognizing Democratic Kampuchea. There are some countries working for a potential Sihanouk government to replace the DK government. The essence of the problem we have to consider seriously is that in Kampuchea the only resistance force remaining to fight the Vietnamese is the DK force. If we should adopt inappropriate measures, these forces would be disintegrated. Actually, what Prince Sihanouk has said has the effect of helping the Vietnamese and the Russians as well. We on our part do not take Sihanouk's role lightly and think at a certain time he can come forward. But this is not the time. He refuses to cooperate with various resistance forces, which is not reasonable on his part. The Vietnamese objective is to wipe out the resistance forces during the dry season offensive. Three dry season months have already passed and there are only three left. Anyway, we hope to reach an understanding with you that no one will do anything injurious to the resistance forces or weaken their strength. I hope the United States Government will consider our viewpoints. Japan sees this question rather differently than China. Japan gives aid to Vietnam and in our view this will do harm.

Second, as you know, Vice President Mubarak is here. We talked about the Middle East issue. We have told him that we show under-

standing for the Egyptian position, but what both China and the United States should realize is that this puts us in an isolated position vis-a-vis the Arab world. This provides opportunity for Soviet exploitation. I repeat what I told President Carter. I hope the United States will help Sadat by applying pressure on Israel so that Sadat can carry out his own program. If the United States does not heed these points Sadat will be in more difficulty. Even now, for example, Israeli relations with Egypt have deteriorated.

The third point is the question of bilateral relations. In that regard we hope that there will be substance in this development.

I will not mention purchase of F-15 or F-16 aircraft any more. Regarding technology transfer, we hope the United States will adopt a more open approach since this comes under your cognizance, Mr. Secretary.

Dr. Brown: I would like to respond. I have made my views on Indochina clear to the Foreign Minister. We recognize the contribution in a military sense made to the resistance by the Pol Pot group, but there is no way they can be reinstated in power. Thus, you and I should think about a long term political situation which could well involve Prince Sihanouk.

Deng: From a longer term point of view, a political solution involving Sihanouk can't be ruled out, but I don't think what he is doing now is good.

Dr. Brown: Regarding Egyptian/Israeli relations, the US is convinced that the solution to the Palestinian problem is a necessary part of reaching a comprehensive peace settlement. We are working closely with Sadat and Israel in moving the negotiations along.

Deng: Good.

Dr. Brown: On technology transfer, I have explained that we have drawn a distinction between the Soviet Union and China. For example we will agree to provide LANDSAT D to China, but not to the Soviet Union.

Deng: I think the scope of technology transfer is too narrow.

Dr. Brown: This will be discussed in some detail by our experts. US policy is that while we won't sell arms (wu-ch'i) to the People's Republic of China, this does not apply to all military equipment (chun-shih shih-pei). I am drawing a distinction between dual use technology and military equipment, such as surveillance and warning equipment, e.g., over-the-horizon radar. I am prepared to discuss this with your technical people on a very private basis. This is a new topic separate from the issue of technology transfer.

Deng: Good. There will be counterpart discussions. We will discuss this this evening. If it is not solved then, maybe it can be addressed later.

Dr. Brown: I agree. This is different from discussing F-15s, F-16s, or other weapons. But we have a chance to discuss other things. We have a long relationship in front of us.

Deng: Yes, the visit by Vice President Mondale opened the path for relations in the 1980s and deepened our ties. I thank you, Secretary Brown, for coming to visit us. I ask that upon your return you convey to President Carter and Vice President Mondale my personal regards. I think that at a time like this we need to increase our contacts. Our countries have much to say to each other. Thank you.

Dr. Brown: Thank you. I will convey your kind regards to President Carter and Vice President Mondale. I hope my visit will move us a few steps further to even a closer relationship.

Deng: As I said just now, you don't have to mention other things. Your coming here itself is of major significance because you are the Secretary of Defense.⁵

Nicholas Platt

⁵ During the afternoon, Dinneen met again with Liu Huaqing to discuss technology transfer. (Memorandum of conversation, January 8, 3 p.m.; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80) Simultaneously, Komer met with Wu Xiuchuan, Deputy Chief of the General Staff. (Memorandum of conversation, January 8, 3 p.m.; Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80)

293. Memorandum of Conversation¹

Beijing, January 8, 1980, 8 p.m.

SUBJECT

Meeting between Dr. Harold Brown, Secretary of Defense, and Zhang Aiping, Director of the Chinese National Defense Science and Technology Commission

PARTICIPANTS

U.S. Side

Dr. Brown

Dr. Dinneen, Principal Deputy Under Secretary of Defense for Research and Engineering

Mr. Jayne, Staff Member, OMB

Mr. Platt, Staff Member NSC

Mr. Oksenberg, Staff Member, Department of State [NSC]

Mr. Neuhauser, Staff Member, CIA

DCM Roy

Chinese Side

Zhang Aiping, Chairman of the NDSTC

Quian Xusen, Vice Chairman of the NDSTC

Liu Huaqin, Assistant Chief of the General Staff

Zhang Zhenhuan, Vice Chairman of the NDSTC

Zhou Jiahua, Deputy Director of the National Defense Industry

Wang Letian, Deputy Chief of the Equipment Department

Xu Yimin, Defense Attache

After an exchange of greetings, Secretary Brown opened the discussion by noting that the U.S.-Chinese relationship should be that of a relationship between friends; that it won't always be where one side asks, but a relationship in which both sides are willing to ask. He noted that it will take us some time to get used to it; to know what each side can give and also what each side cannot give.

Zhang: Mr. Secretary, your visit comes after a trip of 10,000 miles. This visit itself depicts the further friendship between us. As to what you have said, when one side asks something from the other, it puts them in an embarrassing situation. However, in friendship, there is no embarrassment. I wonder if in the U.S. there's a practice when one does not take enough money to dinner and asks his friends to loan him money if the other says he cannot spend that much, then that is not friendship. The relationship between our two countries is very important to us and to the world. And I hope you don't have embarrassment.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80. Top Secret; Sensitive. Prepared by Lieutenant Colonel Richeson from Platt's notes. The meeting took place in Guest House Number 4.

Brown: I was not thinking of the questions my Chinese friends might raise. I was thinking of something which might be very important to the U.S. Something which I raised with Vice Premier Deng. That is to have our friends stand by us. I didn't feel embarrassed to ask. If the PRC feels different about it, I understand that. We only want to make sure we have talked through all of the arguments for doing something.

Zhang: That is good if there is no embarrassment. His Excellency asks to meet with us separately to discuss our military relationship and to discuss technology. Even though Dr. Quian is very busy, he wanted very much to come to meet you.

Brown: I especially wanted to meet Dr. Quian because many of his U.S. friends have asked me to meet him. Although we didn't overlap at CalTech, many of his friends still remember him fondly.

—As for the subject of military technology transfer, Dr. Dinneen went over that this afternoon.² I thought it would be useful to go over some of the same points with some military men who also had special interests in them.

—Perhaps it is worth repeating something that was said this afternoon.³ That is, I would like to distinguish between transfer of arms, transfer of military equipment, and transfer of technology. Further there is technology that is purely civilian, some of which has both civil and military uses, and technology which is purely military. The line between arms and military material is not a clear line. Everyone would agree that trucks are military equipment but not arms. Some kinds of radars, I would say, are arms; others would be considered as equipment. Our position, and I have expressed it earlier to Vice Premier Deng and Geng Biao this morning, is that we will not transfer arms but we are willing to transfer military equipment, and I gave one example.

—I can understand why China would not want to buy large supplies of arms and equipment from the U.S. or anyone for reasons of prudent use of resources. China has a very large army and to equip it with U.S. equipment which, unfortunately, is very expensive, would cost a great deal of money and foreign exchange.

Zhang: Apart from foreign exchange, no country can provide such a large quantity of arms. The U.S. is the most developed country. Production would be great.

Brown: China nor any other country would want to depend on purchases from other countries, rather it would want to produce its own equipment. So if I were to be in your position, I would be inter-

² See footnote 5, Document 292.

³ Not further identified. This is probably a reference to the January 8 discussion between Dinneen and Liu.

ested in acquiring the drawings and going from there to produce the equipment itself. Carrying it out takes a highly developed industry and many well-trained individuals to make and operate the machinery. In the long run, China would be able to produce, to train, to create the technology and industrial base that would be necessary. However, as a friend, I would suggest that it will take much longer than you like and probably much longer than you expect to do that. It is a great deal harder to make high quality jet aircraft engines than it is to make the best automobile. It is much more difficult to make an accurate guidance system than it is to make TV sets. I say this not to encourage you to buy the equipment itself, but to put it into perspective, and lead into what the U.S. might do to help you become more self-sufficient.

—Part of the difficulty is, as Dr. Dinneen might have told your colleagues, is to know exactly what you want to ask for in order to improve your military capabilities. There is no point in asking, to take an example, for a high technology imaging infra-red device. We don't even transfer that to our NATO allies, and even if you've got the blueprint, you would find it very difficult to manufacture. What we would like to do is to work with you, to discover components that we could transfer and which later you might be able to produce yourselves. And the level of technology I now have in mind is not strictly civilian or military but could be used for both. In order to make sure that the transfer can take place, we must talk together much longer. I feel we have a real start on this and it can be expanded.

—We will be looking into this and the procedures which we follow—procedures which may be very cumbersome. And we will also be willing to consider requests for the purchase of military equipment, providing it does not fall into the realm of arms.

—Forgive me if I appear to be too much of a teacher. Much of what I say could be incorrect, and I don't think our relationship is that of teacher and pupil. We are equal and we can learn from you. But on these issues, I think there has been a great deal of misunderstanding. But I wanted to get it out into the open.

Zhang: Mr. Secretary, we are glad of your decision to help us develop our military technology. Like the other aspects of our economy, our technology lags well behind you. The reason we want access to your technology is that we want to develop at a faster pace. Without the assistance of foreign countries, we can do nothing. The PRC has undertaken to develop some weapons from nothing. Compared to you, we are lagging far behind. In past years we have developed from nothing to something by our own efforts. Having done this, we believe in the future we can develop faster.

—As, Mr. Secretary, you are aware, the main reason we are lagging behind is because of the disruption of the industrial base by Lin

Biao and the Gang of Four. We are confident in the present phases and our strategy and that we will develop. I'm not saying we can catch up to you, but with your help we can develop at a fast speed.

—Mr. Secretary, I would like to know the substance of what you mean by a case-by-case basis. I wonder if my understanding is correct; that, if we need something will you provide it to us? To be specific, does this mean that we can send experts to your country to study in your research labs, or do you send people to visit here, or will you provide blueprints?

Brown: Let me go back to an earlier point in which you assumed that we would assist in developing your military capability. Our intention is to provide you military equipment or sell to you technology, it is not U.S. policy or intention to build up Chinese military capabilities. That is your purpose. We are willing, because we have developed normal relations, to engage in some technology transfers with you.

—As for procedures, this is not an aid program in which we send people to build arms factories. We do want to see your level of technology and equipment improve because we believe it will help stability. We understand, that in building up your industrial capability, it will benefit military as well as civilian capabilities. You must decide what you want and we must decide what we will sell.

—We realize that it is not useful to you if we merely let you guess at what we will sell. Hence, there is reason for more discussions in which your experts say how large a computer capacity you want, that is, how many bits of data per chip that you want and how much we can provide. With the answer to that question, and questions such as how sensitive an infra-red device you want, you will be able to decide how to proceed in your own technology development and what you can get from us.

Zhang: I am not referring to that question. I talked about three methods of obtaining assistance from you.

Brown: As I remember you talked about sending Chinese to visit industries or factories in the U.S.

Zhang: I was saying that you, on your part, would like to help us with our military technology. I was then discussing three ways in which we could obtain your help: sending our people to train in the U.S., or having your experts come to China to train us; or sending us blueprints.

Brown: It is not our intention to build up Chinese military technology, but we are willing to transfer technology that might have military uses. We would be happy to have your military personnel visit the U.S., but we would still have to go through the discussion of what you want and what we are willing to give, how much technology is in-

volved, which individual items would be transferred, and how much manufacturing technology and material would be involved—all that would have to worked out in advance.

Zhang: In the very beginning you expressed your willingness to help us with military technology. My question is what methodology do you want to use? What methods should we follow? If this question is solved, we can proceed to discuss specific items.

Brown: In each case, we would have to go through the processes I just discussed. Once it was decided what would be provided, we could follow one of the three courses you have discussed—send your experts over to the U.S., or we could send people to China to train you, or transfer blueprints and specifications. It would depend on the special case.

Zhang: If we can reach agreement on this point, we do not have to discuss each and every case. I have a second question on the point that you raised. Just now you were saying we can have further discussions, do you mean tomorrow?

Brown: I had in mind further visits from China to the U.S. and from the U.S. to China, not through defense attaches. Our attaches lack the necessary expertise, although General Xu does know many things and may have the expertise necessary to do well in all of these discussions. I think we may need another process.

Zhang: When can we have more discussions?

Brown: Either tomorrow or later. Dr. Dinneen and I will still be here. After that, it will have to involve exchange meetings.

Zhang: Tomorrow we can continue our discussions with Dr. Dinneen.⁴

Brown: Is the People's Liberation Army side of your government aware of the discussions such as LANDSAT D and the Western Geophysical case?

Zhang: We are aware of them.

Brown: I mention this because it is an example of how discussions can be conducted. Although not necessarily a good example, because of our cumbersome procedures.

Zhang: You have suggested talks tomorrow. You can tell us what you are willing to sell and we will tell you what we will buy. Let us know what items will be in the first batch and we will select. I think this will be much better.

⁴ The memorandum of conversation of the meeting between Dinneen and Liu Huaqing on January 9 at 3:30 p.m. is in the Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80.

Brown: I'm afraid we do not have a large department store with lots of items marked and priced for sale. Technology transfer is much more complicated than that; for example, two separate items can be sold but if they are put together we cannot sell them.

Zhang: Then separate them. You don't have a department store, but you have aircraft engines, atomic bombs, hydrogen bombs, electronic warfare interference sets and many things.

Brown: If the question is put that way, the answer can be provided very quickly. We will not sell military aircraft engines, atomic bombs and these types of things. The only way we can have a productive relationship is for you to ask us for what you want.

Zhang: I was not talking about atomic bombs. I was talking about technology transfer.

Brown: I can only repeat what I said. We can only make progress if you let us know what you wish to purchase.

Zhang: I don't want to embarrass you.

Brown: Between friends, there should be no embarrassment.

Zhang: We are glad you want to help us develop our military capability. With your help we can develop faster. We fought once without arms; we are self-sufficient. We can use inferior equipment to defeat a foe with superior equipment. We want to develop our weapons not only for China but also for the interests of the world and perhaps of the U.S. Hence, I must make a very frank statement. Four days ago, I came across a *New York Times* correspondent's article.⁵ He merely covered the issue of the exportation of U.S. military equipment to China. In the article there is the idea that China had a history of xenophobia. Chinese have always been friendly towards foreign friends. The kind of xenophobia he talks about is a misunderstanding. We don't harbor hatred against all foreigners, only against those that bully us.

—Now we are friends with the U.S. Government, let alone the U.S. people; for example, our government has expressed their warm welcome to you. We would welcome you even if you had not offered to help us develop so don't be influenced by the statements that the Chinese have xenophobia—don't be influenced by that. You don't hold their view, perhaps the article has bad advice for us.

Brown: You need not worry about members of the U.S. Government placing too much credence on newspaper articles or believing everything in the press. I am very flattered by your warm welcome. And I am more convinced than ever through my discussions here that we have very strong interests in common, i.e., preserving peace and re-

⁵ Drew Middleton, "Pentagon Studies Prospects of Military Links With China," *The New York Times*, January 4, 1980, p. A2.

sisting aggression. For that reason I am convinced of the correctness of the U.S. Government policy of making available to you civilian technology with dual use. We have general criteria for the transfer of such items of technology and they would have to be followed. I hope that we can get down to cases.

Zhang: When can we get together tomorrow? We have raised our requests. Tomorrow we will have your answers. (It was then agreed that the Chinese would meet with Dr. Dinneen the following afternoon.)

Nicholas Platt

294. Memorandum of Conversation¹

Beijing, January 9, 1980, 5–6:50 p.m.

SUBJECT

Meeting between Secretary of Defense Brown and Premier Hua Guo-Feng

PARTICIPANTS

U.S. Side:

Secretary Brown
Ambassador Woodcock
Under Secretary Komer
Assistant Secretary McGiffert
Assistant Secretary of State Holbrooke
Deputy Assistant Secretary Armacost
NSC Staff Member Oksenberg
NSC Staff Member Platt
Colonel Gilliland

Chinese Side:

Premier Hua
Geng Biao
Wu Xiuchen
Zhang Wenjin
Lie Huaching
Chai Chenwen
Han Xu
Ji Chiao Zhu
Huang Zhenji

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 26, Brown (Harold) 1/80 Trip Memcons: 1/80. Top Secret; Sensitive. Prepared by Platt. The meeting took place in the Great Hall of the People.

Premier Hua: The general response to your visit is favorable. Because you have come to visit us after the Soviet Union dispatched troops into Afghanistan, various countries are paying close attention to the progress of your visit. There are only a few people not satisfied, for example, our neighbor to the north.

Vice Premier Geng: Vietnam is not satisfied.

Secretary Brown: The events in Afghanistan have given my visit a significance and immediacy it would not have had. My visit, as the rest of Sino-US relations, is not directed against any third country, but is for the purpose of peace and security of both of our countries. If other countries have expansionist ideas, I can see how my visit would displease them.

[Reporters leave.]²

Premier Hua: Once again, I express a warm welcome. One year and nine days have elapsed since the normalization of our relations. Since then, our bilateral relations have developed on the whole in a satisfactory way. Vice President Mondale has visited China and Vice Premier Deng Xiaoping has been in the United States. During the same period, a large number of delegations have gone back and forth between the two countries. Dr. Brown, we pay great attention to your current visit; you arrived on the 5th and today is the 8th, so you have already been in China four days. During those four days, you have held good sessions with Vice Premier Deng Xiaoping and Geng Biao, and members of your delegation have held discussions with their counterparts. I am aware of what has been discussed. Generally, we feel that the talks have been conducted in a friendly and cordial atmosphere. On a great number of international issues, our two sides' views are either close to each other or identical. We have also exchanged views on those questions which we see differently. We think that these kinds of talks have deepened mutual understanding and facilitated our friendship. Generally, we feel Sino-American relations are making constant headway. As I understand it, the two sides have expressed agreement on their broad views of the international situation. If there have been some differences in the past between us on the international situation, then we have come even closer to each other in our views.

For instance, the world has become even more turbulent and tense than before. During my European tour last year, I found that the European countries had moved closer to ours in their views. If some differences remained, Afghanistan has brought us even closer. During my tour, the European leaders asked this question: Was it inevitable that the Soviet Union would launch a war or commit aggression? There was

² Brackets in the original.

a question in their minds, but after Afghanistan, these countries have adopted a clearcut attitude.

The United Nations Security Council voted 13 in favor of the Afghanistan Resolution and 2 against—the Soviet Union and East Germany. As far as the international situation is concerned, I have nothing more to add. Do you have any questions to raise?

Please give my friendly regards to President Carter. You have also conveyed President Carter's invitation to me to visit your country. I would like to express my appreciation for that invitation. As regards timing, you suggested June. My schedule in the first half of the year is already rather full. According to the schedule worked out for me, it is likely that I will visit some ASEAN countries, and this coming May will visit Japan, a commitment that was fixed on the occasion of Prime Minister Ohira's visit to China. According to our constitution, the Third Plenary of the Fifth National People's Congress must occur in the first half of this year. So my program is rather crowded. We should discuss the proper timing further through diplomatic channels.

The Soviet Union's invasion of Afghanistan contains some new features, by comparison with the invasion of Czechoslovakia in 1968. The Soviet Union applied Brezhnev's doctrine of limited sovereignty to invade Czechoslovakia. But that is a doctrine that the Soviet Union does not apply to itself, only to the East Europeans. So far as the Soviet Union is concerned, what is mine is mine, and what is yours is mine, too. In Afghanistan, the Soviets invaded a sovereign Islamic country that is not even a member of the Socialist community. The Soviet Union said it dispatched troops at the request of the Afghan Government and in accordance with its treaty obligations. But this position is untenable. How could Amin invite the Soviets in to kill him and his family? There is no precedent for inviting someone to kill one's self. The Soviets have killed three Afghan Presidents—Daoud, Taraki, and Amin. So there is every reason for the opinion of the world community to be aroused.

After Afghanistan, the Soviet Union will try to go a step further. As a result, China is in favor of the attention the US Government is paying to the invasion. We are in favor of effective measures you have made to punish the Soviet Union. China will make its own contributions in this direction.

We should adopt a theory of dichotomy in analyzing anything. The Soviet invasion has one good point. It has educated the world by its action. Many countries, including Iran and Saudi Arabia, have made clear their opposition to Soviet aggression. So my feeling is that in the course of solving a variety of contradictions one should grasp the main contradiction and take into account the general interest in opposing expansionism.

Dr. Brown, I am doing a monologue. I should ask our guest to say something.

Secretary Brown: I enjoyed what you were saying. I would like to express some views on the international situation, and later we can both talk about bilateral relations. Let me begin by transmitting to you President Carter's personal regards, which he asked me to give you when we had breakfast on Friday.

Premier Hua: Please thank him for me.

Secretary Brown: I will. He looks forward to your visit to the United States, and his subsequent visit to China. The dates are complicated by the fact that this is an election year. The election campaign process sets certain problems into the calendar, just as your Third Plenary of the National People's Congress does. That's why he suggested the month of June. The political conventions occur in summer and after that campaign activity will become very busy. Probably the first half of July would also be convenient, but I cannot be sure. We should, as you suggest, work this out through diplomatic channels.

Premier Hua: Good.

Secretary Brown: I too am impressed with the convergence of our views on international issues. There are a few places where we see things differently, and I want to come back to that in a moment. But by and large we see things the same. For example, a strong NATO Alliance, and a stable Northeast Asia, are essential for the security of the US and China. If we can have strength in these areas, we can concentrate on holding back the Soviet thrust southward in South and Southeast Asia. The counterpart meeting yesterday afternoon reviewed the military balance in various parts of the world in various categories, such as the naval balance, and came up with similar conclusions.

During the last two years the United States and Western Europe have been building up their forces. The momentum has come from an increasing sense of Soviet expansionism. The events of Afghanistan have heightened the sense of concern, and extended it to many countries in the Middle East, many of whom are worried about the influence of the Soviets directly, or indirectly through proxies like the Cubans, both of which have been growing in the past two years.

The events in Afghanistan have significance for themselves, but are even more meaningful for Soviet designs on Pakistan. I am very pleased with the prospects for our taking parallel and cooperative action with respect to bolstering Pakistan, and making the Soviets pay for their actions in Afghanistan. In some ways Iran is even more important than Pakistan because it is the road to the oil fields. The bad situation between Iran and the United States makes it very difficult for us to act to counter Soviet influence. The situation puts pressure on us to concentrate our efforts toward the return of the hostages.

The President has specifically asked me, by a personal message, to tell you that he attaches high personal and political importance to the need of support by the Peoples Republic of China in favor of sanctions against Iran in the up-coming UN vote. This is a matter not of tactics, because we can differ on tactics, but a matter of solidarity between friends. To a large extent the world will see this issue not as a matter of the United States versus Iran, but as a matter of the US versus the Soviet Union. It becomes a question of who can mobilize the largest number of Third World votes, the Soviet Union or the United States. I don't want to take up your time by rehearsing the arguments, but want you to know the importance the United States and President Carter personally attach to this issue and why. I would be happy now to talk about other bilateral relations, but would ask you to speak first to these or other matters.

Premier Hua: (In Chinese, Hua asked what else Brown talked about? to that the interpreter said; "Iran, that's it.") I would like to offer you some observations on US-Iranian relations. First, I have taken note of the fact that the President and the people attach great importance to the release of the hostages. It is wrong for the Iranians to hold Americans hostage. The Chinese Government made this known a long time ago, criticized the Iranians, and told them that the holding of the hostages was the wrong approach. We have worked to use our influence toward the release of the American hostages, both at the United Nations and in other forums. Now there is a new development—the invasion of Afghanistan—which is posing a greater threat to Pakistan. In this connection, I think we should continue to make efforts to get the hostages released, but as to specific measures, these should be adopted with the world situation in mind. If one should impose sanctions hastily, this might give rise to other problems. The Iranians might persist in keeping the hostages, at the same time adopting a totally hostile posture toward the U.S. and possibly falling under the influence of the Soviet Union. I question whether this would fit with our world strategy. This is the question we have been considering since the invasion of Afghanistan. We have conversations in depth with our American friends. We hope that the Americans will consider our point of view. I am afraid that at present, the Iranian question is not one between the U.S. and the Soviet Union because the Iranians are still strongly opposed to the Soviet Union. Of course we are aware of the fact that in the absence of a firm attitude it would be difficult for American leaders to handle the domestic situation because American diplomats are held hostage. Before our meeting, I had an idea of President Carter's message. I think there is still time for us to consider this question. It would be good for all of us to think hard how to strike the balance between global interests, local events, strategy, and tactics. We see eye to eye with the United States on the hostage question and should

work hard on this point. In this connection, of course our American friends are the leaders, but we should consider carefully how to proceed. We feel that President Carter and the United States Government have been prudent in handling the hostage issue. His reaction has been well received both in the U.S. and the rest of the world. Those are some of our comments.

Secretary Brown: It is useful for us to know that we have China's good will on this issue. Iran could not be more antagonistic toward us than it is now. Somehow the authorities there, and no one is quite sure who is in authority, have to be brought to their senses.

Premier Hua: The Iranian situation is most unstable. The country is riddled with factions. There have been new incidents in the city of Tabriz. Ayatollah Shariat-Madari, Ayatollah Khomeini, the students in the Embassy, and the Tudeh Party influenced by the Soviet Union—all of these have factions. Not every word Khomeini says carries weight. This unstable situation affects Saudi Arabia and other countries. The event at the Grand Mosque at Mecca has a deep background.³ We hope that people will think very carefully as they handle these issues. There is still time to consider the matter.

Secretary Brown: We will. We want to be restrained. So long as international action continues to promise results, the American people will continue to support President Carter in his restraint. So far, however, nothing has had much effect. If it looks like there will be no sanctions, then American support will break and the chance of unilateral action, with the dangers that are entailed, will increase. There is a point at which prudence becomes regarded as weakness. We cannot afford to pass that point.

Premier Hua: Just now you said it was a matter of the United States versus the Soviet Union to see who can get the most votes. Right now, the U.S. clearly gets more votes. If the Resolution is passed imposing sanctions on Iran, some people will regard these as reasonable because the Iranians are holding the Americans hostage. But one should consider the long-term results. There might be several reactions if a Resolution imposing sanctions were passed. First, the hostages might be released; second the Iranians, because they are in a poor position and have nothing to lose might adopt more extreme actions, perhaps even leading to a shift in the Iranian attitude toward the Soviet Union. Perhaps we can discuss this question more deeply to determine the possible effects of action. It is quite similar to playing Chinese chess. One has to think several steps ahead in the hope that each move will help improve the picture. In any case, I am well aware that President

³ The Grand Mosque at Mecca was attacked and seized by Islamic militants on November 29, 1979.

Carter is greatly worried about the Americans held hostage. Please rest assured that China will not harm the United States' interests.

Secretary Brown: Let me say a few words about how we can add substance to our bilateral relations. I would like to talk about technology transfer.

Premier Hua: Good.

Secretary Brown: In this area we have clarified our views and made some suggestions. We have had a number of meetings at which we have explained our policy towards arms sales, military technology, and dual use technology, and made some proposals. We have made it clear we are willing to transfer to China some types of technology that we would not transfer to the Soviet Union, such as LANDSAT D. I also said that we are prepared to transfer some military equipment, though not weapon systems, and have given some examples. Subsequently, General Liu (Assistant Chief of the General Staff) has given Assistant Secretary Dinneen some lists of technology that China would be interested in. We will consider that list. I hope this exchange can continue and be a good example of a two way street in our relationship. Each side needs to contribute to accommodate the other. That is the spirit that contributes to mutual benefit. That takes patience. We are prepared to exhibit such patience, realizing that we cannot move overnight. I have made a number of suggestions as to how we might contribute to your security. We are willing to wait for your answers. Our relationship is going to be around for a long time. We should proceed patiently and step by step.

Premier Hua: I am aware of what has been discussed on the subject of technology transfer. I am very much in favor of this step that you suggested now. Indeed, in this connection there is a lot that we can do. During my European tour, suggestions like these also came up. We hope to see a strong and united Europe with strengthened ties linking Europe to the United States. The west European leaders also expressed the hope that China would become prosperous and strong, because this would be in the fundamental interest of our two sides. That is why the various countries are ready to cooperate with us in economic aid and technology transfer. During the visit of the Japanese Prime Minister, we touched on these questions, and the two sides expressed similar views. Japan is prepared to allocate some funds designated for developing countries to help us. In return, Japan will get some of the raw materials it needs from China. We are also discussing the possibility of scientific and technological cooperation. There has also been some cooperation between the United States and China in the technological and economic field. Some United States oil companies are helping us drill and prospect for oil in the China Sea. In general, the prospects for this kind of

cooperation are brighter with your country than with others. We are ready to enter into deeper conversations on technology transfer.

Will Assistant Secretary McGiffert go to Pakistan soon?

Secretary Brown: The decision will be taken after the visit is complete and the nature of our aid to Pakistan is clearer.

Premier Hua: The reason for my question is that in terms of the 1980s, the hottest spot will be the Middle East. Of course, there are other vulnerable areas: Indochina, ASEAN, Southern Africa, the Caribbean. Giscard and others in Europe also felt the Middle East was the most important—it has the oil—but also the most vulnerable—the weakest link. That is why the Soviet Union attaches such importance to it. The Soviet Union will not easily make up its mind to attack Europe or China. Either choice would result in moving large numbers of troops and exposing one flank or the other to NATO or China. A war with China would not last just two or three years. As regards the Middle East, the Soviet Union sees its chance to take advantage of what Margaret Thatcher calls the soft belly. The Soviet Union can work to achieve its aims through surrogates. Should they succeed, and oil supplies be adversely affected, the results would be disastrous for the United States, Europe and Japan. The Soviet Union can, as Margaret Thatcher said, win victories without waging war. Both Iran and Pakistan are threatened as a result of the invasion of Afghanistan.

We are in favor of U.S. aid to Pakistan. The Pakistanis have their own misgivings in this respect, however. China gives aid to Pakistan and the Pakistanis accept it. China does not make a fuss about aid so the Pakistanis have no misgivings. If U.S. aid to Pakistan is seen by the Pakistanis as supportive, they will accept it. If, on the other hand, U.S. aid is small and only symbolic in nature, then the Pakistanis will be concerned about three factors; the first is India, which will directly oppose U.S. assistance to Pakistan. Another factor is Iran. An aid relationship with the United States will restrain Pakistan's relations with Iran. Third, Pakistan's relationships with the Soviet Union will deteriorate. Therefore, the Pakistanis are working very hard to find out the extent of your assistance. So far, according to our own information, Pakistan has a very strong attitude against the Soviet invasion of Afghanistan. Foreign Minister Huang Hua will visit Pakistan on January 18th. If the United States can let the Pakistanis know the extent of its aid this will be the best approach. The struggle will be arduous in the days to come.

Secretary Brown: We are considering the details of aid to Pakistan, and consulting with Congress. I gave Vice Premier Geng Biao an idea of the scope of our assistance. Unfortunately, the United States finds it difficult to do anything of this sort without making a considerable fuss. Perhaps we should send Assistant Secretary McGiffert to Pakistan dis-

guised as a member of Foreign Minister Huang Hua's delegation. (laughter.)

The Pakistanis have raised the issue of a bilateral agreement with the United States. Ambassador Woodcock and others will discuss this with you later. We consider that the present agreement has the same force as that which the Pakistanis have raised as a new possibility.

I agree with you that the Soviet Union sees the Middle East as a great opportunity, more so than any attack on NATO or China. Pakistan is probably more of a stepping stone toward Iran and the Persian Gulf than a prize in itself. Just as you mentioned, the Soviets have been using surrogates—Cubans, and South Yemenese—in the Middle East. Their action in Afghanistan adds an ominous new dimension in the Middle East and the oil producing regions. The five divisions that they are using or about to use in Afghanistan are a very substantial force for that area, but would not amount to much in Europe or along the Sino-Soviet border. We need to build up the countries of the Middle East. Even Iraq has diversified its normal supplies from the Soviet Union with arms from European countries. We have very poor relations with Iraq, perhaps as poor as our relations with Iran before the revolution. But Iraq now sees the danger of Soviet invasion. Perhaps we can cooperate. If they had taken our diplomats hostage, that would have been different.

Premier Hua: Perhaps we should stop here. Your banquet will begin soon. It is very good for Dr. Brown to come and visit us. I hope you can come again. I feel that your visit is a beginning not an end.

Secretary Brown. I certainly hope so. I cannot return, however, until there is a return visit from your side. I have enjoyed our conversation thoroughly, though I regret having taken so much of your time.

Nicholas Platt

295. Telegram From Secretary of Defense Harold Brown to President Carter, Secretary of State Vance, the Deputy Secretary of Defense (Claytor), and the President's Assistant for National Security Affairs (Brzezinski)¹

January 12, 1980, 1630Z

Subject: China Visit—An Assessment.

1. The relationship between the American and Chinese defense establishments is off to a positive though cautious start. The symbolism of the trip and the fact of the cordial, business-like meetings themselves made the visit worthwhile, particularly against the backdrop of Soviet action in Afghanistan.

2. The positive results of the meetings included:

—Evidence of close convergence between US and Chinese views on broad strategic interests. To counter Soviet expansion, the Chinese endorsed the need for a strengthened NATO and a stable, prosperous Northeast Asia, both closely linked to the United States. We had similar views on the danger represented by the Soviets in Afghanistan and the need for substantial aid to Pakistan (the Chinese will cooperate by permitting overflights, provided the scale is substantial).

—Agreements to expand contacts between the two military establishments. Vice Premier and Military Commission Secretary General Geng Biao, my most authoritative interlocutor in the Chinese structure, has agreed to visit the US. The Chinese military academy will also send a delegation. We will work together on further defense visits and consultations.

—A solid groundwork for future dialogue on technology transfer. The Chinese learned from our LANDSAT D decision that we are willing to differentiate between what we sell to them and to the Soviets. They now know that we will consider case-by-case the sale of some military equipment other than arms, as well as dual use civilian technology. Perhaps more fundamental, the Chinese have a better understanding of our procedures and realize that we are the ones who will decide what to transfer after they have informed us of their needs rather than, as they proposed, us offering them a department store's worth of items from which they can choose.

—The beginnings of a dialogue on arms control. The Chinese listened far more than they talked, but acknowledged the compatibility of

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0217, China (Reds) Jan–Feb 1980. Secret; Sensitive; Eyes Only.

some arms control measures with strengthened national security and the need to keep a dialogue going.

3. The Chinese were not consistently responsive, however. My urgent request on your behalf for support of UN sanctions against Iran did not succeed, despite our spending more time with top leaders on this one subject than any other. Subsequently I did press them to make at least a symbolic grain purchase. They made clear that they did not wish to address the question of ship visits at this time. They did not respond to our “hot line” suggestion (another Chinese way of saying “not at this time”). Though neither Premier Hua or Vice Premier Deng raised the issue, Geng Biao warned me that arms sales to Taiwan are unacceptable as a long term proposition. Finally, their desires for transfer of technology go well beyond what we can prudently provide at least in the near term, it will not be easy to prevent this divergence from becoming an irritant in our relationship.

4. Except for this issue, the Chinese clearly want to proceed with caution. Their hesitancy on ship visits, regular consultations and a hot line suggests an understandable unwillingness to acquire the symbols of a close defense relationship before the substance warrants it. I judge that this is because they want to keep their options open as to how close they place themselves to us, how they deal with the Third World, and even with the Soviets. The world has changed a great deal in the past few years. It could do so again in the next few and in a different direction; the Chinese will want to know which direction before they commit further. There is no question, however, that they want to move forward. The agenda includes:

—[1 *paragraph (3 lines) not declassified*].

—Scheduling and planning of Geng Biao’s visit.

—Developing within COCOM procedures for differentiating between the treatment of China and the Soviet Union.

—Development within the US Government of guidelines concerning types of military equipment (as opposed to arms) that might be sold to China.

—Consultations with the Chinese on their list of desired technology transfers.

If we move forward carefully to follow up on the results of my visit, the prospects for developing a relationship of substance are good. Moreover, I think both sides now realize that the relationship is important enough so that the occurrence and existence of refusals and differences must be accepted without being allowed to poison the relationship. But we must make clear as we go, as I lost no opportunity to do

so during my visit, that the Sino-American relationship must be a two-way street involving mutual obligations as well as benefits.

Brown

296. Editorial Note

On January 20, 1980, telegram 15459 to all diplomatic posts instructed the posts to inform the chief of state that President Jimmy Carter “cannot support United States participation in the Summer Olympic Games in Moscow, the capital city of a nation whose invading military forces are occupying Afghanistan.” Carter announced, “I am requesting that the [U.S. Olympic] Committee work with other National Olympic Committees to seek the transfer or cancellation of the 1980 Moscow Olympic Games unless the Soviet Union withdraws its troops from Afghanistan within the next month. If the Soviets do not withdraw and the games are not transferred or cancelled, I am asking that the United States Olympic Committee not participate in the games in Moscow, and instead, work with other nations to organize alternative games.” (National Archives, RG 59, Central Foreign Policy File, P870143–1334) Carter’s letter to the President of the U.S. Olympic Committee is printed in *Public Papers: Carter, 1980*, pp. 106–107.

Telegram 958 from Beijing, February 1, transmitted a response from Chinese Premier Hua Guofeng: “It is obviously inappropriate to hold the summer Olympic Games in Moscow while the Soviet Union continues to occupy Afghanistan in disregard of the resolution of the U.N. General Assembly. The Chinese Government is going to issue a public statement in support of urging the International Olympic Committee (IOC) to decide on the transfer or cancellation of the games. In case the International Olympic Committee fails to make such a decision, the Chinese Government hopes that all justice-upholding countries take common action to stay away from the Moscow Olympic Games and organize alternative games as appropriate.” (National Archives, RG 59, Central Foreign Policy File, P900105–0512) Ultimately, the People’s Republic of China was one of the countries that boycotted the 1980 Moscow Olympic Games.

There was also controversy surrounding Taiwanese participation, due to a dispute concerning the name, flag, and anthem under which athletes from Taiwan would compete. The United States involved itself in this controversy when Herbert Rathner, a Foreign Service officer detailed to the International Communication Agency, sent a letter to Ju-

lien Roosevelt, a U.S. Olympic Committee representative to the IOC. The letter stated, "Regarding Chinese participation in the games, this is a decision for the International Olympic Committee. As for government contacts the United States as of January 1, 1979, recognized the government of the People's Republic of China as the sole legal government of China. At the same time, the United States withdrew diplomatic recognition of the authorities on Taiwan. As a consequence of this withdrawal of recognition, we also do not recognize as symbols of national sovereignty the flag and anthem of the 'Republic of China'. However, we do continue to make visa facilities available to travelers from Taiwan." Concerned that this controversy might impair the success of the winter games, which the United States was hosting, Rathner added, "With respect to the details concerning the Lake Placid games, we hope that the International Olympic Committee will find a solution which will avoid politicizing the games in a way which could cause embarrassment to the host or the International Olympic Committee itself." (Telegram 238607 to Dublin, September 11, 1979; National Archives, RG 59, Central Foreign Policy File, D790415–0731)

Taiwan protested the IOC's decision to enclose this U.S. letter in the mail ballot sent to IOC members. (Telegram 4051 from AIT Taipei to AIT Washington, November 6, 1979; National Archives, RG 59, Central Foreign Policy File, D790512–0761) The IOC's postal vote resulted in a decision to deny Taiwan use of the name, flag, and anthem that it sought, and as a result, Taiwan boycotted both the Olympic winter games in February 1980 and the summer games in July–August of the same year. (Telegram 950 from AIT Taipei to AIT Washington, February 28, 1980; National Archives, RG 59, Central Foreign Policy File, D800108–0073)

297. Memorandum From Secretary of State Vance to President Carter¹

Washington, February 1, 1980

SUBJECT

The Sino-American Relationship: Leonard Woodcock's Views

Since Harold Brown's trip we have had a continuing discussion among the Department and our leading Ambassadors in East Asia about Chinese policy. In recent weeks the Chinese have shown a definite trend towards greater involvement in a more or less traditional manner in the field of multilateral diplomacy. Our dialogue with them on a wide range of issues has become deeper and more substantive, especially during Harold's trip. And we see the possibility of productive follow-up discussions in the near future on Afghanistan. I have proposed to the Chinese that these begin in Washington next month.

In analyzing these events, Leonard Woodcock has sent in a particularly thoughtful and important cable,² stressing not only the opportunities inherent in the new relationship, but also pointing out its limitations. The following is the gist of his message:

"... We would give greater weight to the continuing differences in approach between us and Beijing to issues such as Korea and Southwest Asia. In doing so, we have no intention of minimizing the marked improvements in tone and substance in our dialogue with the Chinese that have occurred over the last two years, and especially since normalization. These points deserve emphasis in dealing with those still skeptical of the extent of the changes that have occurred in Sino-U.S. relations and in the general Chinese diplomatic outlook in recent years. But in general, we feel the greater danger at the moment is not that we will overlook the emerging coincidental similarity of our respective foreign policy interests, but rather that in seeking to emphasize the positive in our relations with Beijing, we may arouse greater expectations than the actual relationship can bear.

"In particular, we should guard against paying too little attention to the contradictions that Beijing's pursuit of closer relations with the West and adoption of a more traditional diplomatic style have introduced into its domestic and foreign policies. These contradictions make

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 10/79-2/80. Secret. At the top of the page, Carter wrote, "Good assessment. C."

² Telegram 779 from Beijing, January 28, 0906Z. (National Archives, RG 59, Central Foreign Policy File, D800048-1042)

the PRC uncomfortable in seeming to embrace too warmly a country such as the United States, which is still viewed by much of the Third World as an imperialistic superpower and whose relations with some of Beijing's closest traditional friends (e.g. North Korea and Pakistan) leave much to be desired. Even as Beijing's relationship with the U.S. has become closer and warmer it has still not fully abandoned the ideological baggage of its three world doctrine in which China's natural allies are seen as the Third World.

"Overidentification with the U.S. thus conflicts with Beijing's Third World diplomacy, especially in the Arab world, where Beijing's determination to keep lines open to the radical Arab states causes it to downplay its rather nervous private support for what it views as Egypt's risky strategy of pursuing a separate peace with Israel. This introduces a degree of tension between the PRC's pragmatically perceived foreign policy interests and its ideological conception of China's proper place in the international scheme of things. We know that the ideological questions are also issues in internal debates and factional disputes among the leadership.

"Finally, in assessing these straws in the wind, we would come to a somewhat differently worded conclusion, which may partly be a question of semantics. On a variety of issues ranging from the hostages in Iran to Chinese actions with Egypt and ASEAN, the Chinese are indeed acting in ways that are supportive to our efforts. But this parallelism reflects Beijing's own self-interest, and as our differences over the application of sanctions to Iran demonstrated, there are limits on what Beijing is prepared to do. This may be particularly true at a time when Beijing is still assessing the results of the Brown visit. No matter how this assessment comes out, we doubt that the PRC would be willing to lose its freedom of action or be seen too openly as 'working to support us.' It much prefers the role of acting independently, although it expects appropriate credit when this reinforces our own efforts. Even when it is supporting us, it normally prefers to do so in ways that do not draw excessive attention to this fact. We would stress this point, since it is central to our ability to work effectively with the Chinese on behalf of common goals, and in areas such as the Middle East where our goals overlap but do not coincide."

298. Memorandum From the Executive Secretary of the Department of State (Tarnoff) to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, February 1, 1980

SUBJECT

Export-Import Bank Determination for the PRC

Now that the Chinese Trade Agreement has been approved by Congress,² a further Presidential action is required to permit establishment of more normal trade and commercial relations with the People's Republic of China.

Subsection 2 (b) (2) of the Export-Import Bank Act of 1945 prohibits the Bank from providing guarantees, insurance or credits in transactions involving communist countries or their agencies or nationals unless the President first determines that such activities would be in the national interest and reports his determination to Congress. (No further Congressional action is required.) This determination is in addition to the Trade Act's Jackson–Vanik amendment requirements, which have been satisfied. Such determinations have been made for Poland, Romania, Hungary, Yugoslavia and the U.S.S.R. (although the U.S.S.R. is ineligible for Exim under Jackson–Vanik).

Exim financing will be an important element in the development of improved trading relations with the PRC. Both the U.S. and the Chinese have understood that action to make such financing available on normal terms and conditions would follow approval of the Trade Agreement, and Exim is preparing to initiate discussions with the Chinese to develop the necessary implementing arrangements.

We believe that Exim financing for the PRC is an important part of the process of normalizing our trading relations with the PRC, and would be wholly consistent with our policy towards the PRC. We therefore recommend that the President determine that the provision of Exim financing to the PRC would be in the national interest.³

Peter Tarnoff⁴

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 50, Presidential Determinations, 8/79–5/80. No classification marking.

² The Chinese Trade Agreement, which Carter sent to Congress on October 23 (see footnote 7, Document 278) was approved by Congress on January 24 and entered into force on February 1. (31 UST 4651; TIAS 9630)

³ Attached but not printed is the proposed Presidential Determination, which Carter promulgated on April 2. See Document 307.

⁴ Seitz signed for Tarnoff above this typed signature.

299. Memorandum of Conversation¹

Washington, February 11, 1980, 12:15–12:30 p.m.

SUBJECT

Summary of Dr. Brzezinski's Conversation with Chinese Ambassador Chai

PARTICIPANTS

Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Roger W. Sullivan, NSC Staff Member

Ambassador Chai Zemin, People's Republic of China
Zhou Wenchung (Interpreter), People's Republic of China

Dr. Brzezinski: When the Pope was here, I had a long conversation with him about world affairs and the Chinese role in the world.² He was much interested in my own role in developing US–China relations and expressed hope that at some time in the future he would be able to develop a dialogue between the Catholic Church and top authorities in China. He has now written me a personal letter on that subject and asked if I could transmit a letter from him to Premier Hua. I would like to do that now by asking you to forward to Premier Hua this personal letter from His Holiness. I would be glad, if you wished, to be the intermediary for any response. But you may respond directly if you prefer. It is easy to arrange contact between the Chinese Embassy in Rome and Cardinal Casaroli. This will be treated as a secret. I would only add as a personal message that in my own judgment any such dialogue would be very helpful to the broader global objectives you and we share in common. In any case, I will be glad to be as helpful as is useful, or to disengage if that would be more convenient. I would like Vice Premier Deng also to know that such a discreet dialogue would be strategically valuable.

Ambassador Chai: As far as I know, the Catholic Church in China will perhaps not enter into contact now. It is following a policy of being self-governing and self-supporting.

Dr. Brzezinski: A dialogue between the top leaders of China and the Pope would be strategically valuable. The Pope is a powerful moral

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 34, Memcons: Brzezinski: 1–6/80. Secret; Sensitive; Outside the System. The meeting took place in Brzezinski's office. Earlier that day, Brzezinski and Chai had met to discuss Brzezinski's recent trip to Pakistan and Saudi Arabia. They also discussed Indian foreign policy and relations between Egypt and Israel. (Memorandum of conversation, 11:15–11:40 a.m.; Carter Library, Brzezinski Donated Material, Geographic File, Box 9, China (People's Republic of), Discussions with Ambassador Chai: 5/21/78–10/1/80)

² Pope John Paul II visited the White House on October 6, 1979, and met with Carter and Brzezinski, among others.

and political force in the West. This Pope is a very intelligent and realistic person, who also knows what is the main danger to world peace. This is something I have discussed personally with him.

Ambassador Chai: The Orthodox Church is not under the Pope, is it?

Dr. Brzezinski: A portion is. The Uniate Church is, but not the Russian Orthodox. The Pope is trying to establish union with the Greek Orthodox Church, which is influential in the Middle East.

Ambassador Chai: I will transmit the letter and let you know when I have anything.

On another point regarding maps. When could you supply them?

Dr. Brzezinski: I thought you said you did not want the maps we have.

Ambassador Chai: We wanted bigger-scale, but if you do not have them, we want small-scale.

Dr. Brzezinski: Mr. Sullivan will take care of that.

300. Memorandum From Michel Oksenberg of the National Security Council Staff to President Carter¹

Washington, February 14, 1980

SUBJECT

China Policy: Accomplishments and Tasks Ahead

At Zbig's suggestion, I offer some thoughts on your China policy.

Your Role

As I organized my files for my successor, I was reminded of the extent to which the policy is your personal achievement:

—In June 1977, you stipulated to Cy, Zbig, et al, your terms for normalization, which we met exactly.²

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Reports (to the President), 121–135 (12/79–4/80). Top Secret. Printed from an uninitialed copy. At the top of the page, Carter wrote, "Good advice. C." This memorandum is attached as an opinion piece to the February 15 NSC Weekly Report to Carter, in which Brzezinski noted that Oksenberg was leaving the NSC Staff to return to the University of Michigan, but would "remain available to us as a consultant." (Ibid.)

² See Document 31.

—In June 1978, you specified the date on which you would like to announce normalization—Dec. 15, 1978—saying it should come before SALT. (I had forgotten this prescient injunction until reviewing my files!)³

—You gave January 1 as the target date in the draft recognition communique Woodcock tabled in Nov. 1978.⁴ Zbig had recommended January 15, and Cy recommended not conveying a date.

—In Feb. 1979, you insisted we not go overboard in criticizing China's incursion into Vietnam.⁵

—You made sure the trade agreement was sent up in timely fashion, and you insisted Harold's trip take place.⁶

Your Accomplishments

I feel confident future historians will see your China policy as the most enlightened and effective one our country ever had. In the recent past, Roosevelt's policy was too romantic; Truman's too reactive; Eisenhower's, Kennedy's, and Johnson's too hostile; Nixon's too manipulative; and Ford's too timid. Your policy has been distinctive for its insistence on realism, reciprocity, and long-run considerations.

The new relationship has yielded many publicly identifiable benefits (other important gains must remain confidential):

—We enjoy good relations simultaneously with both China and Japan, an unprecedented development and an enormous plus in our strategic picture globally and in Asia.

—With our China relations in order, we can concentrate our resources on our real adversary; our new China relationship has enhanced our diplomatic flexibility.

—Trade is increasing on a realistic basis; impressive student, culture and scientific exchanges are underway.

—China is beginning to participate in international forums dedicated to solving transnational problems: checking the arms race, protecting the environment, eradicating communicable diseases, etc.

—And all of this has occurred while the relations of the American people with Taiwan have expanded and while Taiwan's trade and prosperity increases.

So there is a lot for which you should and can take credit, and my trips around the country convince me your policy is widely supported.

³ See Document 123.

⁴ See Document 149 and Document 166 and footnote 7 thereto.

⁵ See Document 214.

⁶ See Document 273.

Your Tasks in 1980 and Beyond

This is not to say China policy is all clear sailing from here. These aspects of our China policy require your continued, personal attention:

—Now that the competitive aspects of our relations with the Soviet Union have sharpened, it is tempting to use China tactically. Your China policy has been successful, however, because you approached Beijing from a historical, strategic perspective, and you should continue to eschew playing the so-called “China card”.⁷

—The phenomenal growth in our China relations during 1979 entailed both sides making large numbers of commitments. Rather than seeking to expand the relationship, the task for 1980 is to consolidate our gains and ensure that previous commitments are met. Since some of our commitments were made over objections within the US Government (such as declaration of China as a friendly country, extension of Ex-Im credits and sale of non-weapon military equipment), your continued support will be very important.⁸

—Our sprawling, somewhat undisciplined bureaucracies have proposed innumerable projects to the Chinese, all of which end up on the same policy-maker’s plate in Beijing. The Chinese are overloaded with proposals we have made, and you have to convey to them—perhaps through Zbig—what our priorities are.

—You must ensure that our policy, particularly toward Vietnam, Cambodia, and Thailand, does not inadvertently and seriously undercut our China policy. Some in our Government might push us in that direction.

—Some skeptics question the utility of our China connection, and it is important for you, should the issue arise, to make clear to the American people that the relationship is mutually beneficial and will be in our interest in the next four years. I suspect this question will arise in the course of the campaign, and you should demand from the NSC a thoroughly explored, good answer to this question.

—Finally, you should encourage thinking in the government about several complex issues in our China relationship: what kind of security and economic relations will really serve our interests? How can we better nest our China relationship among our other relations, particularly Japan, the USSR, India, and Western Europe? China policy has been successful because it was well thought through. We have now reached the end of our road map, and if we are to avoid the “ad

⁷ In the right margin next to this paragraph, Carter wrote, “I agree.”

⁸ Carter underlined, “to consolidate” and in the right margin wrote, “True.”

hockery” that plagues us elsewhere, you must demand now that planning begin for your second term.⁹

⁹ At the bottom of the page, Carter wrote, “We should not push *now* for new achievements with PRC.”

301. Briefing Memorandum From the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke) to Secretary of State Vance¹

Washington, undated

Technology Transfers and Military Sales to China

Harold intends to raise this issue at tomorrow’s VBB lunch. The attached paper embodies the recommendations of the EA “informal group.”² In toto the steps proposed may suggest substantial adjustments in our policy toward China. In fact, however, these steps essentially implement decisions already adopted.

1. *Munitions Control List*. While this list (Tab A) looks long, it excludes 13 of the 19 categories on the Munitions Control List, and merely identifies those categories and parts of categories from which we will consider items for licensing on a case-by-case basis.³

2. *Chinese Requests*. Our proposed response to outstanding Chinese requests is outlined in Tab A, Encl. 2.⁴ The Defense Department’s office of Research and Engineering and the Joint Staff have reviewed the list with an eye to possible adverse consequences to our security and that of our Asian friends and allies. Their willingness to approve further discussion of various items reflects a variety of considerations. Some (e.g. Honeywell Level 66 Computers) have previously been sold to the

¹ Source: Department of State, Executive Secretariat Files: Lot 84 D 241, Vance/Brown/Brzezinski Luncheons. Top Secret; Sensitive. Drafted by Armacost on February 27. Attached to a February 27 briefing memorandum from Bartholomew to Vance before Vance’s February 28 luncheon meeting with Brown and Brzezinski. (Ibid.) At the bottom of the last page of this memorandum, Holbrooke wrote, “All this has been coordinated with Reggie [Bartholomew]—but no one else, per your instructions. RH.”

² Tab A, printed below.

³ The list is attached but not printed as Enclosure 1 to Tab A.

⁴ Enclosure 2 to Tab A, “Proposed Response to Chinese Request,” is attached but not printed.

USSR. Others (e.g. 100 MB disk driver or LTN–51 INS) contain technology we have already sold to the PRC for civilian purposes. In still other cases (e.g. IR sensors) sales would be subject to strict conditions—e.g. early generation systems only.

3. *U.S. Export Control Categories*. This is a purely cosmetic change, but one which is symbolically important to Beijing and fully consistent with other adjustments in our trade relationship with China.

4. *Dual Use Technology and COCOM*. While we have informed our COCOM partners of our preference for a procedure patterned along the lines of the Polish formula, we have not formally tabled a proposal. It is time that we do so. This will surprise no one and we think our allies will buy this approach.

5. *Arms Sales, Military Equipment Sales and COCOM*. Bureaucratic simplicity and allied solidarity incline us to favor handling sales of all items destined for military end-use in COCOM. To be sure, the creation of a separate high level committee to handle such items might enable us to avoid taking a position on the record on third country arms sales. But having indicated our own intent to sell military support equipment to China, it is difficult for us to argue that our allies should respond to our requests within COCOM while requiring them to seek our views on arms sales outside the existing framework. In any event we would be participants in whatever consultative process was established, and the Russians have probably assumed we have been urging our allies to sell weapons to China whatever we say. (COCOM was, of course, established to restrict, not promote sales.)

6. *The Package as a Whole*. There is a larger policy question: How should we play these decisions in relation to our current efforts to orchestrate a coordinated allied response to Soviet action in Afghanistan? Announcement of these measures at this time could invite some charges—e.g. from Europeans—that we are acting in a hasty fashion to stick it to the Russians. While such allegations will undoubtedly surface, we believe they are manageable because they are wide of the mark.

—In fact these steps are not that new; they represent essentially a codification of decisions already announced at least in general terms. To that extent they have already been discounted by Moscow and others. Beijing expects them; failure to follow through would be hard to explain to the Chinese who may, however, be disappointed that we have not been more forthcoming.

—They do not get us out ahead of our allies, who will welcome a clearer definition of our intentions regarding military equipment sales to China and our agreement to handle arms sales within COCOM. Cer-

tainly we should consult further with the allies on these steps prior to any public announcements.⁵

—Congressional sensitivities must also be accommodated through prior consultations.

—We should emphasize in backgrounders to the press that we will continue to process requests carefully on a case-by-case basis.

Tab A

Memorandum From the Deputy Assistant Secretary of Defense for International Security Affairs (Platt), the Assistant Secretary of State for East Asian and Pacific Affairs (Holbrooke), and Roger Sullivan of the National Security Council Staff to Secretary of Defense Brown, Secretary of State Vance, and the President's Assistant for National Security Affairs (Brzezinski)⁶

Washington, February 26, 1980

SUBJECT

Technology Transfers and Military Equipment Sales to China

1. Sale of Military Equipment to China

We must provide U.S. industry with further guidance on the sale of military equipment to China. For domestic purposes we prefer to do this in terms of categories of the Munitions Control List, which conforms to existing laws and regulations, is familiar to U.S. and foreign industry, and can be understood as a comprehensive and definitive statement of our policy. The announcement could be made through the Munitions Control Newsletter. A proposed announcement, which includes only those categories which are consistent with our policy of not selling arms to China, is at Enclosure 1. Specific items will be subject to a case-by-case review.

Recommendation. That you approve the approach outlined above and the announcement at Enclosure 1.

2. Chinese Requests

During Secretary Brown's visit, the Chinese provided him, through his representative Dr. Dinneen, a list of items which they

⁵ An unknown person, probably Vance, underlined all except the first word of this sentence.

⁶ Top Secret; Sensitive.

wished to purchase. It was implied that these items would be for military use.

We have reviewed this list using two criteria: (1) the level of technology and (b) consistency with our policy of sale of support equipment but not weapons. Enclosure 2 represents our analysis and identifies items which we are prepared to discuss further, items which require further clarification by the Chinese before we are willing to engage in technical discussions with them, and items which we are not prepared to discuss further.

Recommendation. That you authorize us to respond to the Chinese list along the lines shown in Enclosure 2. This would be in addition to informing them of our policy on military equipment sales as outlined in the proposed announcement in the Munitions Control Newsletter (Enclosure 1).

3. U.S. Export Control Categories for China

In the regulations implementing the U.S. Export Administration Act, China is included in Category Y along with Albania, the USSR, and the other Warsaw Pact countries except Romania, Hungary, and Poland. Inclusion of China in Category Y with the Soviet Union is an unnecessary irritant in our relations with China. Changing the name of the category would not affect our policy on exports to China or any other country. Nor would it directly affect COCOM since this category is used only within the USG.

Recommendation. That the Department of Commerce be instructed to revise its regulations issued pursuant to the Export Administration Act to provide a separate category for China.

4. Dual-Use Technology and COCOM

We have held political discussions with our principal COCOM partners and informed them that we wish to establish exception procedures for the transfer of technology to China which are similar to those that nominally exist for Poland. While there is some disagreement with the French on the adoption of a formal procedure versus an informal one, our other major COCOM partners are amenable to proposals to treat exceptions for dual-use export licenses to the PRC more favorably than for the Warsaw Pact. We believe that in the end the French will go along with a formal procedure.

Recommendation. That we instruct our delegation to COCOM to propose a formal procedure along the lines of the Polish formula.

5. Arms Sales, Military Equipment Sales and COCOM

Our allies have repeatedly pressed us to change our policy on the handling of third country arms sales, because of the extreme difficulty of justifying COCOM controls on non-weapons if there are no apparent

controls on weapons sales. Our recent decision to approve sales of military support equipment to China, which we have already told our COCOM partners will be submitted to COCOM for review, makes our present policy of keeping weapons sales out of COCOM seem even less logical. In the long term, allowing the most important decisions on allied exports to China to be undertaken outside of COCOM seriously undercuts the rationale for the organization and could tempt COCOM members to circumvent the organization on major non-weapons sales to the Soviet Union as well as to China.

There are basically two options:

—Option A: Create a special committee within COCOM to handle sales for military end use to include arms, military equipment and dual-use technology.

—Option B: Handle all sales of arms and equipment—whether for military or civilian end use—through the existing COCOM framework.

We believe that Option B now represents the best approach. This is a change from our recommendation in 1978. It would respond to strong representations of our allies that the COCOM members judge all sales, whether for military or civilian end use, by the same standards. The existing COCOM structure is designed to deal with all categories of technology—dual-use, weapons and military equipment, and nuclear. Using it would avoid the complication and consequent confusion that establishment of an additional consultative mechanism would entail. This option would promote allied unity and would clearly strengthen COCOM at a time when we are trying to tighten controls on the USSR.

Recommendation. That you approve Option B.

6. Consultations

We will have to consult with appropriate members of Congress concerning our guidelines for military equipment sales before they are published. Moreover, Congress would have to be informed of our intended changes to the implementing regulations of the Export Administration Act to provide a separate category under the Act for China. We do not anticipate any significant opposition from the Congress providing consultation is broad and undertaken sufficiently in advance of announcements.

302. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of Commerce Klutznick¹

Washington, March 17, 1980

The President has directed that China be moved from Country Group Y to a separate category with its own letter designation. Since it is not US policy to treat China and the USSR the same for export control purposes, it is misleading to have them share the same Country Group in the export control regulations.

Zbigniew Brzezinski

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (People's Republic of), 3/80. Confidential. Copies were sent to Mondale, Vance, and Harold Brown.

303. Telegram From the Department of State to the Embassy in China¹

Washington, March 21, 1980, 0224Z

74629. Subject: Zhang's Talks With US Officials.

1. S—entire text.

2. Following is the text of a summary of Zhang's talks with US officials on March 19 which was forwarded to the White House.

3. Begin text: Vice Foreign Minister Zhang Wenjin concluded his talks in Washington this morning, March 20. Secretary Vance met with Zhang yesterday afternoon to talk about Southeast Asia.² Both sides

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 9, China (PRC): 3/80. Secret; Immediate; Nodis. Repeated Priority to Tokyo and to Seoul, Hong Kong, and CINCPAC in Honolulu for POLAD. Printed from a copy that was sent to the White House on March 25.

² Zhang met with Vance at 3:30 p.m. on March 19. In addition to Southeast Asia, they discussed the Middle East and the Olympics. (Department of State, Executive Secretariat Files: Lot 84 D 241, Box 9, Jan/Feb/Mar, 1980, Memcons) Zhang also met with Holbrooke on March 19. Telegram 77998 to Beijing reported: "During bilateral talks on March 19 between Vice Minister Zhang and Assistant Secretary Holbrooke, the question of U.S. ties with Taiwan came up in the context of U.S.-PRC negotiations on a maritime agreement. This was the only time in four days of talks in Washington that the Chinese

agreed on the need to reduce Soviet influence in the region and to work for a Kampuchea free of Vietnamese domination. We expressed concern about the Soviet military presence in Vietnam but Zhang seemed confident that regional opposition to the Soviets would increase. Both sides voiced strong support for Thailand.

4. Zhang also met with the Vice President.³ Both agreed that we must move our national bureaucracies to resolve remaining issues (e.g. civair, maritime, textiles, EXIM).

5. Later in the day, Zhang told us for the first time that China will accept the principle of “more than one” US carrier in the civair talks; this is a real breakthrough which we will follow up on when formal talks begin on April 15 in Beijing.

6. On the Olympics, Zhang responded favorably to the idea of US athletes visiting China after any alternate games, but could not make a definite commitment before consulting with his government. On the hostage crisis, Zhang expressed sympathy with our frustration and said he “can’t believe they’ll keep this up. They must see the Soviet threat.”

7. In other conversations, Zhang said that North Korea wanted only peaceful reunification with the South and that the Chinese had “told” the North Koreans about their own conciliatory approach to Taiwan. Both sides agreed that the direct North-South talks deserved our support. We told Zhang that stability in Korea contributed to the flexibility of our force posture in the Pacific and Indian Oceans.

8. The talks were very candid and we hope to continue such consultations regularly, perhaps three times a year at different levels.⁴ End text.

Vance

adopted a stiff, formal tone.” (Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 72, Zhang Wenjin Visit: 3/20/80–4/80)

³ A memorandum of conversation of Mondale’s meeting with Zhang, which took place March 19 at 11 a.m. in the Roosevelt Room of the White House, is in Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 34, Memcons: Mondale: 7/79–5/80.

⁴ Among his many meetings in Washington, Zhang called on Brzezinski in his office on March 18 from 11:30 a.m. to noon. Their discussion considered how different regions of the globe factored into the geopolitical struggle against the Soviet Union. Roger Sullivan, who sat in on the meeting and prepared the memorandum of conversation, noted, “Zhang had nothing to say beyond the positions the Chinese took during the Brown trip.” The memorandum of conversation is in Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 72, Zhang Wenjin Visit: 3/20/80–4/80. See also Document 304.

304. Information Memorandum From the Assistant Secretary of Defense for International Security Affairs (McGiffert) to Secretary of Defense Brown¹

Washington, March 25, 1980

SUBJECT

China Trip Follow-Up—Visit of Vice Foreign Minister Zhang Wenjin

Zhang's visit was designed to fulfill the commitment made during your visit to consult on parallel U.S. and Chinese actions in Southwest Asia in response to the Soviet invasion of Afghanistan. His March 17–19 stay in Washington included conversations with Vice President Mondale, Secretary Vance, Dr. Brzezinski, Reuben Askew, and Congressional leaders. Warren Christopher was his principal interlocutor. Nick Platt represented DOD at the talks.

Afghanistan. Both sides continued to see the situation in similar terms, but Zhang viewed with considerable concern the European proposals for “neutralization” of Afghanistan. Christopher explained that such a proposal, if carefully formulated, could become part of an overall strategy to put the onus on Moscow. Zhang seemed impressed when Warren stressed that complete Soviet withdrawal from Afghanistan remained a precondition to any other actions and that any successor government must be acceptable to the Afghan people.

Pakistan. Zhang gave the impression that China is also having its troubles with Zia. He never quite said this but the tone of the discussion on Pakistan was markedly different from that in January with you. No longer exhorting us to do more for Pakistan, the Chinese seemed to accept our statement that Zia's public behavior had made it more difficult to get broadly based support for aid to Pakistan. Zhang urged us to be patient as Pakistan's strategy evolved. He said that China would continue to provide military aid to Islamabad but its capacity was limited to small arms and supplies for guerrilla units. Pakistan would have to rely, Zhang concluded, on the United States for military equipment capable of countering the Soviet threat.

India. At Vance's lunch Clark Clifford briefed Zhang on his conversations with Indira Gandhi, remarking that she seemed conciliatory towards the Chinese during the talks. Zhang retorted good naturedly that she had a strange way of demonstrating this attitude, given India's

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0217, China (Reds) Mar–May 1980. Secret; Sensitive. Sent through Komer. Brown initialed the memorandum on March 28, and a stamped notation reads, “SecDef has seen.”

strong public criticisms of China since she took office. The U.S. side urged that China make an effort to improve its relations with India. The Chinese said they were willing to do so, and hoped that Mrs. Gandhi's attitudes would become clearer soon.

Iran. There wasn't much talk on this subject. Zhang expressed sympathy with our frustration in the hostage crisis and said that he could not "believe they'll keep this up." "They must see the Soviet threat."

Korea. Zhang assured us that North Korea did not want war although it must be "on guard" against the South, and was concerned about instability in South Korea. The North Koreans had "no alternative" but to dedicate themselves to peaceful reunification of the peninsula. The Chinese could not (Zhang first said "would not" then corrected himself) provide the North Koreans with the kind of force necessary to take the South. The Soviets would not do so either. Zhang said Chinese efforts to influence North Korea had to be conducted "with modesty", given the delicate balancing act required to prevent an increase in Soviet influence in Pyongyang. The North Koreans had no intention of fostering political instability in the South. Zhang was quite open about Chinese support for stability on the peninsula, noting that the Chinese had "told" the North Koreans about their own conciliatory approach to Taiwan. Demands for political liberalization in South Korea were coming from "Democratic elements" not Communists. He agreed that the U.S. and China should encourage dialogue between the two Korean governments.

Indochina. Zhang repeated and updated the standard Chinese line on Southeast Asia. The Khmer Rouge would survive the dry season intact and were attempting to correct their past policy errors. The Chinese reservation of the right to administer a "second lesson" to Vietnam performed the useful purpose of tying down large numbers of Vietnamese forces on their northern border. It would take time to wear the Vietnamese down. With respect to Thailand, Zhang cited Prem's willingness to permit Khieu Samphan free passage to and from China as evidence that there would be no real change in Thai policy toward Kampuchea. Vance reiterated U.S. unwillingness to support either Pol-Pot or Heng Samrin as genuine representatives of the Khmer people.

The Olympics. China's support is total, both for the boycott and alternative games.

Impact. Perhaps the most important outcome of Zhang's visit, aside from starting a process of subcabinet consultations, was the easy relationship that he developed with both Cy Vance and Warren Christo-

pher.² The chemistry between the Chinese and high levels of the State Department has not been good, strengthening an already cautious approach to the pace of developing our relationship with Peking. If Zhang has succeeded in making Vance less apprehensive about dealing with Chinese, the result may be a lower level of disagreement within the Administration on key questions of timing and modality in the normalization process.

David E. McGiffert³

² In telegram 77991 to Beijing, March 25, Holbrooke described to Woodcock the chemistry between Zhang and Christopher and related colorful incidents from Zhang's visit. He also noted, "There is every reason to believe that for both Zhang and Ji, the trip was both a great personal success and also a genuinely emotional experience. For my part, I have never seen such obvious and open emotion on the part of any Chinese officials as was exhibited by both men, particularly towards the end of the trip." (Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 72, Zhang Wenjin Visit: 3/20/80–4/80)

³ McGiffert initialed "D.E.M." above this stamped signature.

305. Summary of Conclusions of a Presidential Review Committee Meeting¹

Washington, March 27, 1980, 4:30–5:45 p.m.

SUBJECT

US–China Economic Relations

PARTICIPANTS

State

Richard Cooper (Under Secretary for Economic Affairs)

Richard Holbrooke (Asst Sec for East Asian and Pacific Affairs)

Treasury

G. William Miller

C. Fred Bergsten (Asst Sec, International Affairs)

Defense

David McGiffert (Asst Sec, International Security Affairs)

Ellen Frost (Dep Asst Sec, International Economic and Technology Affairs)

¹ Source: Carter Library, NSC Institutional Files (H-Files), Box 79, PRC 136, U.S.–China Economic Relations, 3/27/80. Confidential. The meeting took place in the White House Situation Room.

Commerce

Homer Moyer (General Counsel)

OMB

John White

Randy Jayne (Associate Director for National Security and International Affairs)

JCS

Lt. General John Pustay

DCI

John Holdridge (NIO for East Asia, Pacific and China)

[*name not declassified*] (Office of Economic Research)

IDCA

David Bronheim (Associate Director for Policy and Budget)

Jessica Einhorn (Dep Associate Director for Policy and Budget)

White House

David Aaron

Ambassador Henry Owen

Rona Freiberg

NSC

Roger W. Sullivan

SUMMARY OF CONCLUSIONS

Secretary Miller chaired the meeting, the purpose of which was to discuss the implications of a possible decision by the PRC to seek to take over the China seat this year in the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), and to consider if a way could be found consistent with our China policy to delay PRC entry until 1981.

The meeting agreed that if the PRC decides to claim the China seat, we should support that position. It is also in our long-term interest for a country as important as China to join the IMF and IBRD, assuming China will be willing to accept the obligation of membership. A serious effort by China to enter the institutions this year, however, could cripple our efforts to obtain Congressional approval of the FY 81 IFI legislation. There would be concern in the Congress over the prospect of large amounts of IDA funds going to China. The Taiwan issue would also be difficult involving questions of debt repayment, the form of possible continued participation by Taiwan in the institutions, and the disposition of the gold restitutions owed to "China".

The meeting agreed that we could not actively discourage the PRC from entering the Bank and Fund without doing unacceptable damage to US–PRC relations. Secretary Miller, however, will meet with IBRD President McNamara to suggest that he defer his planned April trip to China and to seek to convince him that the entry of China into the Bank and Fund this year would not be in the interest of either the institutions or China. Secretary Miller will suggest instead that McNamara send a working group to China to explain the difficulties and to begin a

process of discussion on such issues as obligations of membership, debt repayment, disposition of gold restitutions, and a possible continuing association for Taiwan along the lines of the “Olympic model”.² He will also seek to dissuade McNamara from sending a working group to Taiwan at this time to discuss the debt repayment question. If McNamara is unwilling to defer his trip, Secretary Miller will encourage him to explain to the Chinese why it would be in their interest to delay until next year before seeking to assume the China seat in the international financial institutions.

Treasury will coordinate with other pertinent agencies to develop talking points for Secretary Miller’s meeting with McNamara.

² Pursuant to its November 1979 Nagoya Resolution, the International Olympic Committee permitted Taiwan to continue participating in the Olympic Games if it made symbolic concessions to the People’s Republic of China in regard to the use of national symbols, such as abandoning the use of Taiwan’s name and flag. The IOC asked Taiwan to compete under a new name, “Chinese Taipei,” and use a new flag. Taiwan chose to boycott the 1980 summer and winter games, but did adopt the new name and flag in later Olympics. See also Document 296.

306. Memorandum From the President’s Deputy Assistant for National Security Affairs (Aaron) to President Carter¹

Washington, April 2, 1980

SUBJECT

PRC Entry into the IMF/IBRD

I met with Secretary Miller and representatives of State and the NSC on this issue.² They continue to believe our margin of support in the Congress for the \$5.5 billion quota increase we are requesting for the IMF and the \$3.2 billion we are seeking as a contribution to IDA VI is so thin it could be jeopardized by a sudden decision by the PRC to occupy the China seat now held by Taiwan. They are also concerned that the Congress might adopt some anti-Chinese amendments barring IMF or IDA funds for the PRC.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 4-7/80. Secret. Sent for action. A handwritten “C” at the top of the page indicates Carter saw the memorandum.

² See Document 305.

At the same time, they agree that it would be too costly in terms of our bilateral relationship with China for us to press the PRC to delay their entry. But given the apparent reluctance of officials of the Bank and Fund to explain to the Chinese why a delay past this election year might be a wise course, a hands-off approach by the United States could result in the PRC making its decision on entry in ignorance of the possible consequences with resulting damage to the US–PRC relationship.

We therefore agreed that we should instruct Ambassador Woodcock to meet with the Chinese at a level below the Foreign Minister to avoid the impression he is making a formal *démarche*. In his meeting he would make clear that we have supported in the past, and will continue to support, PRC membership in the International Financial Institutions. He will then outline some of the factors we think the Chinese should be aware of in making their decision on the timing of their entry into these institutions. He will make clear, however, that whatever the PRC decision we will support it.

Recommendation:

That you approve the above approach which is reflected in the attached telegram (which you need not read).³

³ Carter checked the Approve option and initialed "J." Attached is an undated draft cable to Beijing instructing Woodcock to meet with Zhang Wenjin or an equivalent-level official to discuss both the unlikelihood of China receiving immediate funds from international financial institutions and the potential damage that Chinese membership could inflict on the institutions. Telegram 91349 to all OECD capitals, April 7, reported that China had officially stated its intention to take necessary steps to occupy the Chinese seat in the IMF, which would be a requirement for membership in the World Bank Group. (National Archives, RG 59, Central Foreign Policy File, D800193–0002)

307. Memorandum From President Carter to Secretary of State Vance¹

Presidential Determination No. 80–15

Washington, April 2, 1980

SUBJECT

Determination under Subsection 2 (b) (2) of the Export-Import Bank Act of 1945, as Amended—People’s Republic of China

Pursuant to Subsection 2 (b) (2) of the Export-Import Bank Act of 1945, as amended, I determine that it is in the national interest for the Export-Import Bank of the United States to guarantee, insure, extend credit and participate in the extension of credit in connection with the purchase or lease of any product or service by, for use in, or for sale or lease to, the People’s Republic of China.

On my behalf, please transmit this determination to the Speaker of the House and to the President of the Senate.

This determination shall be published in the *Federal Register*.

Jimmy Carter

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 50, Presidential Determinations: 8/79–5/80. No classification marking. Both Brzezinski on April 1 (Ibid.) and Tarnoff on February 1 (see Document 298) recommended that Carter sign the Presidential Determination.

308. **Memorandum From Michel Oksenberg to the President's Assistant for National Security Affairs (Brzezinski) and the President's Deputy Assistant for National Security Affairs (Aaron)**¹

Washington, April 4, 1980

SUBJECT

Intelligence Community Watch on China

I have sent you a number of memos on the inadequacies of the intelligence community's work on China.² We are vulnerable to the same massive intelligence failures we suffered on Iran. The community runs:

- [1 paragraph (1 line) not declassified];
- [1 paragraph (2½ lines) not declassified];
- translation series that do not convey the breadth of available, pertinent articles on Chinese domestic and foreign affairs;
- [1 paragraph (2½ lines) not declassified];
- political analysis divisions at CIA, DIA, and State with insufficient language capability, redundancy on current intelligence, insufficient basic research capacity, and inadequate attention to policy-relevant issues that will affect us over the next six months–three years.

In general, the intelligence community has just not caught up with our new relationship with China. Basically, China is considered an adversary, to be studied at a distance. Intelligence needs and opportunities that arise from our direct involvement with China are down-played. Yet the need has never been greater to understand, for example, the Chinese banking system or Chinese joint-venture laws.

Compounding the problem, I have discovered upon my return to Michigan, is that the academic community seems slow to understand the full implications of normalization. Academic China specialists are

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 9/79–12/80. Secret; Outside the System. Sent through Sullivan. At the top of the page, Brzezinski wrote, "OK—give me recommendation for action. Good. ZB."

² One example is a February 28 memorandum from Oksenberg to Brzezinski on the strengths and weaknesses of U.S. intelligence on China. Oksenberg argued that "political-social-economic analysis at the Agency" fell below minimally acceptable standards. Among the reasons for these failures Oksenberg cited inadequate language competence and area expertise, lack of career incentive to specialize, homogenization of product due to the clearance and editing process, insufficient institutional memory, estrangement of policymakers from intelligence analysts, and duplication of effort among analysts in different agencies. Oksenberg noted Sullivan's concurrence with his views and suggested that Stansfield Turner "appoint a panel of outside experts to assess the Agency products in the economic/political sectors and to make recommendations for improvements." Brzezinski wrote, "good" on the memorandum. (Ibid.)

as unprepared for, and hesitant about, a full, extensive relationship with China as the intelligence community.

But as Roger³ and I have thought about ways to grapple with this massive problem, we see a two-year bureaucratic chore. Explicit Presidential and SCC backing will be necessary. Both of us are attracted by a challenge that will touch on almost every facet of the intelligence community. But because it is a two-year effort, we have decided that now is not the time to address the issue in a concerted manner. Budgetary uncertainties, Turner's tenure in a second term, the situation at the mid-stream, having done some damage but not yet having put the new pieces in place. I therefore reluctantly bite my tongue, and if the situation permits in early 1981, Roger and I will seek to put the issue on your agenda. In the meantime, we may be back to you on smaller parts of the problem, such as the Taiwan dimension.

³ Roger Sullivan.

309. Editorial Note

On May 1, 1980, Zbigniew Brzezinski, the President's Assistant for National Security Affairs, sent a briefing memorandum to President Jimmy Carter in anticipation of a foreign policy discussion designed to inform Edmund Muskie, Secretary of State-Designate, about the Carter administration's principles and approach to world affairs. The section on East Asia warned, "The Soviet Union and Vietnam are trying to split us from China and to divide the ASEAN states on the Cambodia issue in the hope of forcing acceptance of Vietnamese control over Cambodia. If successful, they would seriously damage U.S.–China relations, weaken ASEAN, create opportunities for increasing Soviet influence in the region, and set a precedent for an Afghanistan settlement." In regard to Taiwan, it predicted, "In the area of managing irritants in the U.S.–China relationship, Taiwan and U.S. industry will press for an earlier decision on an F–X fighter for Taiwan. A decision on this could be postponed past the election." In the longer term, the section advised, "Move our relationship with China toward a model that would be regarded as 'normal' and an acceptable equilibrium, e.g., along the lines of the U.S.–Yugoslavia relationship. This would involve permitting some level of arms sales." It also recommended, "Explore ways to encourage rapprochement between China and Taiwan. The unresolved Taiwan issue is a major impediment to the development of a

U.S.–China security relationship.” (Memorandum from Brzezinski to President Carter; Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 38, Memcons: President: 5/80)

During Carter’s May 3 meeting with top officials of the National Security Council and the Department of State, the participants discussed foreign policy disagreements within the Carter administration. Brzezinski “said there had been differences in the past over the role of the Soviet Union and Africa, over our opening to China. But these had been resolved.” Carter later added, “our normalization of relations with the Peoples Republic of China was a major step for stability in the world and in the Pacific. He said we imposed limits on ourselves on how much we will favor the PRC over the USSR, for example, in the sale of lethal weapons.” (Memorandum of conversation; Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 38, Memcons: President: 5/80)

310. Memorandum of Conversation¹

Washington, May 28, 1980, 1:45–2:15 p.m.

SUBJECT

Summary of The President's and Vice President's Conversation With Vice Premier Geng Biao of the People's Republic of China

PARTICIPANTS

The President
The Vice President
Secretary of State Muskie
Secretary of Defense Harold Brown
Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Ambassador Leonard Woodcock
Assistant to the Vice President Denis Clift
Assistant Secretary of State Richard Holbrooke
Deputy Assistant Secretary of Defense Nicholas Platt
Charles Freeman, Director EA/PRCM, Department of State
Roger W. Sullivan, NSC Staff

Geng Biao, Vice Premier, State Council
Chai Zemin, Chinese Ambassador to the United States
Liu Huaqing, Vice Chief of General Staff
Chai Chengwen, Director of Foreign Affairs Bureau, Ministry of the National Defense
Chen Lai, Deputy Chief of Staff, General Logistics Department
Han Xu, Director, Department of American & Oceanian Affairs, Ministry of Foreign Affairs
Huang Zhengji, Deputy Director, Intelligence Department, The General Staff
Xu Yimin, Defense and Military Attache, Chinese Embassy
Lin Zhaonan, Minister, Chinese Embassy
Zhang Zai, Chief of US Division, Department of American & Oceanian Affairs, Ministry of Foreign Affairs
Zhang Naizheng, Deputy Division Chief, Foreign Affairs Bureau, Ministry of National Defense
Ni Yaoli, Interpreter, Ministry of Foreign Affairs

After the initial courtesies, *Vice Premier Geng* opened the conversation by noting this was his first trip to the United States. He said he was impressed with this great country and its people, noting that the United States stands in the front rank of advanced countries in its achievements in industry, agriculture, and economic construction. He added that this view was shared by all Chinese groups that have visited the United States.

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 70, Geng Biao Visit: 5/23–31/80. Secret. The meeting took place in the Roosevelt Room.

Expressing appreciation for the great honor of having the opportunity to meet with the Vice President, *Geng* offered the appreciation of his country, government and people for the Vice President's assistance during his visit to China and in helping to arrange for "loans to China". *Geng* noted (incorrectly) that during the Vice President's visit, we had signed two water conservancy agreements. (Actually one hydropower and one cultural agreement.) He also noted that China had taken its seat in the World Bank and the International Monetary Fund.

The *Vice President* welcomed *Geng* and said he hoped that his visit was proving useful in serving to broaden and deepen our relationship. Commenting on *Geng's* praise of the great qualities of the American people, the *Vice President* observed that no group contributes more to the strength and vitality of the nation than the Chinese-American community. He then described the visit to a commune in Guangzhou where out of 2600 family units 2100 had relatives in the United States. (The Chinese interpreter mistranslated this as "200 families had relatives in the US.")

(The President entered at this point. The press was admitted for a photo of the President with *Geng*.)

The *President* greeted *Geng* and asked him to convey his best wishes to Premier Hua Guofeng and Vice Premier Deng Xiaoping, noting that their contribution to our relationship is valued by all Americans. He said that *Geng's* visit, following that of the Secretary of Defense, was another step in what he was convinced would be steady progress toward closer relations between our two countries. He noted we have much to learn from each other and share many interests in common in our search for peace and stability in Asia. The *President* added that he looked forward to receiving a complete report of *Geng's* conversations with the Secretary of Defense, Secretary of State, and Dr. Brzezinski.² He emphasized that they speak accurately for him concerning our common interests involving the Soviet Union, Kampuchea, and other sensitive international issues. He said that there are some allies and friends—and, of course, adversaries who looked with concern on our growing friendship. It was our common responsibility to

² Harold Brown met with *Geng* on May 27 at 9 a.m. and May 29 from 2 to 4 p.m. Both memoranda of conversation, June 10, are in Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 70, *Geng Biao* Visit: 6/80. Over lunch on May 28, *Geng* and Muskie discussed Soviet ambitions and Sino-Soviet disagreements. The memorandum for the record by Platt, May 28, is in the Washington National Records Center, OSD Files: FRC 330-82-0217, China (Reds) 25 May 1980. The two met again that afternoon from 2:30 until 3:45 p.m. The memorandum of conversation is *ibid*. Brzezinski's meeting with *Geng* on May 29 from 10:05 until 11:15 a.m. focused mainly on Afghanistan and Cambodia. The memorandum of conversation, June 10, is in the Carter Library, National Security Affairs, Staff Material, Far East, Sullivan Subject File, Box 70, *Geng Biao* Visit: 6/80.

convince them that the improvement of our relations would enhance world peace and stability and advance the carrying out of our shared purposes.

Geng agreed that our two countries share the same views. He then said he had been directed by Premier Hua to convey on his behalf his best regards. It had been Hua's intention, he said, to visit the United States in the latter half of this year, but that would not now be possible owing to a tight schedule. He still hoped, however, to visit the United States later.

The *President* said he looked forward to welcoming Hua here and hoped that he would be able to visit China as President of this country. *Geng* assured him that he would receive a rousing welcome. He wished also to convey the best regards of Vice Premier Deng Xiaoping to the President, the Vice President, and the new Secretary of State, whom he congratulated on his appointment.

The *President* then asked Secretary Brown how the discussions were going. *Secretary Brown* reported that they had already discussed the world military situation extensively, but had not yet gone into detail on bilateral matters, including technology transfers and sales of military support equipment. There had been an advance team here discussing these matters in a preliminary way, *Secretary Brown* continued, and he thought it was clear that it will be possible to decide on the grant of some licenses before the end of the visit. He added that there was a formal meeting on this scheduled for the next day and that he was sure both sides would be satisfied with the outcome.

Turning back to discussion of our common interests, the *President* emphasized that our unchanging opposition to Vietnam's invasion of Kampuchea and the Soviet Union's invasion of Afghanistan were very important factors in our cooperation. *Geng* agreed and said that he looked forward to having in-depth discussions with the President's representatives on these issues. He added that it was his hope that when we have identical views on such issues, the United States would work on its allies while China worked on Third World countries, in effect taking parallel action toward common ends. The *President* then commented that he had read about Vice Premier *Geng's* background and experience and looked forward to getting his advice which, the *President* said, would be very valuable to us. The *President* concluded that we share so many common interests and so many common concerns, it is important that we look for ways to support each other in the United Nations, ASEAN and Africa, as we had already begun to do. The *President* then left the meeting after shaking hands with the members of *Geng's* party.

The *Vice President* continued the conversation by observing that when he visited China 10 months ago, the two sides had laid out an

agenda to give substance to normalization. Since that time, he said, progress had been phenomenal. There has been the approval by Congress of the Trade Agreement and extension of Most Favored Nation treatment to China. The PRC had also taken the China seat in the World Bank and International Monetary Fund, as Geng had noted. He added that we were also broadening our military relationship, first with Secretary Brown's visit and now with Vice Premier Geng's. We have developed flourishing cultural and scientific exchanges and signed agreements on hydropower. It was hard to overestimate the degree to which we had made progress. There were, however, four matters on which progress was needed, the *Vice President* said: a textile agreement, which we want and believe is also in China's interest; a maritime agreement; a civil air agreement; a consular agreement; and further progress on our housing problem in Beijing. With those, the *Vice President* concluded, we would have made a tremendous amount of progress. *Geng* agreed that we had moved ahead very rapidly.

The *Vice President* ended the conversation by recalling how much he enjoyed his visit to China and particularly his meetings with Premier Hua and Vice Premier Deng, the warm reception people had given him in Xi'an, and the opportunity to open our new Consulate in Guangzhou. He asked Geng to convey to Hua and Deng how much he appreciated their kindnesses.

311. Memorandum of Conversation¹

Washington, June 4, 1980, 1:15–1:30 p.m.

SUBJECT

US-Soviet Relations

PARTICIPANTS

President Jimmy Carter

Dr. Zbigniew Brzezinski, Assistant to the President for National Security Affairs
Ambassador Thomas J. Watson, Jr., United States Ambassador to the Soviet
Union

Mr. Marshall Brement, NSC Staff Member

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 38, Memcons: President: 6/80. Confidential. The meeting took place in the Oval Office.

[Omitted here is discussion unrelated to China.]

Ambassador Watson. My third point (turning to Dr. Brzezinski) and here you might disagree with me, because I'm going to mention China. The Soviets have a paranoid fear of China. They have a long border with that country and they are irrational on the subject. They do not talk about China. In fact, during my tour there no Soviet has even mentioned the subject to me. So I think it important that we do not take actions that will be misunderstood by them and that we maintain an evenhanded policy and not hurt them in this regard just to hurt them.

The President. All the actions we have taken toward China are based on our desire to improve relations with that very important country. We are not normalizing our relations with the Chinese just in order to hurt the Soviets.

Ambassador Watson. I am no historian, and Dr. Brzezinski certainly knows more about the subject than I do, but it seems to me that the Chinese have a tendency to jump around from bed to bed. And I think we ought to make sure that they are lashed down to our bed before we undertake actions which we might regret later on.

Dr. Brzezinski. You have to remember that we are very sexy people.

Ambassador Watson. The fourth point I would like to make, if I may, is to raise the confusion and conflict between the NSC and the State Department. This is bad for our country and, when such confusion exists, it cannot help but affect morale in our embassies, particularly when there is disagreement about basic policies.

The President. What kinds of policies?

Ambassador Watson. Well, China would be one thing—the policy of evenhandedness, especially the question of MFN and of supplying strategic products to the Chinese. We seem to be sending out mixed signals.

The President. This is a misconception. There have been no high level differences on China policy. You can ask both Ed Muskie and Cy Vance and they will tell you that all our decisions about China were reached with complete compatibility at the top level. There are, of course, differences within the State Department, with each area and head of area thinking his area should be preeminent and that his area is the most important for our foreign policy. Dick Holbrooke's attitude toward China is different from that of the man in charge of European affairs. I think that is the real origin of any confusion regarding our policies. The State Department is an unwieldy, compartmentalized bureaucracy. That is its nature and it is not going to change. On MFN, we wanted to move together with both the Soviets and the Chinese, but events made that impossible. I can assure you that on the question of

normalization with China and on the sale of military related equipment to China there have been no major differences at the top levels of this Administration. Isn't that so, Zbig?

Dr. Brzezinski. There's been only one difference that I am aware of. And that is that Fritz pushed for MFN for China even before we did.

Ambassador Watson. Still, I think we should keep in mind the basic nature of the Chinese and what they believe in. What are the real differences between the Chinese takeover of Tibet and what has happened in Afghanistan?

Dr. Brzezinski. One main difference is that the Chinese invasion of Tibet took place many years ago and the Soviet invasion of Afghanistan took place last December. We cannot as policy-makers deal with events which took place in the distant past, or continually place in the forefront such occurrences as the Soviet takeover of the Baltic States. In fact, the President's policy on the USSR was quite clearly articulated in his speech in Philadelphia.²

Ambassador Watson. I did not in any way mean to suggest that we should condone what the Soviets did in Afghanistan. If you look back at the original telegram sent out by Garrison and me on December 25, you will see that our recommendations encompassed about 80% of what the Administration finally decided to do about Afghanistan. We are in complete agreement with that policy.

[Omitted here is discussion unrelated to China.]

² Carter's address on May 9 to the World Affairs Council of Philadelphia on the goals of U.S. foreign policy is printed in *Public Papers: Carter, 1980*, pp. 867–874.

312. National Intelligence Estimate¹

NIE 11/13–80

Washington, June 5, 1980

SINO-SOVIET RELATIONS IN THE EARLY 1980'S

Key Judgments

The probabilities over the next three to five years strongly favor continuity over change in the Sino-Soviet relationship. There is latent dynamism in the relationship but changes, if they come, are likely to be marginal. Nevertheless, there is a possibility—perhaps one chance in 10—of larger changes toward either armed conflict or significant improvement in the relationship.

The future course of the relationship is likely to be influenced more by an evolution in Chinese perceptions and initiatives than by movement on the part of the Soviet Union. The incentives keeping China on its current course are powerful, but the consensus support for present policies, although widespread, does not appear to be universal. Significant changes in Chinese attitudes toward the USSR, if they occur, would likely be a byproduct of a Chinese reassessment of geopolitical factors, particularly the international role of the United States.

The present Soviet leadership, although interested in some amelioration of relations with China, is unlikely to pay an important political price to accomplish this. A successor leadership is likely to take the same view. The Chinese, in turn, also want to limit tensions, but also are unlikely to moderate their very high demands on the USSR. Minor progress in the economic sphere, however, is possible even in the absence of movement on the intractable border issue.

Steady increases in as well as modernization of the Soviet forces opposite China are likely to continue over the next several years, but Moscow does not appear to have either the desire or intention to attack China, and probably would not do so unless severely provoked. The nature of what constitutes provocation in the Soviet mind, however, may be in flux, and this could be a complicating factor in China's assessments of its options.

¹ Source: Central Intelligence Agency, Center for the Study of Intelligence, Master File. Secret; [*handling restriction not declassified*]. According to notes on the title page, the CIA, DIA, NSA, and the intelligence organizations of the Department of State, the Army, the Navy, the Air Force, and the Marine Corps participated in the preparation of this estimate. The Director of Central Intelligence issued the estimate with the concurrence of the National Foreign Intelligence Board. Information available as of June 5 was used in its preparation.

The situation in Indochina, and in particular current Soviet ties to Hanoi, has added a new dimension to the Sino-Soviet competition and is a further obstacle to resolution of the conflict. The Chinese appear to wish to avoid renewed hostilities on their southern border but have not renounced this option; a situation in which China posed a military threat to Hanoi or to the survival of the Vietnamese regime would be the most plausible trigger for direct Sino-Soviet hostilities.

The United States is a central factor in the calculations of both Beijing and Moscow. The Chinese view the United States as a source of help in the Four Modernizations, as a facilitator in their increasing intimacy with Japan and Western Europe, and as at least an ambiguous deterrent in Soviet military calculations about China. Thus, both Sino-US economic ties and especially the overall US posture in the international arena are likely to affect Beijing's estimate of its ability to fend off Moscow.

The USSR fears the possibility of growth in the Sino-US security relationship, but Moscow is not likely to offer Washington major inducements to prevent such growth. The Chinese are probably prepared to accommodate a considerable range of US attitudes on the direct security relationship so long as Washington does not significantly compromise important Chinese interests in its dealings with the Soviet Union.

[Omitted here is the body of the estimate.]

313. Memorandum of Conversation¹

Tokyo, July 10, 1980, 9:15–10:15 a.m.

SUBJECT

Memorandum of Conversation between President Carter and Premier Hua Guofeng of the Peoples' Republic of China

PARTICIPANTS

<i>PRC</i>	<i>U.S.</i>
Premier Hua Guofeng	President Jimmy Carter
Deputy Foreign Minister	Secretary of State
Han Nianlong	Edmund Muskie
Minister Counselor (Deputy Chief	Zbigniew Brzezinski, Special
of Mission of the PRC	Assistant to the President for
Embassy in Japan)	National Security Affairs
Wang Xiaoyun	Michael Mansfield, U.S.
Deputy Director of Asian Affairs	Ambassador to Japan
of the Foreign Minister	Michael Armacost, Deputy
Xiao Xiangchuan	Assistant Secretary of Bureau
Sun Ping: Notetaker	for East Asia and Pacific
Chun Hui: Interpreter, Director of	Affairs
Secretariat of Foreign	Donald Gregg, National Security
Ministry	Council Staff Member
	Vivian Chang (interpreter)

Following departure of the press, Premier Hua opened the substantive portion of the meeting by describing his strong respect for the late PM Ohira. Hua noted that he had been in Japan in late May and had held productive talks with PM Ohira. Hua said that on the day of his departure from Tokyo, PM Ohira had come to bid him good-bye, and then had gone on to a strenuous day of campaign speech-making. Ohira was hospitalized that night, and PM Hua learned of his untimely passing after his return to the PRC. PM Hua noted that PM Ohira had made a strong contribution to the development of ties between Japan and the PRC, and that he had been a far-sighted statesman. Hua said that PM Ohira had described his 1 May visit to Washington, and that he had expressed satisfaction with the talks he had held with President Carter.² Hua described Ohira's death as a loss to both the Japanese and Chinese people, and said that he would long be remembered.

PM Hua then said that he was happy to have a chance to meet with President Carter. He recalled that the President had issued an invita-

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 38, Memcons: President: 7/80. Secret. Carter and Hua were in Tokyo to attend Japanese Prime Minister Ohira's memorial service.

² Ohira visited Washington April 30–May 1.

tion for Hua to visit the U.S. when Vice Premier Deng was in Washington. Hua said that the press of official duties had kept him from accepting the invitation, and that he felt it important to meet at this time.

Hua said that he appreciated President Carter's decision to normalize relations with the PRC 18 months ago. He said that he had been pleased with the development of U.S.–PRC relations over that time. Hua noted that a few differences exist between the U.S. and the PRC, but said that this was a normal and natural thing, as even a single country or a family will have differing viewpoints as to how certain problems should be approached. Hua said he felt that the differences between our two countries are minor, and that they will work themselves out.

President Carter cited his own close ties with the late PM Ohira, and said that his death had been a tragedy. The President said that Ohira had frequently mentioned the advantages he saw in the development of close ties between the U.S. and the PRC. President Carter said that the U.S. and the PRC have made steady progress in developing their relations over the past 18 months. Even though some differences do exist, the President said that our countries share a common viewpoint on strategic and historical issues, where our interests are the same. The President noted that in his appearance on Japanese television a few minutes earlier, he had told the Japanese people that he believes the development of close U.S.–PRC ties will contribute to peace, stability and progress in the Western Pacific region. The President noted that our countries share common opportunities and common problems, especially in terms of responding to recent Soviet actions such as the attack on Afghanistan and Soviet support to the Vietnamese invasion of Kampuchea. These moves, the President noted, add a new dimension to our problems. The President said that this Soviet thrust to the South should not be accepted by the other countries of the world and viewed as maintaining the status quo. He said we should continue to oppose the Soviet moves.

The President said that in response to the recent SRV attack into Thai territory, we had expedited shipment by air to Thailand of some weapons they had ordered. PM Hua said that he had watched on television the delivery of 105mm howitzers by U.S. aircraft. He said that it was important to support Thailand, and that the PRC appreciated what the U.S. had done to expedite the shipment of arms.

The President replied that the volume of the aid was not great, but that the symbolism of the action had been important.

Turning to Afghanistan, the President said that some limited assistance was being given to the Afghan freedom fighters who are struggling for their independence against the Soviet invaders. The President noted that much of the Afghan army has defected to the freedom

fighters, taking their weapons with them. The President said that the U.S. considers it important to give assistance to those who struggle for their freedom. The President noted that Pakistan, even though under Soviet pressure, was participating to some degree in efforts to support the Afghan freedom fighters. The President said that these actions are very sensitive, and that it is difficult to discuss them in complete candor. He also noted that the U.S. is willing to exchange intelligence with the PRC on the situation in Afghanistan, and that we have benefited from some information received from the Chinese side.

Dr. Brzezinski said that the U.S. has not been indifferent or passive in responding to the difficult situation in which the Afghan freedom fighters have found themselves. Dr. Brzezinski noted that the freedom fighters have one need which the U.S. has not been able to satisfy. This is a need for SA-7 ground-to-air missiles, which would be highly effective in reducing the efficacy of the Soviet helicopter gun-ships. Dr. Brzezinski said that he had heard that the PRC either has or is producing the SA-7 missile, and that if such weapons could be given to the freedom fighters, an important contribution would have been made to their resistance.

President Carter said that we can deliver such weapons “indirectly but effectively” to the freedom fighters. The President noted that we had been careful not to send any weapons of U.S. origin into Afghanistan, as the Soviets would use such weapons for propaganda purposes.

Premier Hua said that the Soviet invasion of Afghanistan and the attack on Kampuchea had not happened by chance. Hua described the attack on Afghanistan as a premeditated plan by the Soviets, designed to give them control of the country. Hua then sketched the events in Afghanistan that led up to the Soviet attack. He noted that three Afghan presidents had been murdered in a short time. He said that this was a series of events almost without parallel, and that the murders had been the direct result of Soviet intervention. Hua said that the attack into Afghanistan was part of a thrust to the South by the Soviets, and that if they succeed in controlling Afghanistan, they will then move on toward the Indian Ocean and the oil-producing regions of the Middle East. Hua noted that the American CIA has predicted that Soviet oil production will decline, starting about 1985, and that the Soviets feel the need to seize oil producing regions. Hua commented that even if the Soviet oil production were not to decline, they would still undertake the same sort of strategic effort.

PM Hua then sketched his view of the Soviet strategy for the Middle East. He cited the use of Cuban proxies in Ethiopia and South Yemen. He said that the Soviets are taking advantage of the Arab-Israeli split to sow dissension among Arab nations. Hua said that Afghanistan was part of this strategy, and that the Soviets are confident

that they can succeed in achieving their objectives in the Middle East. Hua noted that it is easier for the Soviets to advance their interests in the Middle East than in the European area, where Warsaw Pact forces are directly confronted by the NATO alliance.

Turning to Iran, Hua said that the Soviets are also trying to exploit the situation there. He noted that the Iranian government lacks authority, and that there are 300,000 to 400,000 weapons scattered throughout Iran that the Soviets hope to acquire through activities of the Tudeh party. Hua said that the Soviets hope to cause trouble by starting other proxy wars. He mentioned Saudi Arabia, where there are influential groups of Palestinians, and said that things would be “hot” in the Middle East throughout the 1980s.

Premier Hua then spoke of Southeast Asia, where he said that the Vietnamese are like the Cubans in acting as Soviet proxies. He cited the fact that the Soviets now have the use of harbors at Danang and Cam Ranh Bay, and that they are using the airport in Saigon. Hua said he believes that if the Soviets consolidate their control (via the Vietnamese) of Kampuchea, they will then try to block the Strait of Malacca, making the vital link between their strongholds in the Middle East and the Indian Ocean and the Pacific. If the Soviets were to consolidate these efforts, Hua said he believed that their expansion and preparations for war would have been completed, and that the Soviets could then move “without scruples.” Hua said that with control of the oil-producing region of the Middle East, the Soviets “would have outflanked Europe,” and that the West would have no choice but to fight. He quickly added that to fight under such conditions would mean paying a heavy price and that it would be an unduly delayed response to Soviet strategy.

Hua said that the first line of defense against the Soviets should be in Afghanistan and Kampuchea. He said that the PRC hopes that the “Middle East question” can be solved quickly. Hua noted his satisfaction with the recent ASEAN Foreign Ministers’ meeting in Kuala Lumpur³ where the ASEAN FM also met with their counterparts from the U.S., Canada, Japan, Australia, and New Zealand, and said that the SRV attack into Thailand had produced more unity in ASEAN. President Carter said that the development of ASEAN’s strength and unity had been an encouraging development. He said that the Philippines and Australia were also clearly aware of the Soviet threat. The President said that the U.S. has been encouraged by the diplomatic exchanges between the PRC and India, but that we were disappointed by Indian recognition of the Heng Samrin puppet regime in Kampuchea.

³ The ASEAN Ministerial meeting took place in Kuala Lumpur June 25–26.

Hua replied that he had been pleased to note that the U.S. had regretted the Indian move.

The President said that in the long run good relations between the PRC and India, and India and the U.S. are important, and that we should not let India move closer to the Soviet Union without any action on our part. The President said that the U.S. is trying to arouse Western European consciousness of the threat to them which the Soviet attack on Afghanistan represents. He noted that the U.S. was having some difficulty in accomplishing this goal. The President said that the U.S. will increase its presence in the Indian Ocean through use of facilities in Oman and Kenya. The President said that we might also use facilities in Somalia, but that this option was still under review.

Premier Hua referred back to the subject of aid to Thailand. He said that the PRC is making every effort to assist the Thais, including shipments of "natural resources." He said that he had discussed this matter with Prime Minister Prem during their current visit to Tokyo. Hua said that the PRC was taking pressure off Thailand by tying down 29 SRV infantry divisions along the Sino-Vietnamese border. Hua said he had also told the Thais that the PRC would "side with them" if Vietnam made another large-scale attack into Thailand.

Premier Hua said that one difference between the PRC and the U.S. lay in our views of the Democratic Kampuchea movement. He said that in the Chinese view, the DK remains the main force of resistance to SRV control of Kampuchea. Hua said that the DK has reviewed and admitted some of its past mistakes. He deplored the Indian decision to recognize the Heng Samrin regime, which amounts to a derecognition of the DK, and said that if this became the start of a trend, the results would be damaging to efforts to block SRV control of Kampuchea. The Vietnamese attempted but were not successful in eliminating the Khmer Resistance Forces during the dry season. The U.S. position on this issue is important. Hua also noted that humanitarian aid from the international organizations to the Kampuchean refugees has been stopped. He said that if Kampuchea is to be part of the first line of defense against Soviet expansionism, the Kampuchean need support. Hua said that he hoped that the U.S. would keep these points in mind during the upcoming UN General Assembly vote on the DK credentials issue. He urged the U.S. to continue to vote for the DK.

President Carter replied that we do not have significant differences with regard to the Kampuchean situation. The President said that we cannot recognize the Heng Samrin regime, and that the Pol Pot forces (DK) have a terrible reputation. The President said that this makes it difficult to deal with American public opinion and the Congress on this issue. The President said that he and Secretary Muskie will prepare the U.S. Congress for a U.S. position that will prevent a transfer of creden-

tials to the Vietnamese puppet regime. The President added that he would have the Secretary call Secretary General Waldheim to urge expeditious implementation of the request from the ten nations at the ASEAN meeting that aid to the refugees be resumed. The President said that the U.S. would consult closely with the PRC before voting on the DK credentials issue at the UN in September.

Premier Hua expressed his thanks for this statement. He said that the PRC does not, as some allege, want to establish a pro-PRC government in Kampuchea. He said that the PRC was approaching the Kampuchean problem only in terms of its strategic implications. Hua noted that the DK has said that if the Vietnamese were to withdraw from Kampuchea, free elections should be held under UN auspices to decide on how the Kampuchean people want to be governed. Hua said that the first objective is to stop Soviet aggression and expansion in Kampuchea.

Premier Hua said he had discussed the PRC view of the situation in Pakistan with Senator Byrd, as well as with Dr. Brzezinski. Hua said that aid to Pakistan should be increased. Secretary Muskie, referring back to the DK credentials issue, said that the U.S. does not favor the "empty seat formula," that would amount to a Soviet victory. Secretary Muskie said that our major problem was with Pol Pot, and not as much with the DK movement as a whole.

Premier Hua said that Pol Pot is no longer head of the DK. President Carter said that this is understood. Premier Hua again urged that American aid to Pakistan be increased. He deplored India's recognition of Heng Samrin, and said that India changed her mind at the last minute and did not attend the recent ASEAN meeting because of the SRV attack into Thailand. Continuing to criticize the Indians, Hua said that India had helped to found the non-aligned movement, which was created to oppose the imposition of external influence on one country by another. India's vote for Heng Samrin, Hua said, meant that they were voting for a regime imposed by force—a violation of the principles of the non-aligned movement.

President Carter said that he agreed with this statement. Hua said that India's image will suffer great loss, and that by their vote they had missed an opportunity to play a greater role in the non-aligned movement. Hua said it was interesting to speculate as to why the Indians had taken the step of recognizing Heng Samrin. He said that it was directly related to the \$1.6 billion dollar military aid agreement India had just signed with the Soviets. He said that in this way, India was acting under foreign pressure, and that its reputation would suffer as a result.

Returning to the subject of Pakistan, Hua said that he had met General Zia recently, and that Zia said he hoped for more aid from the

U.S. Hua paid tribute to the two Islamic conferences,⁴ which he said had been helpful. He cited the three-man committee set up by the Islamic Conference as performing good work. Hua said that the Soviets have been putting pressure on Pakistan, even threatening it with “another dismemberment.” Hua praised Pakistan’s courage in standing up to the Soviet pressure. President Carter said that he agreed the Pakistanis have been courageous.

Referring to Iran, Hua said that the PRC has stated its opposition to the holding of the hostages. He said that he believes the Soviet attack into Afghanistan also threatens Iran. He noted that the Iranians have called upon the Soviets to withdraw from Afghanistan, and that the Iranians have said they will support the Afghan rebels if the Soviets do not pull out. Hua noted that the Iranians are keeping their word on this matter. Iran has refused to recognize the Soviet puppet regime in Kabul, and at the recent Islamic conference, the Iranians accepted six Afghan rebel groups as part of their own delegation. President Carter noted that the Iranians have also told the Soviets to reduce their presence in Iran, and that some of the 2,000 Soviet “advisors” will have to move out.

President Carter, noting the time, said that the Japanese Prime Minister was waiting to say good-bye, so that the meeting would have to draw to a close. The President said that the visit had shown the value of exchanging views with the Chinese leadership, and that, a few months after the U.S. election, the U.S. and the PRC should discuss the dates for exchanging visits by our Heads of State. He said that he hoped to see Premier Hua in China. Premier Hua responded simply, “welcome.”

The meeting ended after brief arrangements had been made for dealing with the press.

⁴ Reference is to the Conference of Islamic States, which convened in January and May.

314. Telegram From the Taipei Office of the American Institute in Taiwan to the Washington Office of the American Institute in Taiwan¹

Taipei, July 21, 1980, 0806Z

3666. Subject: Some thoughts on Taiwan.

1. (S/NF—entire text)

2. Summary. There is no formal policy statement concerning Taiwan, and we believe there should be none; however, we should be thinking about some areas of concern lest we drift into actions which hurt U.S. interests. We have been acting according to three guidelines: Making sure actions concerning Taiwan do not impede development of relations with the PRC, maintaining substantive ties with Taiwan including expanding trade as set forth in the TRA and helping to preserve the stability of Taiwan. The first has required attention to style. The second has proceeded well as trade statistics show. The third has now boiled down to maintaining confidence of the people and KMT leadership in the island's future which to a large part has been symbolically dependent upon the sale of defensive weapons and our nuclear cooperation. The latter has been handled very quietly and has worked well; the handling of military sales has been accompanied with more public attention, and a lowering of the level of debate concerning the follow-on aircraft would serve our overall China policy.

Another aspect of stability on Taiwan is the development of Taiwan's sense of identity and of a place in the world order, which would be furthered by Taiwan's wider participation in regional security and economic development. The U.S. previously somewhat shared Taiwan's concern about a PRC threat, but the threat is now reduced and there have now been many changes, such as the increased Soviet naval presence, its use of Vietnamese bases, the increased importance and vulnerability of the sea lanes of communication for Japan and South Korea. Taiwan is apparently discussing these matters with some favorably disposed Japanese individuals, who see connections between Taiwan's and Japanese security. These Japanese worry about Taiwan's being in unfriendly hands and believe that Japan's interests would best be served by the realities of Taiwan remaining what they are now. As

¹ Source: National Archives, RG 59, Central Foreign Policy File, P880139–1495. Secret; Nodis; Noforn.

for the U.S., although any sort of formal scheme is completely out, it should be possible to weave Taiwan with its military capabilities and facilities into our own unilateral thinking about the Western Pacific. Taiwan is involved in regional economic development, and the leadership appears to see advantages in expanding Taiwan's role. The U.S. should favor such non-official involvement since it will help maintain Taiwan's self confidence and may even provide a future opportunity for regional cooperation including both the PRC and Taiwan.

I stress again the inadvisability of a U.S. participation in the settlement of the Taiwan issue. Some intelligence reports of PRC views on reunification include the hope, if not the expectation, that the U.S. would assist in some way under the assumption that the U.S. has such a capability; such reasoning is dangerous for the U.S., particularly when combined with the line that U.S. arms sales remove pressures on the KMT for negotiations. Accepting PRC reasoning and cutting arms sales would meet with Congressional opposition and would also decrease rather than increase the will and the ability of the Taiwan leadership to deal with the PRC. U.S. participation in reconciliation would be seriously destabilizing in Taiwan under current circumstances given Taiwanese opposition to a "sell-out" by a U.S./KMT combination. The U.S. foreign affairs bureaucracy and political system are not well adapted to playing in this kind of a Chinese league.

In their own Chinese way the peaceful modus operandi between Taiwan and PRC is being extended, in part because of the KMT's confidence in the new American relationship. Trade, direct personal contacts, etc., are expanding, and, as in the case of the earlier stand-down of military confrontation in the Strait, new arrangements could be worked out quietly by the Chinese themselves provided the Taiwan leadership acts out of self assurance.

In sum, the essence of our diplomacy with Taiwan is instilling confidence in the people and leadership in the durability, reliability and profitability of the new relationship with the U.S. based on the TRA. Given the unofficial relationship, there is a great emphasis on style, particularly in handling efforts by the Chinese in Taiwan and their American supporters to revise the relationship. Lapses in style may detract from Congressional support for matters of substance in our overall China policy. Principles which should guide us while the Chinese work out peaceful solutions to Taiwan questions are: Maintaining the credibility of our commitment that the settlement will be peaceful; helping maintain the confidence of people and leadership in the future by reinforcing Taiwan's perception of a firm relationship with the U.S.; given the preceding U.S. actions and involvement in regional economic

development and security, Taiwan will have the capacity to deal with the PRC realistically. End summary.²

[Omitted here is the body of the telegram.]

Cross

² The Embassy in Beijing responded in telegram 7251, August 5, which argued, "We feel it is premature to try to address fundamental questions concerning Taiwan's future strategic posture at a time when the impact of normalization on the Taiwan/PRC relationship is just beginning to be felt and when it is much too early to predict what if any changes are likely to emerge from the new realities created by our shift in recognition to Beijing. We have always assumed that time would be required for this process to work. In the meantime, we have opted out of any direct use of Taiwan's military facilities and are committed only to maintaining a sufficient self-defense capacity for Taiwan against threats that have always been presumed to emanate from the PRC. It would seem self-evident to us under these circumstances that we should only address the question of an altered strategic posture for Taiwan as a function of future developments in relations between Taiwan and the Mainland. If we start trying to define a new defense role for Taiwan before the nature of the post-normalization Taiwan/PRC modus vivendi is discernible, we shall merely be creating potential contradictions in our policy which could conflict with our professed willingness not to impede any peaceful solution to the Taiwan question acceptable to the parties themselves." (National Archives, RG 59, Central Foreign Policy File, P870123–0765)

315. Memorandum From the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, July 21, 1980

MEMORANDUM FOR

The Secretary of State
The Secretary of Defense
The Secretary of Commerce

The following export control guidelines for China have been approved:²

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 4-7/80. Confidential.

² A July 15 memorandum from Sullivan and Huberman to Brzezinski reported, "A State/Defense/Commerce staff-level Working Group has developed a new set of guidelines for China that provide a framework for possible approval of items and technologies of a higher level than currently allowed. They also no longer require automatic denial of exports to military end users as is now the case." (Ibid.) These guidelines were approved during a meeting among Muskie, Brown, and Brzezinski. (Memorandum from Brzezinski to Sullivan and Huberman, July 17; Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 4-7/80)

Evidence that a stated end-user is engaged in military activities will not necessarily result in denial, inasmuch as we are now willing to approve cases for some military end-uses.

Equipment and technical data specially designed for the design, development or manufacture of military end-items probably will be denied if the end-items themselves would not be approved or would be approved only in limited quantities. Licenses will not be approved for equipment and technical data intended for the design, development or manufacture of nuclear weapons or delivery systems, electronic warfare or intelligence-gathering equipment.

Equipment incorporating advanced technology will not be approved if its performance exceeds the requirements of the stated civil use, or approvable military application.

The effect of these new guidelines will be that licenses will no longer be disapproved merely because the end-use is military or the end-user is engaged in military activity. Licensing may be approved even if the equipment or data could be used in the design, development or manufacture of tactical military items. Also, licensing will no longer be disapproved merely because the equipment incorporates certain advanced technology, assuming the level of technology is assessed as appropriate to a stated and accepted end-use.

The Department of Commerce should give priority attention to processing the backlog of cases for China. The Department of Commerce should also develop in cooperation with the Departments of State, Defense and the NSC a version of these guidelines suitable for public release. The processing of cases and issuing of licenses should not await release of a public version of these guidelines.

Zbigniew Brzezinski

316. Memorandum of Conversation¹

Washington, July 26, 1980, 11–11:35 a.m.

PARTICIPANTS

Chai Zemin, Ambassador of the People's Republic of China
Xu Shangwei, Interpreter
Zbigniew Brzezinski
Roger Sullivan, NSC Staff

After the opening exchange of pleasantries, Ambassador Chai began:

Chai. Today is your holiday (Saturday), but I wanted this brief meeting to inform you of a matter and hear your views. As everyone is aware, the election campaign between the Republicans and Democrats is underway. This is your internal affair, and we do not intend to get involved.

Yesterday Mr. Allen, Governor Reagan's advisor, telephoned to inform me of the Governor's interest in meeting with me at some future date and also of Bush's intention to visit China. Bush plans to meet with Vice Premier Deng Xiaoping.

We are not clear as to what is intended by the proposal. Under the circumstances I would like to hear your views. My Government has not yet replied.

Brzezinski. Thank you for letting me know this. Just let me comment separately on contacts with Mr. Allen and the proposed trip by Mr. Bush. It is perfectly normal for you to meet with Mr. Allen, especially since the Republican Platform on China is vague and contradictory and could lead to complications in our relations. Insistence on certain clarifications with Mr. Allen might be useful. Other Ambassadors will also be in touch with Mr. Allen in order to establish what the policies of a Republican administration might do.

A visit to China by Mr. Bush is another matter. That is clearly part of the Presidential campaign, and how it is handled will in some manner influence that campaign. From Bush and Reagan's standpoint, the ideal outcome would be that Bush go to Beijing, be received by the top officials and be able to do so on the basis of the Republican Platform.

He might even include a visit to Taiwan in the process. Then they would be able to say that the Republicans have stated publicly their

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 34, Memcons: Brzezinski: 7–11/80. Secret; Sensitive; Outside the System. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

criticism of President Carter's normalization of relations with China, that they have stated publicly a different approach toward Taiwan, and yet they have been cordially received at the highest level in China. That kind of political maneuver might not be constructive for our relations. It would not only be a signal of a domestic political type here, but would signal that the Chinese leadership is prepared to consider a relationship between the United States and the People's Republic of China which is based on a different approach to the question of Taiwan.

I have the text of the Republican Platform here. Let me quote:

"We deplore the Carter Administration's treatment of Taiwan, our long-term ally and friend. We pledge that our concern for the safety and security of the 17 million people of Taiwan will be constant, and we will regard any attempt to alter Taiwan's status by force as a threat to the peace of the region. We declare that a Republican administration in strengthening relations with Taiwan will create conditions leading to expansion of trade and will give priority consideration to Taiwan's defense requirements."

Could you let me know how this evolves? I am certainly grateful to you for letting me know this and for giving me a chance to express my reaction.

Chai. On one occasion, Mr. Allen contacted a member of my Embassy staff and expressed his interest in visiting China. Later we told him we agreed. The day before yesterday he called again to cancel his planned visit. He said he was displeased with an article written by our correspondent here and published in the *People's Daily* criticizing Reagan. We explained that this was an article by one correspondent and not an official view.

Allen called back later to say that Reagan would like to express his thanks for that explanation. He also said Reagan would like to meet with me and that Bush would like to visit China. Allen said he would accompany Bush.

We had discussed Allen's earlier proposal for his own trip with Mr. Holbrooke. He thought it would be useful for us to keep in touch with Reagan's staff. By doing so we would get to know Reagan's policies better and could ask for clarification.

Brzezinski. I have given you my views on the Bush trip which is different from a visit by staff. I hope you will keep in touch on this in the same spirit of frankness and friendship which has characterized all our meetings.

Chai. That is exactly how I feel. That is why I decided to keep you informed and to hear your views before we made a decision.

How do you feel about Reagan's request for a meeting with me?

Brzezinski. It is hard to object to such a meeting, but you may want some clarification of the Republican Platform which contains the potential for some retrogression in our relations.

317. Memorandum of Conversation¹

Washington, July 30, 1980, 3:30–3:50 p.m.

PARTICIPANTS

Chai Zemin, Ambassador of the People's Republic of China
Zhou Wen Zhong, Interpreter
Zbigniew Brzezinski
Donald Gregg, NSC Staff

After an exchange of pleasantries, Ambassador Chai began:

Chai stated that after his meeting of July 26 with Dr. Brzezinski,² he had reported to Beijing Dr. Brzezinski's views re possible travel to the PRC of George Bush. The Ambassador stated that Beijing had replied, and considered Dr. Brzezinski's views to be very important. Chai said he could assure Dr. Brzezinski that the PRC would make certain not to let a visit by Mr. Bush convey the impression that Beijing would be prepared to continue US–PRC ties on the basis of the Republican Party platform. Chai assured Dr. Brzezinski that the Chinese would not allow any retrogression to take place in US–PRC relations. He also stated that the PRC would take care so as not to allow the Republicans to reap any inappropriate propaganda value from contacts with the PRC in Washington or Beijing. Chai stated that whether during a George Bush visit to Beijing or in a meeting with Governor Reagan in the US, the PRC would request clarification of the Republican Party platform. Chai stated that these matters would be handled with the greatest prudence and that the PRC would not become involved in the domestic political affairs of the US.

Dr. Brzezinski thanked the Ambassador for being so informative and forthcoming. He stated that he was motivated by mixed feelings in

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Subject File, Box 34, Memcons: Brzezinski: 7–11/80. Secret; Sensitive. A July 31 covering memorandum from Brzezinski transmitted this memorandum of conversation to Carter. A handwritten "C" on the covering memorandum indicates that Carter saw the memorandum of conversation. (Ibid.)

² See Document 316.

dealing with this subject: one patriotic and the other partisan. From the patriotic viewpoint, Dr. Brzezinski stated that he wanted to assure continuity in US–PRC ties, and increasing strength and friendship in relations between the two countries. This he sees as a strategic necessity and thus would want no retrogression in relations to occur. Dr. Brzezinski said he felt the Republican approach could be potentially harmful. From the partisan viewpoint, Dr. Brzezinski said he was admittedly interested in not letting the Republican Party exploit their travel to the PRC for internal political reasons. Dr. Brzezinski stated that he was reassured by what Ambassador Chai had said with regard to both his patriotic and partisan concerns. He said he was confident that the Democratic Party would win the election, but that if by some chance they did not, that the new Administration should not be encouraged to take harmful steps. Dr. Brzezinski stated that the clarification received from Ambassador Chai would minimize the chances of such an occurrence.

Ambassador Chai repeated his assurance that the PRC would not allow US relations with Beijing to be damaged.

A discussion followed which determined that Governor Reagan has not yet followed up on his request to meet with Ambassador Chai. Chai stated that he would not take any initiative to set up the meeting.

Chai then stated his concern about unity of the Democratic Party and wondered if an “open” convention might take place. Dr. Brzezinski said that the term “open” convention was misleading. He stated that the Democrats would hold a “voters” convention based on the stated preference of the 19 million people who had elected delegates. Dr. Brzezinski said that there is some dissension within the party and that this could hurt the President’s chances. He stated that the Carter Administration insists on party unity and the nomination of President Carter as the only man who can defeat Governor Reagan. He stated that the Democrats must not have a recurrence of 1968, which resulted in the election of Richard Nixon. Dr. Brzezinski stated that party differences would decrease over the next two or three weeks. Ambassador Chai stressed the value of unity, from his own experience with the Chinese Communist Party. Dr. Brzezinski agreed with this.

Changing the subject, Dr. Brzezinski stated that Senator Byrd had come back well satisfied with the talks he had held in the PRC. Ambassador Chai agreed, stating that he had been present at several of these meetings.

The meeting ended at this point. Ambassador Chai said that he planned to make a similar report to Assistant Secretary Holbrooke.

318. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, August 27, 1980

SUBJECT

U.S.-Chinese Relations

Bush's visit to Beijing has precipitated a further Chinese reaction, reported by Ambassador Woodcock.² In effect, the Chinese have been provoked into reaffirming to us their right to liberate Taiwan by force of arms, a theme that has been muted since normalization; the Chinese have stated their opposition to the Taiwan Relations Act, and they assert that it must be rescinded if Sino-U.S. relations are to develop further; and the Chinese have stated that "we do not believe that the person who damages relations between the United States and the People's Republic of China will produce an intelligent foreign policy or possess a correct strategic perception."

The Chinese have asked that their communication to us not be publicized, though they are continuing their public attacks on Reagan and Bush.

I have marked some of the salient passages in the enclosed cable.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 8-9/80. Secret. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² A copy of telegram 8226 from Beijing, August 27, is attached but not printed.

319. Editorial Note

During the first meeting of the U.S.–China Joint Economic Commission held in Washington September 16–18, 1980, President Jimmy Carter and Chinese Vice Premier Bo Yibo signed four agreements in a White House signing ceremony on September 17: a Civil Air Transport Agreement, a Textile Agreement, a Maritime Transport Agreement, and a Consular Convention. In his remarks at the ceremony, President Carter said, "With the four agreements we are about to sign, the normalization of relations between the United States of America and the People's Republic of China is at last complete." The texts of the Presi-

dent's and Vice Premier Bo's remarks and the four agreements are printed in *Public Papers: Carter, 1980*, pp. 1771–1822.

Secretary of the Treasury G. William Miller's report to the President about the Joint Economic Commission's meeting is Document 324.

320. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, September 26, 1980

SUBJECT

NSC Weekly Report #155

[Omitted here is material unrelated to China.]

Military Technology Delegation to the PRC

General Odom of my staff accompanied Bill Perry's delegation to the PRC.² I am summarizing his observations for you.

He was surprised at the degree of access to tank, aircraft, naval, and electronics R&D and industrial production permitted to Perry's group. Chinese candor and openness allowed these major findings: (a) production technology stagnated at the level provided by the USSR in the 1950s; (b) Chinese recognition of their military vulnerabilities and of their inability to remove them soon without foreign assistance, and (c) Chinese determination to develop, preferably, a cooperative military technology relationship with the U.S., and if not with the U.S., then with other Western states.

Technical stagnation has reduced the PRC military capability to insignificance except for masses of infantry troops. Chinese tanks are so

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 42, Weekly Report (to the President), 151–161 (8/80–12/80), 155. Secret. A handwritten "C" at the top of the page indicates that Carter saw the memorandum.

² Perry's account of his trip reads in part, "Having gained some understanding of the level of Chinese technology, their ability to absorb new technology and their needs, I believe we will need to consider, by early next year, some evolution in our present policy. First, I am convinced that the lack of a government-to-government relationship will severely hamper the effective transfer of technology." He added, "The second evolutionary policy change to be considered is the extension of our guidelines to include improving the tactical effectiveness of the PRC military forces without producing a threat to our other allies in Southwest Asia." (Memorandum from Perry to Harold Brown and Claytor, September 25; Department of State, Files of Nicholas Platt, DOD 1980–1981)

poor that they have dropped to 15–20 percent of output capacity to avoid arming the PLA with equipment that will only cause casualties to itself and not to Soviet or Vietnamese forces. Chinese combat aircraft use only optical sights with machine guns and cannons, wholly inadequate for air operations against the USSR or Vietnam. Chinese computer R&D is at the 4K microcircuitry level, struggling to move to 8K chips.

The Chinese pled for any kind of assistance in improving their military posture. Perry's technicians identified many low and medium level technology transfers that could serve an "evolutionary" upgrading of Chinese military industries (e.g. anti-tank ammunition, longer life diesel engine and jet engine technology, radars for the new F-8 fighters). They concluded that high-technology transfers will do virtually nothing for the Chinese military capability in the coming decade, perhaps never because they lack the cadre infrastructure to exploit them.

The policy choice that seems to be shaping up is whether to proceed as in the past on the scientific and high technology level, eschewing military technology cooperation, *or* to shift the emphasis to modest but direct technology improvements for the Chinese military industrial base. If we do not shift the emphasis, we will achieve nothing in redressing the Sino-Soviet military balance; yet we will be perceived as having tried to do so and failed. At the same time, we will transfer very advanced technology which can only frustrate the Chinese without improving their helpless military posture.

321. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 3, 1980

SUBJECT

US–China Grain Agreement

Last May, the Chinese expressed interest in negotiating a bilateral grain agreement. Before we could initiate discussions, the news leaked,

¹ Source: Carter Library, Brzezinski Donated Material, Subject File, Box 37, Serial Xs–(10/80–12/80). Secret. At the top of the page, Carter wrote, "Zbig. J." Underneath, someone wrote, "10/07/80." Sent to Brzezinski under an October 3 covering memorandum from Deal. (Ibid.)

and the Chinese withdrew their offer. Recently, USDA renewed contacts with the Chinese, and we now have the outlines of an agreement which we hope to sign in Beijing next week.

The agreement will call for the Chinese to purchase between 6 and 8 million metric tons (MMT) of wheat and corn each calendar year for a four-year period (1981–84). The Chinese believe that this amount is “realistic” and reflective of their probable demand for US grain. A higher level would obviously have greater public impact here, but it would create problems with Canada and Australia, who are traditional suppliers to China, and set a precedent for any future negotiations with the Soviets on grain. We plan to accept the 6–8 MMT band.

We expect that the Chinese will accept a condition calling for prior mutual agreement if China desires to purchase less than 6 MMT or more than 8 MMT. We will make clear in our public announcements that we intend to approve purchases above 8 MMT and that the agreement is not designed to restrict sales to the PRC.

A grain agreement will benefit both sides. The Chinese want one because of the certainty it provides in the planning process. An agreement is in our interest because it will: (1) add another element to our expanding bilateral relationship; (2) guarantee us a substantial share of a new and growing market for imported grain; (3) facilitate policy planning on such domestic farm issues as acreage set-asides and loan support levels; and (4) deflect criticism about the grain embargo.

There are some drawbacks as well: (1) Any disparities in the buyer’s favor between the US–China and US–Soviet agreements will likely become a precedent for Soviet demands in any renegotiation of the latter. We can minimize this problem by concluding an agreement similar to the US–USSR arrangement. (2) A US–China agreement will intensify producer pressure on the Canadian and Australian governments to declare an end to their cooperation in the partial grain embargo against the USSR. This danger will be substantially less if we stay in the 6–8 MMT range. We would have preferred to consult with these governments in advance, but did not do so for fear of leaks. A call or personal message to Trudeau and Fraser before any public announcement will help to avert adverse government reaction in Canada and Australia. I will furnish talking points for such calls (or proposed messages for transmittal by cable) when we are ready to initial the agreement.²

The Chinese have moved more rapidly toward an agreement than we anticipated. State and USDA have sent a small team to Beijing this week, and they expect to have an agreement ready for signature by Oc-

² Carter wrote, “messages” in the right margin.

tober 6. If they are successful, you might consider making the announcement personally on October 7 or 8.³ *Until an agreement is concluded, however, we are holding this information close because any premature public discussion would almost certainly cause the Chinese to withdraw from the negotiations.*⁴

³ Carter wrote, “yes” in the right margin.

⁴ Carter wrote, “ok” in the right margin. A U.S.–China Grain Agreement was signed in Beijing on October 22.

322. Memorandum From the President’s Assistant for National Security Affairs (Brzezinski) to President Carter¹

Washington, October 10, 1980

SUBJECT

U.S.–China Relations

The public has not been told enough about your major accomplishment in transforming the character of the U.S.–Chinese relationship. That transformation is a genuinely historical accomplishment, and Reagan’s comments suggest that his victory could place this relationship in some jeopardy. As you make the announcement of the U.S.–China Grain Agreement,² you may want, therefore, to put that agreement in the context of the transformation of our relationship in all fields over the last two years with the largest country in the world.

Within a month of the establishment of diplomatic relations in January 1979, you met with Vice Premier Deng Xiaoping in Washington to begin the process of building a long-term structure for the U.S.–China relationship. As a result of the initiatives begun at that time and the more than 25 agreements which have been signed since, there has been a phenomenal growth in the whole range of official and private contacts.

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 10/80–1/81. Confidential.

² Carter drew an arrow pointing to this paragraph and wrote, “Zbig—Incorporate (briefly) in announcement. J.” The October 22 White House statement announcing the signing of the agreement is printed in *Public Papers: Carter, 1980*, pp. 2423–2424.

—Trade more than doubled from \$1.1 billion in 1978 to \$2.3 billion in 1979. This year we estimate it will almost double again to \$4 billion.

—In 1978 we had no exchange of students. Now there are about 4,000 Chinese studying in the United States and 100 Americans studying or teaching in China.

—About 100 Chinese delegations per month visit the United States.

—We expect upwards of 70,000 Americans to visit China in 1980.

—About 25 cultural and sports delegations from China have visited our country in the last six months, and we are reciprocating with visits both by orchestras and other cultural groups as well as our Olympic athletes.

—We have 13 separate working agreements in science and technology which not only give us current and political commercial benefit but make it possible for our scientists and technicians to share in China's research in medicine, earthquake prediction, and agriculture.

The establishment of diplomatic relations with China made it possible for us to move ahead to build this new relationship into one which truly enriches us in knowledge, trade and culture. Parallel with these efforts to expand our commercial and cultural relations, we have begun carefully and deliberately to build a consultative relationship which will enable us to work together to identify and cooperate on issues of common interest. We now have regular consultations both to discuss issues of mutual concern such as the Soviet invasion of Afghanistan and to explore new areas of possible cooperation. This long-term strategic relationship, replacing 30 years of isolation and mutual hostility, is already contributing significantly to the preservation of peace and stability in East Asia and will increasingly contribute to the preservation of world peace.

323. Telegram From the Department of State to the Embassy in China¹

Washington, October 14, 1980, 1309Z

274184. Subject: Secretary's Meeting with Chinese Ambassador. Ref: Beijing 10000 (Nodis).²

1. (S) entire text.

2. Summary. Secretary Muskie called in Chinese Ambassador Chai Zemin on October 13 to review the bilateral relationship and the issues of difference which have recently arisen. The Secretary underscored his personal involvement and commitment to the improvement in relations, and reiterated the President's commitment to implement strictly the joint communiqué of December 15, 1978.³ Deputy Secretary Christopher then spelled out in detail our views on the AIT–CCNAA Agreement on Privileges and Immunities (P and I), and on the reported sale of five "warships" to Taiwan. The Secretary noted the unfortunate timing of these developments in the midst of our election campaign and assured Chai that they were not politically motivated. He also said that Taiwan has its own reasons for portraying our relationship in a different light, but we will continue to abide by our bilateral commitments to China. Christopher regretted the premature leak on the grain agreement and urged that it be concluded without delay. Chai responded that we continued to have differences over Taiwan, and that when issues such as continued US arms sales to Taiwan or the P and I agreement emerge, China "cannot but raise its objections." However, Chai did not link the current or future status of US–China relations to these issues. The Secretary said that we expected China to watch developments regarding Taiwan closely—indeed, it should do so. But China should also understand that US policy has been consistent in the direction of better relations and that we are abiding by our commitments. Chai agreed to press for early conclusion of the grain agreement. End summary.

3. The Secretary met with Chinese Ambassador Chai at 11:00 a.m. on October 13. Also attending were Deputy Secretary Christopher,

¹ Source: National Archives, RG 59, Central Foreign Policy File, P870123–0585. Secret; Immediate; Nodis. Drafted by Darryl Johnson (EA/C) and approved by Christopher, Freeman, and Negroponte.

² In telegram 10000 from Beijing, October 10, Woodcock reported that Deng had expressed dismay with recent U.S. decisions regarding arms sales to Taiwan and an agreement between the AIT and the CCNAA on privileges and immunities. (National Archives, RG 59, Central Foreign Policy File, P900105–0785) The agreement was signed on October 2.

³ See Document 171 and footnote 2 thereto.

Acting EA Assistant Secretary Negroponte, EA/C Director Freeman, EA/C Political Section Chief Johnson, and interpreter Chang. Ambassador Chai was accompanied by his interpreter Zhou Wenzhong.

4. Chai began by welcoming this opportunity to meet with the Secretary and commented that the Secretary's schedule had been extremely busy since he had taken office and that it had not been possible for them to hold a separate meeting previously. The Secretary replied that even though they had not held a separate meeting, China had been very much in his mind during his months in this position. He noted that he had gone to China as the head of a Senate delegation in the fall of 1978 and at the time had not been aware of the substantial movement towards the normalization of relations. He had hoped through this visit to help that process, and this was a major reason for going. The trip had been one of the most stimulating and interesting he had ever made as a US Senator, he said, adding that in Shanghai, Beijing, Guilin and Canton he had been impressed that the Chinese people seem to be so extremely busy. When the President had announced, together with the Chinese leaders, the decision to normalize relations, he had felt a personal stake in and a sense of satisfaction with this step.

5. In Shanghai and elsewhere he and the others in his delegation had carried on a continuous political dialogue with their Chinese hosts and with other officials, and through this dialogue had acquired a sense of the important issues to be faced in building a new relationship with China. As a member of the Senate Foreign Relations Committee, he had been involved in taking the necessary legislative steps to implement the President's decision. There had been a great deal of debate at the time, yet less than might have been expected given the history of difficulties between us in the past. In his state and elsewhere the reaction to normalization had been very positive and in the two years since that time the support has remained strong and even increased. This was a very satisfying development. This support was strengthened by the rapid pace in the improvement of relations which would not have been thought possible two years ago. It was a happy day recently when the President hosted the signing of four new agreements in the Rose Garden.⁴ This event got good media coverage in the US and was seen widely as a positive and constructive celebration of our new relationship. It is important to understand, the Secretary continued, that normal relations between the US and China have widespread public support in this country. It is a relationship based upon mutual benefit, but it also has a warm human component. It is unavoidable, however, that there will from time to time be incidents or issues of difference which need explaining. He welcomed the opportunity therefore to try

⁴ See Document 319.

to clear up some issues which had arisen recently and to avoid misunderstandings.

6. Ambassador Chai replied that relations have indeed grown very rapidly. Since January 1, 1979, the two governments have resolved many problems and have reached agreement in many areas. The relationship has evolved in a “generally satisfactory” manner. But sometimes there are problems which need to be resolved in order to help the further development of relations. The international situation—that is, the global strategic situation—required our two countries to cooperate more closely. This cooperation meets the needs and interests of both peoples. He said that as Chinese Ambassador, it was his mission to promote this cooperation.

7. One subject which we have discussed from time to time, but on which we still disagree in some manner or other, is Taiwan. We have discussed this issue since the establishment of diplomatic relations and the passage of the Taiwan Relations Act (TRA), but the problems still exist. When they emerge, it is necessary that both sides pay attention to them so as to avoid differences—the emergence of new differences. Taiwan is a sensitive issue within China, and a sensitive issue within the US–China relationship. He (Chai) had talked with Deputy Secretary Christopher on this issue several times. China’s views have been clearly stated to Department of State officials in Washington and by the Chinese Foreign Ministry to Ambassador Woodcock in Beijing. There is therefore no need to repeat these points at this time, he concluded.

8. Deputy Secretary Christopher then said that he would like to address two issues which have recently become irritants in the relationship. He reiterated that there was strong support in the US for normal relations and that the communiqué of December 15, 1978 is the basis of our relations. President Carter is personally committed, and has ordered all others to implement the terms of the communiqué scrupulously; we have done so and will continue to do so.

9. On the specific issue of privileges and immunities for Taiwan representatives in this country, the Taiwan Relations Act calls for “functional immunities” for representatives of CCNAA to carry out their nongovernmental commercial, cultural and other activities in this country. Christopher said that he himself had explained to the Ambassador at the time that these would not be full diplomatic immunities. The new agreement had been no secret, but was known to be under negotiation and the direction of these negotiations had been explained earlier. It is important to distinguish the agreement itself from the Taiwan reaction to it, which has been exaggerated and self-serving. The agreement itself is entirely consistent with the intentions of both the Taiwan Relations Act and of the joint communiqué. It says explicitly that the two organizations are unofficial and the actual P’s and I’s

which have been granted are limited to those specified in the agreement. It does not confer other P's and I's which the Ambassador and other foreign diplomats have on matters like taxation, blanket immunity from arrest, etc. The official press on Taiwan has portrayed the agreement as having a more official character. We have let our concern about this inaccurate portrayal, and other problems, be known very clearly.

10. The timing of this agreement was unfortunate, but it was not part of any effort to appeal to voters who may favor stronger US support for Taiwan. Ideally the agreement should have been timed differently, but it is important to understand that this was not a political act.

11. Concerning reports that the US was selling five warships to Taiwan, this too was greatly exaggerated. The vessels in question are an oiler, a floating drydock, and a survey ship, all of which are about thirty to thirty-five years old, and can hardly be seen as provocative. The two others are coastal patrol boats, but no decision has been made about their transfer yet because they may be needed by our own Coast Guard. Among the old vessels two have been leased to Taiwan for several years, and the transaction now is really a means of terminating a relationship rather than expanding one.

12. Turning to the grain agreement, the Deputy Secretary said we regretted the premature leak in our press, but as the Ambassador was well aware, this was a common problem in our free society with a very aggressive press. We hoped nevertheless that this disclosure would not delay the initialing, the signing, and the announcing of the agreement. The President himself wanted to announce it and to use the occasion to underscore the importance he personally attaches to the relationship with China.

13. Chai responded that before the TRA had been passed Foreign Minister Huang Hua had raised the question of privileges and immunities and other related questions with Ambassador Woodcock, and he (Chai) had raised them with Mr. Christopher. The Chinese had stated their opposition to some provisions of the Act. But the Congress passed it anyway including some of those provisions. At the signing ceremony the President said that he would implement the act in accordance with the joint communiqué. But in the twenty-one months since normalization, the US has in some respects dealt with Taiwan purely on the basis of the Taiwan Relations Act. This "cannot but evoke a response from our side." Concerning the recent developments, the continuation of US arms sales is tantamount to interference in China's internal affairs. "The US recognizes Taiwan as a part of China," he said. Therefore to continue selling arms is tantamount to interference and China must react. Concerning the P and I agreement, even though it says that it is unofficial and nongovernmental, in fact it grants the equivalent of dip-

lomatic privileges and immunities and diplomatic status to the Taiwan representatives. The only exceptions, so far as China can see, are, for example, that the members of this organization are not listed on the Diplomatic List or given diplomatic ID cards. In essence, therefore, this is the same as other P and I, and differs only in form. China raised this point in the past but never accepted the American position. The objections are no different now than before, but the US side signed this agreement anyway. China cannot ignore this development. Concerning the five ships, the issue is that it is yet another arms transaction to Taiwan. After the previous announcement of arms sales, China objected. But the US is continuing to sell arms.

14. Concerning the civil aviation agreement, which was recently concluded, the US had undertaken to issue a statement concerning the Taiwan flag and symbols on its air carrier. But the Embassy has not seen this statement. There has been no mention of it in the US press and China is not aware that the statement was ever issued.

15. EA/C Director Freeman responded that the statement had been publicly distributed on the afternoon of September 17 during a background meeting with members of the press. We had been pleasantly surprised to find that a pro-KMT newspaper in New York, the *Shijie Ribao* on September 19 had carried the statement in Chinese almost in full. Xinhua had inexplicably not attended the background briefing and therefore may not have received the statement. We would be happy to supply it. Regarding that statement, we have done what we said we would do.

16. Mr. Christopher said that he wanted to respond to one point which the Ambassador had made, namely to emphasize that the immunities which are granted in the new agreement are not essentially the same as those granted to diplomats. There is more than a formal difference. We would be happy to have our experts discuss this point with the Chinese Embassy to point out what the differences are. The agreement does not confer broad immunities but is limited and specific.

17. He then asked whether the Ambassador could predict when the grain agreement might be concluded. Chai replied that in his meeting with Assistant Secretary Holbrooke on Thursday, NSC Staffer Sullivan had raised the question of the agreement and the timing of the announcement. The Ambassador had immediately cabled Beijing and had received the reply that it would not be possible to announce it until the formal procedures had been completed. This involved approval by the State Council and it would not be appropriate to announce the agreement or to initial it before the State Council had approved it. However, he added, he did not expect this to take very long and he undertook to report the Deputy Secretary's views and to urge the early conclusion of the agreement.

18. Secretary Muskie then said that the status of Taiwan has been a sensitive issue before and since the normalization of relations. We had sought to resolve it on a pragmatic basis, realizing that we would not meet all of the conditions which China would have preferred. We know that China will watch this issue closely, and it should do so. But China should also keep in mind that the constant thrust of our approach is to solidify, expand and develop further our relationship with the PRC. It is unfortunate that in the current political campaign the question of “official,” or “unofficial” relations with Taiwan have muddied the issue. The Secretary said he could assure the Chinese that our relationship with Taiwan is strictly unofficial, and it will stay that way. We meticulously abide by the understandings reached between the two governments two years ago. Ambassador Chai said that if both sides handle our relations on the basis of the joint communiqué, they would continue to progress.

19. Comment: Chai was careful not to state or imply that our relations would suffer as a result of current irritations. His phrase, repeated in different contexts, was that the Chinese “cannot but voice our objections” when issues like these arise. He also avoided debating specific points, but reiterated China’s consistent opposition to continued US arms sales to Taiwan and to the implication that the P and I agreement confers a degree of official status for Taiwan representatives. Interestingly, he placed arms sales ahead of P and I in his response to the Deputy Secretary, and made it clear that China’s objection was to arms sales per se, not specifically or exclusively to the recent transaction involving naval vessels. Finally, Chai’s tone throughout the seventy-five minute meeting was cordial and pleasant, very much in keeping with the tone which the Secretary set of clearing the air between friends.

Christopher

324. Memorandum From Secretary of the Treasury Miller to President Carter¹

Washington, October 27, 1980

SUBJECT

U.S.–China Joint Economic Committee and Recommended Next Steps in the
U.S.–China Economic Relationship

The U.S.–China Joint Economic Committee (JEC) held its first meeting in Washington September 16–18, 1980. The culmination of the session was Vice Premier Bo's meeting with you and the signing of the bilateral textile, civil aviation, maritime and consular agreements.² In addition, the JEC provided a timely forum for both governments to maintain the forward momentum of our rapidly evolving economic relationship and view within a cohesive framework the numerous bilateral economic issues which are developing between us.

The United States delegation included representatives from Treasury, State, Commerce, USTR, Energy, Agriculture, Labor, the NSC, Eximbank, OPIC, Trade and Development Program, and Office of Science and Technology. The Chinese side, led by Vice Premier Bo Yibo, included Finance Minister Wang Bingqian, and officials from government agencies responsible for planning, capital construction, foreign investment, machine building, import-export, science and technology, finance, foreign trade, foreign affairs, and banking. Both countries were extremely well represented, and well prepared for the talks. Ambassadors Woodcock and Chai Zemin also participated.

In the course of our discussions, three issues of concern repeatedly emerged:

—Of paramount importance to the Chinese was the question of finance. The Chinese acknowledged their appreciation for access to U.S. Government programs such as Eximbank, Commodity Credit Corporation, Trade and Development Program, and the Overseas Private Investment Corporation. Nevertheless, they emphasized that the terms and amounts of the USG offers were less favorable than those offered by the Europeans and Japanese. Specifically, the Chinese requested that Eximbank lend at more favorable rates (than its current 8.75%) and that

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 10/80–1/81. Confidential.

² See Document 319.

the U.S. consider concessional assistance for China. We emphasized that the terms offered by Exim are the best it can provide worldwide and explained the legislative constraints which prohibit aid to the PRC. The Chinese stressed that the world situation, and especially U.S.–China relations, has changed dramatically and that our aid policy and legislation should be reconsidered.

—The Chinese also expressed concern about their growing trade deficit with the United States. Two-way trade in 1979 was weighted heavily in favor of the United States: our exports totaled approximately \$1.7 billion, while Chinese exports accounted for roughly \$594 million—the bulk of which was textiles and other light industry goods. Aware that their export potential lies in U.S. product sectors which are domestically sensitive (e.g., textiles, footwear), the Chinese have asked for “favorable consideration” as they seek to expand exports to the United States. The Chinese also reiterated their desire to receive Generalized System of Preferences (GSP) treatment, which we cannot consider until China becomes a member of GATT.

—The third area pertained to the role U.S. firms can play in China’s modernization drive. While both sides acknowledged the competitiveness of American firms and in some areas the clear superiority of American equipment and technology, we stressed the need to address problems of business facilitation. Lack of adequate commercial and banking conditions in China have hindered the expansion of business contacts. Moreover, in order for U.S. firms to take advantage of the opportunities provided by China’s capital construction projects, we emphasized the need for more information on these projects and China’s priorities.

In general, however, the tone of the meeting was very positive. Both governments used the occasion to underscore the importance each attached to increased economic cooperation. We reviewed with satisfaction the enormous progress made thus far in the course of normalizing economic relations, including the numerous exchanges of top economic officials; the conclusion of Claims Settlement, Trade, and other important agreements; the expansion of trade (from \$1.2 billion in 1978 to approximately \$4 billion in 1980) and banking ties (more than 50 U.S. banks now have correspondent relations with the Bank of China); and China’s access to Eximbank and other programs which facilitate trade and investment. Progress was also cited in science and technology, energy (including oil and hydroelectric power), technology transfer (with liberalization of our export control policy toward China), and cultural exchanges.

Vice Premier Bo also discussed the recently concluded National People’s Congress and stressed the continuity of China’s economic pol-

icies. He emphasized that China will not change its policy of expanding relations with foreign countries as it seeks to modernize.

At the conclusion of the meeting, the two sides recognized that much work remains to be done. The discussions at the JEC indicated a need to move forward in the following areas:

Business Facilitation. We need to develop procedures for the establishment of business offices; visa and other arrangements for entry, travel and residence; adequate office and housing space; customs and taxation; and our proposal for government trade offices in each country. To assist U.S. firms' participation in China's major projects, we also need to continue to exchange information regarding the priority and status of these projects. Discussion on these issues will continue when Commerce and other USG officials visit China in November.

Trade Expansion. In order to maximize our trade potential and ensure the orderly marketing of sensitive products in each country, we need to continue our dialogue with the Chinese on trade practices and policies. Governor Askew discussed these matters during a visit to China this month. We also need to cooperate fully on trade promotion programs and the staging of trade exhibitions, in accordance with the Trade Exhibition Agreement. The first Chinese exhibition opened in San Francisco September 14, and Secretary Klutznick will be in Beijing to open the first U.S. exhibition on November 17.

Overseas Private Investment Corporation (OPIC). OPIC and China International Trust and Investment Corporation officials initialed an OPIC bilateral agreement in Beijing October 7. The formal exchange of notes is expected to take place in the near future. Conclusion of this agreement will send a positive signal to more than 80 U.S. investors who have already indicated an interest in OPIC's insurance and finance programs for China.

Eximbank. Throughout the JEC meeting, we emphasized that Eximbank is prepared to start processing Chinese applications. To date, Eximbank has issued one commitment for China for a sale of \$80 million of steel mill equipment. We expect Bank of China and Eximbank officials to continue their discussion to expedite procedural understandings and clarify China's priorities on projects in order to take advantage of the \$2 billion in credit arrangements the Vice President announced we would make available to China. This will facilitate the sale of U.S. exports to China. It will also, however, further tax Exim's strained resources and add to the need to find ways to augment them.

Trade and Development Program (TDP). Both sides agreed that, despite the modest size of TDP, it can play an important role as China pursues development projects and U.S. firms seek participation. The

U.S. side noted the role that TDP has already played in implementation of the U.S.–China Hydropower Agreement by helping to finance technical exchanges. The Chinese indicated that they would submit additional project applications to TDP.

Banking. The Chinese acknowledged the need to facilitate the expansion of banking relations, but noted that limited housing and office facilities currently restrict their ability to consider U.S. bank applications for representative offices. Discussion on this subject will have to continue. The Chinese, however, remain interested in opening a branch of the Bank of China in the United States—a move which we have been encouraging.

Taxation. The Chinese asked to continue discussion of U.S. foreign tax credit policy and we requested clarification of their new tax codes. U.S. investors, especially oil companies, have repeatedly inquired about China's tax laws and implications for U.S. taxation. Treasury officials will travel to China this fall to continue discussions on these issues, and possibly to exchange notes on taxation of civil aviation and maritime profits. Eventually, consideration will also be given to a bilateral income tax treaty.

Investment. Both the U.S. Government and potential private investors need to know more about China's new Joint Venture Law and subsequent investment regulations. Discussions of these topics will continue in the months ahead. Also, once an OPIC agreement is concluded, we may wish to consider the merits of an investment or commercial treaty with the PRC.

Over the longer run we will have to reexamine various aspects of our economic policy toward China to see whether they adequately promote U.S. economic objectives, and to ensure that they are consistent with our strategic and political objectives. Examples could include whether or not China should be granted GSP treatment once it becomes a member of GATT and the pros and cons of concessional aid. We may also wish to examine whether current USG programs available to China (such as Eximbank, TDP, OPIC, CCC) have sufficient resources to support our several policy goals. The need for coordinating such a wide range of U.S. policy tools and separate programs strongly counsels continued use of the overview forum represented by the JEC.

The U.S. side of the JEC will be meeting frequently to coordinate our follow-through on the many issues discussed in this report. We also intend to meet informally with our Chinese counterparts throughout the year in order to ensure the continued orderly development of our economic relations, and to prepare for the next session of the JEC in 1981.

This report reflects the comments of the Departments of State and Commerce, USTR, the Export-Import Bank, the Overseas Private Investment Corporation, and the Trade and Development Program.

G. William Miller³

³ Miller signed "Bill" above this typed signature.

325. Memorandum From the Under Secretary of Defense for Policy (Komer) to Secretary of Defense Brown¹

Washington, November 22, 1980

I would add a "political" reason to the strategic case for modest Western defensive arms supply to China. Our hope for a more pragmatic and pro-Western Beijing regime lies in Deng and his reforms. Yet military is the last among Deng's "Four Modernizations," and we keep hearing about military unhappiness with both this and Deng's reforms.

To the extent that the US assists military modernization it would tend to ease these problems in my view, while China's own limited investment resources would pose an automatic ceiling on how *much* China could buy. Thus I see expanding our defense relationship with Beijing as serving a US political as well as military purpose.

R. W. Komer²

¹ Source: Washington National Records Center, OSD Files: FRC 330–82–0217, China (Reds) Oct. Secret. Copies were sent to the Chairman of the JCS, the Assistant Secretary of Defense for International Security Affairs, and Platt. A handwritten note at the top of the page indicates that Brown saw the memorandum on November 22.

² Komer initialed "RWK" above this typed signature.

326. Memorandum From the President's Assistant for National Security Affairs (Brzezinski) to Secretary of Defense Brown¹

Washington, December 12, 1980

SUBJECT

Military Equipment for China?

We need to examine more systematically what kind of military equipment we could provide to China in the event of Soviet military intervention into Poland. Please have your staff review some options for possible consideration by the SCC, in the event this should become necessary.

Zbigniew Brzezinski

¹ Source: Carter Library, National Security Affairs, Brzezinski Material, Country File, Box 10, China (PRC): 10/80–1/81. Secret.

327. Memorandum From Michel Oksenberg to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, December 19, 1980

SUBJECT

China Policy Since Mid-1978

This memorandum continues the narrative of my August 23, 1978 memorandum (Tab A).²

Stages of China Policy from Mid-1978

The Drive to Normalization (June 1978–December 15, 1978). The aftermath of your May trip culminated in Leonard Woodcock's negotiations in Beijing. Leonard and his Chinese interlocutors held six sessions in Beijing: July 5; July 14; August 11; September 15; October 3; No-

¹ Source: Carter Library, National Security Affairs, Staff Material, Far East, Oksenberg Subject File, Box 57, Policy Process: 9/79–12/80. No classification marking.

² Tab A is printed as Document 131.

vember 2; and December 4.³ The President's brilliant meeting with Chai of September 19, 1978, accelerated the process.⁴ Our underlying negotiating strategy was set in a meeting you and Cy had with the President on June 20.⁵ At that time, the President set December 15 as his target for normalization. And the State memo to the President states normalization proceed in tandem with the SALT talks, because normalization would make SALT politically more acceptable on the Hill. (This is worth remembering, since you are accused of having pursued normalization as a way of derailing SALT.)

We slowly unfolded our position, testing the Chinese reaction on each sensitive issue before moving to the next issue. The essence of our negotiating strategy was to table our position when we were fairly certain the Chinese would not say "no". To have elicited a rebuff at any point would have postponed normalization for years, since there was no fallback to our position. Having already accepted China's so-called "three demands", we were responding with our minimum position on our "three demands" 1) that the Chinese not contradict our unilateral statements at the time of normalization concerning the peaceful future of Taiwan; 2) that we would retain a full range of economic, cultural, and other relations with Taiwan on an unofficial basis; and 3) that we would continue to sell arms to Taiwan.

To place the talks in an appropriate strategic context, you held frequent talks with Han Xu and Chai Zemin, who arrived on the scene in August. The memcons of these conversations, which are in your files, reveal a candid exchange of views on all issues of the day: Iran, the Mideast, and SALT. The Chinese began to respond, with reports on Huang Hua's trip to Africa and Hua Guofeng's to Romania, Yugoslavia, and Iran. These conversations helped convey the sense to Deng on the Chinese side and to Carter through your reports on each of these meetings that normalization would lead to significantly increased strategic cooperation between us. That awareness, I am convinced, greatly eased Chinese concerns over the Taiwan issue.

Meanwhile, Dick Holbrooke opened his own, very useful channel with Han Xu over the unpleasant aspects of our relations. Chinese complaints about our arms sales to Taiwan were delivered through that channel, and were excluded from the Woodcock–Huang Hua or Brzezinski–Chai meetings.

Bureaucratically, you did three things to ensure the normalization talks took place in a stable and propitious environment:

³ See footnotes 2 and 3, Document 127; footnote 3, Document 141; and Documents 149, 159, and 169.

⁴ See Document 135.

⁵ See Document 123.

—You helped keep the President fully on board. Perhaps I was overly nervous because of the neutron bomb fiasco,⁶ but I was concerned that the President might back off at the last moment or depart from the subtleties to which he had agreed in June. For that reason, I showered you with memos and negotiating texts from you to the President, and you supplied them all to him. As a result, he became fully engaged in the issue, even as he was burdened with SALT, Mideast, and Iran. To ensure that he would remain on board, after a bad Vance–Huang Hua meeting in New York on October 3,⁷ you arranged for a meeting of the President with just you and Ambassador Woodcock on October 11, at which final details were nailed down. It was at that meeting the President specified, in response to Woodcock’s recommendation, that we would not move on normalization with Vietnam until normalization with China had been completed. Your notes from that pivotal meeting are also in the files.⁸

—You were the enforcer of secrecy on the President’s behalf. The President, at that point stung by State leaks on the Iranian situation, was adamant that the circle be kept very small, with his personal approval of each addition. While creating no small amount of animosity toward us, the NSC fulfilled its obligation. On three occasions, the Chinese leaked at the highest levels, and we even had to protest to them that we were tighter than they.

—You kept the Vietnam business under control. The files show Holbrooke providing the Vietnamese opportunities to demonstrate their flexibility and readiness to move forward from July on, and our task was to restrain him, undermine him, and eventually cut him off at the pass. Our view was clear. We did not know if normalization would succeed. And the most foolish position we could have found ourselves in was to have normalized with Vietnam as Hanoi turned to the Soviet Union (an obviously increasing dependency) while at the same time not having normalized with China.

The six Woodcock negotiating rounds were the product of excellent cooperation among the participants: the President, Vance, Woodcock, you, with Holbrooke, Oksenberg, Hansell as staffers, and Mondale, Brown, and Jordan as knowledgeable supporters. On only one issue can it be said the NSC clearly pushed the negotiation process for-

⁶ In April 1978, following protests, Carter announced that he would defer production of the neutron bomb and its deployment in Europe.

⁷ See Document 138.

⁸ According to the President’s Daily Diary, Carter, Woodcock, and Brzezinski met on October 11 from 1:15 to 1:35 p.m. (Carter Library, Presidential Materials) No record of the meeting has been found. Carter did mark up a briefing memorandum from Brzezinski that provides the President’s views about many of the questions raised at the meeting. See Document 141.

ward: the tabling of the draft Joint Communique in November.⁹ Up to that time, the Chinese had just listened to our presentation and expressed skepticism of our seriousness, as we had not addressed the actual modalities of normalization. We decided the time had come to start negotiating over a tangible document. Cy was reluctant. The October 11 Carter–Woodcock meeting nailed down the tactic. You favored putting a January 15 date on the Communique as the way of communicating the seriousness of our intent. Cy favored no date. The President, now totally prepared to move forward, advanced your January 15 suggestion to January 1.

It is important to note that Holbrooke assumed responsibility for developing the Congressional consultation strategy for normalization and Vance, through consultations with Brownell, developed the tactics for how to terminate the defense treaty.

With Woodcock's sixth presentation of December 4, the US had completed outlining our position, and we awaited a Chinese response. This is the crucial moment at which you intervened so decisively. After a hectic and hilarious few days when Denis Clift—not knowing of the negotiations—scheduled a VP–Chai meeting, thereby confusing the Chinese and probably delaying the Woodcock–Deng meeting, we learned a Deng–Woodcock meeting was scheduled.

The Mondale–Chai meeting had been cancelled, and on December 11, in anticipation of the momentous Woodcock–Deng meeting, you saw Chai.¹⁰ In that meeting, you foreshadowed Woodcock's presentation, indicated what kind of response we hoped to elicit from Deng, and discussed the excellent prospects on SALT and a Carter–Brezhnev summit. You then extended an invitation to Deng to visit the US in January and suggested Blumenthal would like to visit China early in the year.

Deng had received the memcon of your meeting with Chai before he saw Woodcock, and was primed. The meeting went, as you recall, extremely well. The Woodcock cable awaited you on the morning of the 13th, and you went over it with the President. I hope you recall that meeting well.¹¹ I, of course, was in a frenetic state here waiting for the cable, but you kept it until about 10:30 A.M., when I called to say we hadn't heard from Woodcock yet. You asked me to come to your office, and you told me we were normalizing on Friday night.¹² I thought you were kidding. You then showed me the cable and instructed me to prepare several items—one copy only—which we then went over with the

⁹ See Document 149.

¹⁰ See Document 163.

¹¹ See Documents 166 and 167.

¹² December 15.

President that evening. The activities of the next two days in terms of negotiating with the Chinese are well recorded—your session with Chai on arms sales, more sessions on arms sales, hammering out the Joint Communiqué, etc. What went on in the White House I do not know, how Vance was informed, what Moore, etc. were doing. I do remember one very important point, however. I asked about legislative consultations. You told me Byrd had been informed of the negotiations some time back, and had counseled against informing the Hill until the very last minute. To reconstruct the activities of the 14th and 15th, therefore, you will have to consult Schechter, Albright, and others in the White House.

The Deng Visit and the Early Days (January 1979). The next month was frenzied. State handled the severance of diplomatic relations with Taiwan, including the rocky Christopher mission, the preparation of the Taiwan Omnibus Legislation, and the issue of disposition of ROC diplomatic properties. Normalization had come with such suddenness and the circle had been kept so tight that State was really unprepared for the issues cascading upon them and for the workload they had to carry. Some of our subsequent problems, such as in the Taiwan Relations Act, can be attributed to the lack of planning, but under the circumstances, State did very well. The principal burden fell to Roger Sullivan.

Meanwhile, the White House—especially Ann Wexler—assumed control of the Deng visit. Your effort centered on the talks themselves, and you developed the basic concept of the visit. Ann put the pieces together. No doubt, you recall the dinner at your house and the three Deng–Carter meetings.¹³ The highpoint was the session that turned to bilateral issues. The agenda for our coming two years was set there: claims-assets settlement, trade agreement, MFN, textile, aviation, maritime, cultural agreements. The NSC negotiated the joint press statement at the end of Deng’s visit, where we equated the concepts of “hegemony” and “domination”.¹⁴ And you arranged for a briefing in my office on the global strategic situation, where you planted some ideas that matured months later.

¹³ Regarding the dinner at Brzezinski’s home, see Document 201. The records of Carter’s meetings with Deng are Documents 202, 204, 205, 207, and 208.

¹⁴ The February 1, 1979, joint press communiqué stated that both the United States and the People’s Republic of China “reaffirm that they are opposed to efforts by any country or group of countries to establish hegemony or domination over others, and that they are determined to make a contribution to the maintenance of international peace, security and national independence.” The communiqué is printed in *Public Papers: Carter, 1979*, pp. 212–213. See also Document 210.

Your speech on China policy, delivered simultaneously with one by Vance, established the context for our China policy.¹⁵

Establishing the Framework for an Extensive Relationship (February–August 1979). The next months saw a proliferation of science and technology agreements under Frank Press' direction, the development of an economic relationship under Mike Blumenthal's encouragement (Mike was way ahead of his recalcitrant department), and the fostering of cultural ties under ICA.

You diminished your overall involvement in China policy, but selectively intervened to keep the ball moving. You established structures within the US Government (PRC Committee on S&T, Committee on Economics, Subcommittee on Culture—the latter never got off the ground) to sustain the momentum, and you actively engaged others (Mondale, Blumenthal, Press, Kreps, Strauss, Brown, Schlesinger) so that the policy was broad-based within the Administration. The bureaucratic ploys we used were to schedule trips which in themselves gave the new relationship momentum (i.e., a "trip-driven" diplomacy), and to involve every major bureaucracy in the US Government in constructive activities with the PRC.

Nonetheless, your intervention was necessary at these junctures:

—To respond to the Chinese incursion into Vietnam in a calm manner. Vance wanted the Blumenthal trip postponed over this, but you recommended the trip go forward. The President supported your position. The President's comments at the NSC meeting discussing the Chinese incursion reveal his understanding that the Vietnamese occupation of Kampuchea and the Soviet backing of Vietnam were the causes of the Chinese action.¹⁶

—To sign the trade agreement and then to push for MFN for China. This was a protracted struggle, facilitated by the Cuba brigade affair. Vance and State procrastinated, even though we were committed to move ahead on MFN for China as the quid for Deng's settling the claims-assets issue on very unfavorable and slightly humiliating terms to them. It finally took Mondale and your going to Byrd on MFN, after Vance had steered Byrd in different directions.

—To schedule the Vice President's trip and to plan its scope. David Aaron, of course, played a crucial role here. The Vice President's mem-

¹⁵ Not further identified. Oksenberg is perhaps referring to speeches about the normalization of Sino-American relations by Vance and Brzezinski, delivered on January 15, 1979, during a special briefing for senior officials from member firms of the National Council for U.S.–China Trade and the USA/ROC Economic Council. See *American Foreign Policy: Basic Documents, 1977–1980*, Documents 516 and 518. Excerpts of the two speeches were published in the *The New York Times*, January 16, 1979, p. A11.

¹⁶ See Document 219.

orable speech at Beijing University¹⁷ was an NSC–VP product by default, however, since Holbrooke chose not to involve himself in the drafting process. Mondale planned for his trip meticulously. He *went to* Cy’s office to plead for a State declaration that China was a friendly country not dominated by international Communism, for purposes of US extension of reimbursable aid. Cy’s comment, Mondale said, was, “I’ll hold my nose and do it”. This trip, of course, completed the normalization process, with several loose ends tied up in 1980.

—To steer the relationship in a security direction. This began with the President’s May 3, 1979 meeting with Chai, at the end of which the President met privately with Chai.¹⁸ You picked up the theme of this meeting in subsequent meetings with Chai and Tsao prior to the Mondale visit. Arms sales and ship visits, among other topics, began to be addressed. You then made sure a Brown trip was an item on Mondale’s agenda.

—To prevent untimely US involvement in seeking an international settlement to the Kampuchean situation, you had to be vigilant in monitoring State speeches and cables. The NSC view to let ASEAN take the lead prevailed. Our position was not based on a desire to please the Chinese but on our assessment of Vietnam’s posture and on the low priority we attached to the region at that time. We just could not take on another major diplomatic initiative, with the resources that would be required to follow through.

With these as your initiatives, State handled the passage of the Taiwan Relations Act, the establishment and staffing of the American Institute on Taiwan, the development of protocol in dealing with Taiwan, and the handling of the diplomatic properties issue. The White House injunction was to abide by the normalization agreement and emulate the Japanese model as closely as possible. This, by the way, is what the Japanese hoped we would do. Several arms sales to Taiwan which had been pledged in 1978 were completed.

State and Holbrooke deserve credit for handling the Indochina refugee situation in a humane fashion.

Lest one became mired in detail, the key development during this period was the move away from our stated posture of “even-handedness” to the position of “balance” and then its abandonment on Vice President Mondale’s trip. And your role in this was obviously critical. V-B-B meetings over technology transfer, as well as over MFN, were the forum and issues which brought this major change in policy about.

¹⁷ See footnote 11, Document 264.

¹⁸ See Document 241.

Developing a Military Relationship (September 1979–Present). The cutting edge issue following the Mondale visit was the development of a military relationship which brought the Pentagon [*less than 1 line not declassified*] into the fold. Even prior to Brown's trip, events unfolded which you, David, and I supervised and negotiated. But setting the date for Brown's trip necessitated a scolding letter from the President to Vance reminding him the issue had been settled.¹⁹ Whatever uncertainty may have existed was dispelled, however, by Afghanistan, and Brown left for China authorized to indicate a change in US policy toward non-weapony military equipment sales to China.

Roger knows what role you subsequently played in the Geng Biao and Perry trips, as well as in specific licensing decisions.

Turning to the economic side, I am under the impression, State was resisting Chinese accession to membership in IMF and World Bank, and through the PRC Subcommittee on Economic Relations with the PRC, the NSC moved things forward. But, I do think you should have been more active, so that Ex-Im funding for credit to China would be further along at this point.

1980 will long be seen as a honeymoon year in Sino-American relations. Our consultations improved to the extent they were better in tone and substance than our dialogue with the Europeans. Where Chinese support was cheap—rhetoric, Olympic boycott—they backed us, but they also undertook risks for the new relationship as well. As the quality of the consultations improved, you continued to take part, but as befits a "normal" relationship, increasingly the consultations [*less than 1 line not declassified*] took place at State.

State and Holbrooke also deserve credit for his work in 1980 in bringing consular, aviation, maritime, and textile negotiations to a successful conclusion.²⁰

Conclusions:

My re-reading of the documents leaves me with these impressions:

—The conceptualization of our China policy was yours. You argued for the global, strategic benefit to be derived from the relationship, and to date you have been proven correct.

—China policy was much more contentious than I had recalled. The initiative came from the NSC, with cooperation from such as Sullivan, Freeman, Armacost, and Platt, but State by and large resisted each step.

¹⁹ See Document 274.

²⁰ See Documents 319 and 324.

—It is hard to identify another area where our policy has been as successful or where the progress was as great.

If there is a lesson here at all, it is that energetic, intelligent policy-makers can make a difference for our country, providing the circumstances are right and the President understands and supports his staff.

328. Memorandum From Roger Sullivan of the National Security Council Staff to the President's Assistant for National Security Affairs (Brzezinski)¹

Washington, January 14, 1981

SUBJECT

Taiwan Issues

David asked that I prepare a memorandum on the two pending issues relating to Taiwan: (1) an arms package requiring Presidential approval as well as notification to the Congress, and (2) a request from Taiwan for price and availability data on the two F-X aircraft (F-5G and the F-16/79). The operational question is whether to approve these sales now or to leave them for the new Administration.

The general argument in favor of approval now is that this would leave the new Administration with a "clean slate" on Taiwan, giving them time to think through their China policy without pressure to take precipitate action on Taiwan. The argument for deferral is that the Reagan Administration will come under pressure to do something on Taiwan immediately upon taking office whether we act on these arms transfer issues or not. Therefore it is preferable to leave them decisions they could make immediately which might satisfy the demands that they "do something", but which would be less damaging to the US-China relationship than other actions the Administration might be pressured to take if there were no "easy" decisions left to make. In short, the deferral argument maintains there can be no "clean slate" because each decision the Administration might make would only leave the new Administration with more difficult issues to face or the de-

¹ Source: Carter Library, National Security Affairs, Staff Material, Office, Meetings File, Unfiled Files, Box 127, China: 10/77-1/81. Secret. Sent for action. Sent through Aaron. Concurred in by Robert Kimmitt. A stamped notation at the top of the page reads, "ZB has seen." Underneath, a handwritten note reads, "1/19/81."

mand that it do more for Taiwan than the outgoing Administration was prepared to do.²

P&R Data on F-5G

In June, State approved munitions control licenses to Northrop and General Dynamics for initial F-X sales presentation to a number of countries. We made clear at the time to the countries concerned, the Congress, and the PRC this action did not imply any commitment to sell. Taiwan has now asked for official budgetary and cost information (P&R data) for both the Northrop F-5G and the General Dynamics F-16/79.

Deferral keeps all options open. The new Administration could elect to study the issue or simply approve the request for data without further commitment, thereby buying more time. If the P&R data request is approved now, the new Administration will almost immediately face pressure to do more than the Carter Administration: e.g., either to approve an actual sale or possibly even to reconsider President Carter's earlier turn-down of the Taiwan request for even more sophisticated aircraft.

Arms Package

Defense and State are in the final stages of processing a memorandum for the President recommending action on the remaining outstanding requests for arms which Taiwan gave us at the beginning of this year. Most items are non-controversial and approvable. Both State and Defense recommend (with JCS agreement) that the President disapprove the Harpoon missile. If we go forward with this package as it stands, the effect would be to focus attention on the Harpoon turn-down, thereby putting great pressure on the new Administration to "do more" and reverse the Harpoon decision.

An alternative would be to approve the entire package, including the Harpoon. There is no way to demonstrate under those circumstances whether this would leave a clear slate or whether it would prompt Taiwan to come up with a new list. It would seem likely, however, that Taiwan and its advocates would expect and demand that the new Administration do more—if not in arms, then on other difficult issues (e.g., upgrading the relationship with Taiwan).

We need to also have in mind that the decision on how to proceed now, and in the early months of the new Administration, will be made while the Dutch are considering, in the face of strenuous Chinese objection, a proposal to sell submarines to Taiwan. Any damage to the US-China relationship resulting from approval of any US arms transfer

² Brzezinski drew a line through the first two paragraphs and wrote, "OK."

action would eventually be compounded if the Chinese concluded that we also by our actions emboldened the Netherlands Government to go ahead with their controversial sale.

Recommendation

That we defer action on the FX and arms package issues until the next Administration when they can be considered in the context of the broader China policy.³

³ Brzezinski checked the Approve option and initialed "ZB."

Index

References are to document numbers

- Aaron, David L.:
Brown China visit, 267, 280
Bush China visit (1977), 62
Carter–Huang Hua meeting
cancellation, 60, 61
Deng Xiaoping U.S. visit, 202, 204,
208
Human rights issues, 145
Middle East, 70
Mondale China visit, 250, 264, 265,
266, 269
PRC IMF/World Bank participation,
305, 306
PRM 24 policy options, 34
Sino-Vietnamese war, 214, 216, 217,
218, 219, 221
U.S. military aid to Taiwan, 80
U.S. policy in Asia, 94
U.S.–PRC relations normalization, 59,
84, 104, 174, 194, 308
U.S.–PRC scientific/technological
cooperation, 164
U.S.–PRC security cooperation, 267
U.S.–PRC technology transfer, 287
U.S.–PRC trade relations, 190, 225,
228, 237, 287
U.S.–Taiwanese relations, 195
Abramowitz, Morton I., 34, 35, 71, 78,
92, 94, 108, 109
Adams, Brock, 209, 238
Afghanistan (*See also* Soviet war in
Afghanistan):
Coup (1978), 100, 101, 106, 109, 110,
117, 138
Soviet post-coup policy in, 130, 266,
286
Africa (*see also* Soviet policy in Africa):
Deng Xiaoping U.S. visit discussions,
202, 204
Vance China visit (1977) discussions,
48, 49, 50
Vance–Huang Hua discussions, 62,
117, 138
Vance–Huang Zhen discussions, 21,
25
Agriculture, U.S. Department of, 164,
229
Albright, Madeleine, 174, 189, 213
Algeria, 203
Allen, Gen. Lew, 214
Allen, Richard V., 316
American Institute in Taiwan, 213, 218
Anderson, Donald M., 129, 182, 187
Andreas, Dwayne, 249
Andrus, Cecil D., 150, 263
Angola, 21, 25, 49, 108, 204
Armacost, Michael A.:
Brown China visit, 280, 290, 291, 292,
294
Brzezinski China visit, 91, 108, 109
Carter–Hua Guofeng meetings, 313
Carter–Huang Hua meeting
cancellation, 60
Sino-Vietnamese war, 214, 217, 221
U.S. military withdrawal from
Taiwan, 55, 132
U.S. policy in Asia, 84, 92, 94
U.S.–PRC relations normalization, 3,
26, 55, 174
U.S.–PRC security cooperation, 233
U.S.–PRC technology transfer, 301
Arms control (*see also* Nuclear weapons;
Strategic Arms Limitation (SALT)
talks):
Brown China visit discussions, 286,
291, 295
Brown memoranda, 6, 9
Carter–Huang Zhen discussions, 5
Vance China visit (1977) discussions,
47
ASEAN, 138, 313
Asia. *See* U.S. policy in Asia.
Asia Society, 43
Assets issue. *See* Private claims/blocked
assets.
Atkinson, Richard C., 144, 150
Atwood, J., 189
AuCoin, Les, 189
Averech, Harvey, 164
Baker, Howard H., Jr., 94
Bakhtiar, Shapour, 201
Barnett, Patricia, 231
Barracough, William G., 244

- Barre, Mohamed Siad, 96
 Bartholomew, Reginald, 193, 301
 Baruch, Jordan, 164
 Battenfield, Patricia, 109
 Battle Act (1951), 67
 Bayh, Birch, 53
 Beckel, Bob, 174
 Begin, Menachem, 68, 108, 163, 204
 Belgrade Conference (1978), 21, 25
 Bell, Peter, 164
 Ben-Gurion, David, 70
 Beng Zhen (Peng Chen), 153
 Bennett, Douglas, 174, 189
 Benson, Lucy, 164
 Bentsen, Lloyd, 91
 Bergland, Robert S.:
 Cabinet officials China visit proposals, 136
 China visit, 156
 Deng Xiaoping U.S. visit, 209
 U.S.-PRC scientific/technological cooperation, 144, 150, 156, 263
 U.S.-PRC trade relations, 189, 228, 238
 Bergold, Harry E., Jr., 189
 Bergsten, C. Fred, 34, 305
 Bertrand, Anson, 164
 Bhutto, Zulfikar Ali, 110, 199, 201, 202, 203, 265
 Blum, Barbara, 164
 Blumenthal, W. Michael:
 China visit (1979), 177, 219, 223, 224, 225, 234
 Deng Xiaoping U.S. visit, 208, 209
 Private claims/blocked assets, 222, 225
 PRM 24 policy options, 24, 32, 34
 U.S.-China Joint Economic Committee, 177, 198
 U.S.-PRC relations normalization, 38
 U.S.-PRC trade relations, 18, 232
 Brzezinski memoranda, 15
 Kang Shien U.S. visit, 247
 Most Favored Nation status, 225, 256
 Policy Review Committee discussions, 189, 190, 228, 229, 238
 U.S.-Soviet trade relations, 256
 U.S.-Taiwan trade relations, 38
 Boccardi, Louis D., 62
 Boumediene, Houari, 203, 209
 Bowie, Robert R.:
 PRM 24 policy options, 34
 Bowie, Robert R.—*Continued*
 Sino-Soviet relations, 193
 Sino-Vietnamese war, 218, 219, 221
 U.S.-PRC relations normalization, 39
 U.S.-PRC scientific/technological cooperation, 164
 U.S.-PRC trade relations, 228
 Bo Yibo, 319, 324
 Brademas, John, 25, 27, 51, 131
 Bremont, Marshall, 311
 Brezhnev, Leonid, 214, 219, 251
 Bronheim, David, 305
 Brooke, Edward William, III, 92
 Brooks, D.W., 249
 Brown, David G., 57
 Brown, Gen. George S., 9, 24, 32, 34
 Brown, Harold (*see also* Brown China visit):
 Arms control, 6, 9, 286, 291, 295
 Cambodian-Vietnamese war, 197
 Deng Xiaoping U.S. visit, 203
 Geng Biao U.S. visit, 310
 Korea, 94
 National Security Industrial Association speech (Sept. 15, 1977), 108
 Ogaden War, 83
 PRC NATO briefing proposals, 59
 PRM 24 policy options, 24, 32, 34
 Sino-Vietnamese war, 219, 220, 221
 U.S. military aid to PRC, 325, 326
 U.S. military aid to Taiwan, 35, 147, 148, 179
 U.S. military withdrawal from Taiwan, 6, 34, 35, 103, 132, 179
 U.S. policy in Asia, 92, 94, 99
 U.S.-PRC relations normalization, 6, 9, 83
 Carter high-level meetings, 123
 High-level meeting discussions, 41, 94
 Implementation, 179
 JCS memoranda, 154
 McGiffert memoranda, 90
 Vance/Brown/Brzezinski memoranda, 99
 Woodcock discussions, 35
 U.S.-PRC scientific/technological cooperation, 150, 164, 263
 U.S.-PRC security cooperation, 233, 310
 China visit discussions, 286, 290, 291, 292, 295
 U.S.-PRC technology transfer, 99, 283

- Brown, Harold (*see also* Brown China visit)—*Continued*
- U.S.–PRC technology transfer—*Continued*
 - Brzezinski memoranda, 253, 315, 320
 - China visit discussions, 286, 290, 291, 292, 293, 294, 295
 - Holbrooke memoranda, 301
 - NSC discussions, 287
 - U.S.–PRC trade relations, 99, 287
 - U.S.–Soviet–PRC triangle, 6, 83, 233, 271, 283
 - High-level meeting discussions, 94
 - National security policy and, 9
 - NATO and, 71
 - Pillsbury study, 284
 - Policy Review Committee discussions, 34
 - Woodcock discussions, 35
 - U.S.–Soviet relations, 9
 - Zhang Wenjin U.S. visit, 304
- Brown, Robert, 228
- Brown China visit:
- Brown–Deng Xiaoping meetings, 292
 - Brown–Geng Biao meetings, 290, 291
 - Brown–Hua Guofeng meetings, 294
 - Brown–Zhang Aiping meetings, 293
 - Debriefing, 295
 - Planning:
 - Aaron/Oksenberg memoranda, 267
 - Brown memoranda, 268, 271, 283, 286
 - Brzezinski memoranda, 273, 288, 289
 - Carter memoranda, 274
 - Marshall memoranda, 284
 - Mondale memoranda, 254
 - NSC discussions, 287
 - SCC Ad Hoc Group on China discussions, 280
 - Vance memoranda, 272, 282
- Brownell, Herbert, Jr., 124
- Brzezinski, Emilie Benes (Muska), 201
- Brzezinski, Zbigniew K. (*see also* Brzezinski China visit)—*Continued*
- Afghanistan, 101, 109, 110
 - Blumenthal China visit (1979), 223
 - Bush China visit (1977), 62
 - Bush China visit (1980), 316, 317
 - Cabinet officials China visit proposals, 136
 - Cambodia, 96, 107
 - Brzezinski China visit)—*Continued*
 - Cambodian–Vietnamese war, 96, 109, 111, 197
 - Carter–Chai Zemin meetings, 135, 241
 - Carter–Hua Guofeng meetings, 313
 - Carter–Huang Hua meeting cancellation, 58, 59, 60, 61
 - Carter–Huang Zhen meetings, 5
 - Chai Zemin meetings, 129, 163, 242, 299
 - China visit discussions, 109
 - Deng Xiaoping U.S. visit, 192, 196, 201, 202, 203, 204, 205, 208
 - Geng Biao U.S. visit, 310
 - Han Xu meetings, 122
 - Human rights issues, 31, 33, 109, 145, 279
 - Iran, 163, 292
 - Korea, 95, 199
 - Chai Zemin discussions, 242
 - China visit discussions, 108, 109, 111, 112, 113
 - High-level meeting discussions, 94
 - National Security Council Staff memoranda, 84, 246
 - Mondale China visit, 250, 269
 - Mondale–Huang Zhen meetings, 66
 - Nixon–Kissinger China visit records, 16, 20, 28, 98
 - Pakistan, 109, 110, 112, 313
 - Platt/Holbrooke China visit, 252
 - PRC foreign policy, 30, 130
 - PRC peaceful intent assurances, 1, 31, 111, 112, 113, 118, 318
 - PRC political situation, 128, 153, 158
 - Presidential Review Memoranda, 24
 - Private claims/blocked assets, 29, 222
 - PRM 24 policy options, 24, 34
 - Sino–Soviet relations, 3, 143, 193
 - Sino–Vietnamese war, 199, 214, 215, 217, 218, 219, 220, 221
 - Soviet foreign policy, 108, 109, 110, 111, 112, 113, 118, 251
 - Soviet Union visit proposals, 273
 - Taiwanese nuclear capabilities, 12, 22, 23
 - Taiwan Relations Act, 213, 235, 318
 - Taiwan status issue, 24, 31, 109, 111
 - Thornton memorandum, 63
 - U.S. economic aid to PRC, 243
 - U.S. military aid to PRC, 289, 326

- Brzezinski, Zbigniew K. (*see also*
 Brzezinski China visit)—*Continued*
 U.S. military aid to Taiwan, 31, 95,
 147, 148, 172, 181
 China visit discussions, 111, 112,
 113, 118
 Han Xu discussions, 122
 High-level meeting discussions, 94,
 175
 State-Defense memoranda, 78, 80
 Sullivan memoranda, 328
 Woodcock memoranda, 169
 U.S. military withdrawal from
 Taiwan, 1, 24, 31, 72, 74, 76, 103,
 181
 U.S. policy in Asia, 84, 92, 94, 108,
 143, 309
 U.S.-PRC exchanges, 31, 122, 146, 254
 U.S.-PRC relations normalization, 94,
 95, 98
 Armacost memoranda, 55
 Brown memoranda, 6
 Carter high-level meetings, 123
 Carter-Woodcock discussions, 35,
 141
 Chai Zemin discussions, 163
 China visit discussions, 108, 109,
 110, 111, 112, 113, 116, 118
 Han Xu discussions, 122
 High-level meeting discussions, 41,
 42, 94
 Implementation, 171, 173, 175, 179,
 186, 308
 Intelligence Memoranda, 39
 Joint communiqué, 46, 142, 159, 186
 Moe memoranda, 104
 National Intelligence Analytical
 Memoranda, 38
 Oksenberg memoranda, 3, 36, 46,
 59, 81, 85, 186
 Taiwan Lobby and, 40
 Vance/Brown/Brzezinski
 memoranda, 99
 Vance-Huang Hua discussions, 138
 Vance memoranda, 26
 Woodcock discussions, 77
 Woodcock talks, 120, 127, 135, 149,
 159, 162, 166, 167, 168, 170
 U.S.-PRC relations overviews, 131,
 259, 322, 327
 U.S.-PRC scientific/technological
 cooperation, 31, 105, 146, 150,
 165, 211, 260, 263
- Brzezinski, Zbigniew K. (*see also*
 Brzezinski China visit)—*Continued*
 U.S.-PRC security cooperation, 31,
 251
 Brown China visit, 268, 273, 274,
 282, 287, 288, 289, 295
 Brown memoranda, 233
 China visit discussions, 109
 Geng Biao U.S. visit discussions,
 310
 Mondale China visit discussions,
 267
 U.S.-PRC technology transfer, 31, 95,
 99, 251, 253, 289, 315, 320
 High-level meeting discussions, 94
 Holbrooke memoranda, 301
 NSC discussions, 287
 Oksenberg memoranda, 128
 PRM 24 on, 67
 U.S.-PRC trade relations, 15, 17, 19,
 99, 134, 302
 Blumenthal memoranda, 18, 232
 Export-Import Bank credits, 298,
 307
 Export licenses, 232, 237, 269
 Grain agreement, 321, 322
 Most Favored Nation status, 31,
 256, 264
 National Security Council Staff
 memoranda, 139
 NSC discussions, 287
 Oksenberg memoranda, 248
 Policy Review Committee
 discussions, 229, 238
 U.S.-China Joint Economic
 Committee, 198
 U.S.-ROC Treaty of Mutual Defense
 termination, 181
 U.S.-Soviet-PRC triangle, 9, 28, 31, 42,
 143, 196, 200, 251, 253, 273, 277
 Carter discussions, 77
 China visit discussions, 109, 110,
 112, 118
 High-level meeting discussions, 94
 National security policy and, 9
 Policy Review Committee
 discussions, 34
 Woodcock discussions, 77
 U.S.-Soviet relations, 256, 311
 U.S.-Taiwanese relations, 31, 77, 109,
 118, 171, 173, 181
 Vance China visit (1977), 31, 34, 43,
 52
 Vance-Huang Hua meetings, 116

- Brzezinski, Zbigniew K. (*see also*
 Brzezinski China visit)—*Continued*
 Vance Soviet Union visit (1978), 96
 Vietnam relations normalization, 112,
 113, 126, 143, 155
 Woodcock meetings, 77
 Zhang Wenjin U.S. visit, 303
- Brzezinski China visit (1978):
 Brzezinski–Deng Xiaoping meetings,
 110, 113
 Brzezinski–Hua Guofeng meetings,
 111
 Brzezinski–Huang Hua meetings,
 108, 109
- Debriefing:
 Brzezinski memoranda, 113
 Gleysteen memoranda, 118
 Oksenberg memoranda, 112, 131
 U.S.–Taiwan discussions, 114, 115
 Vance–Huang Hua discussions,
 116, 117
- Human rights issues and, 107
- Planning:
 Brown memoranda, 83
 Brzezinski–Han Xu meetings, 87,
 89, 96, 105
 Brzezinski memoranda, 79, 97
 Carter memoranda, 86
 Henze memoranda, 101
 Mondale–Huang Zhen discussions,
 66
 National Security Council scope
 paper, 106
 National Security Council Staff
 memoranda, 84
 Oksenberg–Han Xu meetings, 91
 Oksenberg memoranda, 81, 88
 Sinologist advice, 100
 Soviet Union notification, 97
 State/NSC memoranda, 92
 Vance/Brown/Brzezinski
 memoranda, 99
- Bucy, Fred, 249
- Bureau of Intelligence and Research
 reports:
 No. 908, “China Steps Up Its Birth
 Control Program,” 73
 No. 1148, “The Consequences of the
 Chinese Attack on Vietnam,” 231
- Bush, George H. W.:
 China visit (1977), 59, 62
 China visit (1980), 316, 317, 318
- Butterfield, Fox, 279
- Byrd, Robert C., 94, 142, 264, 313
- Califano, Joseph A., Jr., 150, 209, 263
- Callaghan, James, 219
- Cambodia (*see also*
 Cambodian-Vietnamese war;
 Vietnamese occupation of
 Cambodia):
 Humanitarian relief for, 265, 278, 313
 Human rights issues, 96, 107, 109
- Cambodian-Vietnamese war (*see also*
 Sino-Vietnamese war):
 Brzezinski China visit discussions,
 109, 111
 Brzezinski–Han Xu discussions, 96
 Deng Xiaoping U.S. visit discussions,
 205, 206, 207
 East-West Planning Group
 discussions, 193
 Geng Biao U.S. visit discussions, 310
 Intelligence Assessments, 125
 Interagency Intelligence Memoranda,
 152
 National Security Council scope
 paper, 106
 Nunn–Deng Xiaoping discussions,
 191
 SCC discussions, 221
 State Department discussions, 197
 Turner memoranda, 155
 Vance–Huang Hua discussions, 138
- Cannon, John F., 47
- Cao Guisheng (Tsao Kuei-sheng):
 Brzezinski–Chai Zemin meetings, 163
 Brzezinski China visit, 87, 89, 91, 96,
 105
 PRC claims to Taiwan government
 property, 187
 U.S.–PRC relations normalization,
 122, 176
- Carlucci, Frank, 174, 287
- Carswell, Robert, 66
- Carter, Hodding, III, 214, 217, 218
- Carter, James Earl (Chip), III, 25, 27, 131
- Carter, Jimmy:
 Arms control, 5
 Brezhnev correspondence, 214, 219
 Brezhnev meetings, 251
 Brown China visit, 274, 283, 286, 287,
 288, 295
 Brzezinski China visit, 77, 79, 86, 97,
 110, 113
 Bush China visit (1980), 316, 317
 Cabinet meetings, 245
 Cabinet officials China visit
 proposals, 136

- Carter, Jimmy—*Continued*
 Cambodian-Vietnamese war, 197,
 205, 206, 207
 Chai Zemin meetings, 135, 241
 China visit proposals, 210, 241, 266,
 294
 Deng Xiaoping correspondence, 212,
 216
 Deng Xiaoping U.S. visit:
 Agreements, 210
 Deng Xiaoping meetings, 202, 204,
 205, 206, 207, 208
 Planning, 192, 196, 199
 Fukuda U.S. visit, 21
 Geng Biao U.S. visit, 310
 Hua Guofeng correspondence, 185,
 227, 262
 Hua Guofeng meetings, 313
 Huang Hua meeting cancellation, 58,
 59, 60, 61, 62, 63
 Huang Zhen meetings, 3, 5
 Iran, 292, 313
 Korea, 95, 178
 Mondale China visit, 254, 262, 264
 Mondale–Huang Zhen meetings, 66
 Nixon–Kissinger China visit records,
 5, 16, 20, 28
 Notre Dame speech (May 22, 1977),
 131
 Ogaden War, 83
 PRC foreign policy, 30, 130, 297
 PRC peaceful intent assurances, 1,
 135, 178, 318
 Private claims/blocked assets, 5, 29,
 225, 241
 Sino-Vietnamese war:
 Blumenthal discussions, 225
 Brzezinski memoranda, 220
 Chai Zemin discussions, 241
 Deng Xiaoping correspondence,
 212, 216
 Deng Xiaoping U.S. visit
 discussions, 205, 206, 207
 Hua Kuo-feng correspondence, 227
 NSC discussions, 214
 Soviet foreign policy, 5, 178, 251, 253,
 313
 Soviet war in Afghanistan, 296, 311,
 313
 Strategic Arms Limitation (SALT)
 talks, 178, 241
 Taiwanese independence issue, 37
 Taiwanese nuclear capabilities, 23
 Taiwan status issue, 5, 24, 26, 31
- Carter, Jimmy—*Continued*
 U.S. military aid to Taiwan, 41, 95,
 135, 141, 147, 175, 178, 285
 U.S. military withdrawal from
 Taiwan, 1
 U.S. policy in Asia, 94, 143, 178, 309
 U.S.–PRC exchanges, 146
 U.S.–PRC relations:
 Brzezinski memoranda, 31
 Overviews, 300, 322
 PRM 24 policy options, 24, 34
 U.S.–PRC relations normalization, 43
 Brown memoranda, 6
 Brzezinski memoranda, 94, 95, 98
 Chai Zemin discussions, 135
 High-level meeting discussions, 41,
 42
 High-level meetings, 123
 Implementation:
 Agreements (Sept. 1980), 319
 High-level meeting discussions,
 175
 Hua Guofeng correspondence,
 185
 Nixon correspondence, 178
 Nixon–Oksenberg discussions,
 175
 Speech (Dec. 15, 1978), 171
 Vance memoranda, 199
 JCS memoranda, 154
 National Intelligence Analytical
 Memoranda, 38
 Taiwan Lobby and, 40
 Vance/Brown/Brzezinski
 memoranda, 99
 Vance memoranda, 26, 119
 Woodcock discussions, 35, 77, 141
 Woodcock talks, 167, 168
 Brzezinski memoranda, 120, 127,
 142, 162
 Oksenberg memoranda, 135
 Vance memoranda, 119
 Woodcock memoranda, 159
 U.S.–PRC scientific/technological
 cooperation:
 Bergland China visit, 156
 Brzezinski memoranda, 260
 Policy Review Committee
 discussions, 165
 Press/Brzezinski memoranda, 211
 Press memoranda, 75, 144, 257, 260
 Schlesinger China visit, 157
 U.S.–PRC security cooperation, 251,
 271, 272, 273, 274, 282, 310

- Carter, Jimmy—*Continued*
 U.S.-PRC technology transfer, 24, 64, 95, 253, 287, 320
 U.S.-PRC trade relations:
 Blumenthal China visit, 224, 225
 Blumenthal memoranda, 232
 Brzezinski memoranda, 19, 198
 Chai Zemin discussions, 241
 Export-Import Bank credits, 307
 Grain agreement, 321, 322
 IMF/World Bank participation, 306
 NSC discussions, 287
 Oksenberg memoranda, 248
 Strauss China visit, 249
 Trade agreement, 278
 U.S.-China Joint Economic Committee, 198, 319, 324
 U.S.-Soviet-PRC triangle:
 Brown memoranda, 271, 283
 Brzezinski discussions, 77
 Brzezinski memoranda, 28, 31, 42, 196, 200, 253, 273, 277
 National security policy and, 9
 Vance memoranda, 272
 Watson discussions, 311
 U.S.-Soviet relations, 201, 251, 256, 311
 U.S.-Taiwanese relations, 135, 188, 213, 235, 241
 Vance China visit (1977), 31, 42, 43, 52
 Vance-Huang Hua meetings, 116
 Vietnam relations normalization, 126
 Wake Forest speech (Mar. 17, 1978), 87, 96, 97, 108
 Woodcock meetings, 77
 Carter, William H., III, 47
 Case, Clifford P., Jr., 94
 Ceausescu, Nicolae, 111
 Central Intelligence Agency (CIA) (*see also* Intelligence Memoranda):
 Office of Economic Research reports, ER-77-10049, "China: Economic Situation Facing the New Leadership," 4
 Sino-Vietnamese war, 226
 Central Treaty Organization (CENTO), 101, 202
 Chad, 48, 138
 Chai Chengwen, 290, 291, 292, 294, 310
 Ch'ai Tse-min. *See* Chai Zemin.
 Chai Zemin (Ch'ai Tse-min)—*Continued*
 Brzezinski meetings, 129, 163, 242, 299
 Bush China visit (1980), 316, 317
 Carter meetings, 135, 241
 Deng Xiaoping U.S. visit, 202, 203, 204, 208, 209
 Geng Biao U.S. visit, 310
 Holbrooke meetings, 129
 Kang Shien U.S. visit, 247
 Mondale China visit, 264, 265, 266
 Muskie meetings, 323
 Taiwan Relations Act, 230, 235, 241
 Vance-Huang Hua meetings, 138
 Vance meetings, 176
 Chang, Vivian, 313
 Chang Wen-chin. *See* Zhang Wenjin.
 Chao Chi-hua. *See* Zhao Jihua.
 Chen Dehe, 247
 Chen Hsi-lien, 153
 Chen Hui, 209, 264, 266
 Chen Lai, 310
 Chen, Nancy, 133
 Chen, Richard, 209, 247
 Chen Zhu (Chen Chu), 62, 117, 138, 278
 Chiang Ching-kuo. *See* Jiang Jingguo.
 Chiang Kai-shek. *See* Jiang Jieshi.
 Chiang Kai-shek, Madame. *See* Jiang Jieshi, Madame.
 Chiang Yang-shih. *See* Jang Yanshi.
 Chi Chaochu (Chi Ch'ao-chu), 264, 266
 Chien Chi-chen. *See* Jian Jizhen.
 Chien Fu (Frederick). *See* Jian Fu.
 China Council for the Promotion of International Trade, 51
 Chinese Academy of Medicine, 144
 Chinese People's Institute of Foreign Affairs (CPIFA), 35, 53
 Chou En-lai. *See* Zhou Enlai
 Chou Pei-yuan. *See* Zhou Beiyuan.
 Christopher, Warren M.:
 Cabinet meetings, 245
 Cambodian-Vietnamese war, 213
 Deng Xiaoping U.S. visit, 203
 Muskie-Chai Zemin meetings, 323
 Sino-Vietnamese war, 217, 218, 219, 221
 Taiwan mission, 179, 181, 183
 Taiwan Relations Act, 235
 U.S. military aid to Taiwan, 175, 183
 U.S. military withdrawal from Taiwan, 74, 183
 U.S.-PRC relations normalization, 174, 175

- Christopher, Warren M.—*Continued*
 U.S.–PRC technology transfer, 287
 U.S.–PRC trade relations, 238, 287
 U.S.–ROC Treaty of Mutual Defense termination, 180, 181, 183
 Vance China visit (1977), 52
 Zhang Wenjin U.S. visit, 304
- Chu Chi-chen. *See* Zhu Qizhen.
- Chun Hui, 313
- Church, Frank F., 225, 230, 241
- Claims issue. *See* Private claims/
 blocked assets.
- Clarke, Bruce C., 280
- Clarke, William, 133
- Claytor, W. Graham, Jr., 287, 295, 320
- Cleland, Max, 245
- Clift, A. Denis, 66, 174, 221, 262, 264,
 265, 266, 310
- Cline, Ray S., 114
- Cochrane, James, 237, 243
- COCOM. *See* U.S.–PRC technology transfer.
- Cohen, William S., 191
- Colm, Peter W., 231
- Commerce, U.S. Department of, 144,
 229, 237
- Comprehensive test ban (CTB) (*see also*
 Arms control), 21, 25, 47, 68
- Conference on Security and
 Cooperation in Europe (CSCE), 21,
 25
- Congress, U.S. (*see also* Taiwan
 Relations Act):
 China delegation visits:
 Brademas/Schweiker delegation,
 25, 27, 51, 131
 Church delegation, 241
 Cranston delegation, 77
 Nunn delegation, 176, 191
 Reuss/Bentsen delegation, 91
 Ullman delegation, 234
 Wolff delegation, 129
 Deng Xiaoping U.S. visit discussions,
 201
 Korea, 84, 92, 94
 PRC IMF/World Bank participation,
 306
 Private claims/blocked assets, 225
 Taiwan Lobby and, 40
 U.S.–PRC relations normalization and
 (*see also* U.S. public opinion
under) U.S.–PRC relations
 normalization), 35, 41, 48, 53, 99,
 119
- Congress, U.S. (*see also* Taiwan
 Relations Act)—*Continued*
 U.S.–PRC relations normalization and
 (*see also* U.S. public opinion
under) U.S.–PRC relations
 normalization)—*Continued*
 Implementation, 174, 175, 199
 U.S.–PRC technology transfer, 288
 U.S.–PRC trade relations, 189, 190,
 264, 278
 U.S.–Taiwanese relations, 34, 41, 55,
 99, 174
 Wolff hearings, 59
- Cooper, Richard N., 228, 238, 244, 245,
 305
- Costle, Douglas M., 245, 263
- Council for Mutual Economic
 Assistance (CEMA), 130, 152
- Cranston, Alan, 77
- Cronkite, Walter, 2
- Cross, Charles T., 276
- Cuba (*see also* Cuba as Soviet proxy):
 Soviet military presence in, 251, 272,
 273, 278
- Cuba as Soviet proxy:
 Brown memoranda, 83
 Brzezinski China visit discussions,
 106, 108, 109, 110, 111, 113, 118
 Brzezinski–Han Xu discussions, 87
 Brzezinski memoranda, 251
 Deng Xiaoping U.S. visit discussions,
 199, 202, 204, 205
 Vance–Huang Chen discussions, 25
 Vance–Huang Hua discussions, 138
- Cutler, Lloyd, 287
- Cutter, W. Bowman, 238
- Cyprus, 47, 203, 204
- Daedalus Company, 106, 110, 269
- Dalai Lama, 264
- Davies, Thomas D., 22
- Deal, Timothy, 134, 189, 228, 321
- Dean, David, 47, 109
- DeConcini, Dennis Webster, 213
- Defense, U.S. Department of (DOD) (*see*
also Brown, Harold), 9, 195
- Denend, Leslie G., 80, 107, 243
- Deng Xiaoping (Teng Hsiao-p'ing) (*see*
also Deng Xiaoping U.S. visit):
 Brown China visit, 292
 Brzezinski China visit, 110, 113
 Bush China visit (1977), 62
 Cambodian political situation, 265

- Deng Xiaoping (Teng Hsiao-p'ing) (*see also* Deng Xiaoping U.S. visit)—*Continued*
- Cambodian-Vietnamese war, 191, 205, 206, 207
 - Carter correspondence, 212, 216
 - Mondale China visit, 264, 265, 266
 - Nunn meetings, 191
 - Political situation, 69, 128, 139, 153, 158, 255, 261
 - Sino-Soviet relations, 41
 - Sino-Vietnamese war, 205, 206, 207, 212, 216
 - Taiwan Relations Act, 241
 - Ullman delegation visit, 234
 - U.S. military aid to Taiwan:
 - Brzezinski memoranda, 31, 95, 147, 148, 172, 181
 - U.S. visit discussions, 208
 - Woodcock talk discussions, 166, 167, 170
 - U.S.–PRC relations normalization, 158, 160
 - Woodcock meetings, 162, 163, 166, 167, 168, 170
 - U.S.–PRC security cooperation, 191
 - U.S.–PRC trade relations, 234, 244, 249, 264
 - U.S.–Vietnam relations normalization, 155
 - Vance China visit (1977), 50, 56
- Deng Xiaoping U.S. visit:
- Agreements, 210
 - Brzezinski dinner, 201
 - Cabinet meeting with Deng Xiaoping, 209
 - Carter–Deng Xiaoping correspondence, 212
 - Carter–Deng Xiaoping meetings, 202, 204, 205, 206, 207, 208
 - Planning, 166, 174, 192, 196, 199
 - Vance luncheon, 203
- Denoon, David, 189
- Desai, Morarji, 47, 109, 112, 204, 265
- Deutch, John, 164
- Dian Yu (Tien Yu), 66
- Ding Yuanhong (Ting Yuan-hung):
- Brzezinski China visit, 108, 109, 111
 - Vance China visit (1977), 47, 48, 49, 50, 51
 - Vance–Huang Hua meetings, 62
- Dinneen, Gerald P., 164, 290, 291, 292, 293
- Diplomatic relations with PRC. *See* U.S.–PRC relations normalization.
- Dirksen, Everett, 175
- Djibouti, 138
- Dobrynin, Anatoly F., 251, 273
- Dodson, Christine, 32, 82, 164, 190, 240
- Dole, Robert, 40
- Dong, Nelson, 238
- Donovan, Hedley, 204
- Dubs, Adolph, 266
- Dulles, John Foster, 70
- Duncan, Charles W., Jr.:
 - Sino-Vietnamese war, 214, 217, 218, 219, 221
 - U.S. military withdrawal from Taiwan, 72, 76, 132
 - U.S.–PRC relations normalization, 35
 - U.S.–PRC scientific/technological cooperation, 263
- Duncan, Charles W., 94
- Eastern Europe:
 - Brzezinski China visit discussions, 108, 109
 - Vance China visit (1977) discussions, 49, 50
 - Vance–Huang Hua discussions, 138
- East-West Planning Group, 193
- Ecevit, Bulent, 203
- Eidenberg, Gene, 245
- Einhorn, Jessica, 305
- Eizenstat, Stuart L., 66, 245
- Energy, U.S. Department of, 164, 257
- Erb, Guy F., 243
- Ericson, Richard A., Jr., 57, 78
- Eritrea, 138, 202
- Ermarth, Fritz, 193
- Ethiopia (*see also* Ogaden War), 138
- Europe. *See* Eastern Europe; North Atlantic Treaty Organization.
- Export-Import Bank credits for PRC:
 - Blumenthal China visit (1979) discussions, 224, 225
 - Blumenthal memoranda, 232
 - Kang Shien U.S. visit discussions, 247
 - Miller memoranda, 324
 - Mondale China visit discussions, 264
 - Policy Review Committee discussions, 189, 228, 229
 - Presidential Determination, 307
 - Tarnoff memoranda, 298
 - U.S.–China Joint Economic Committee discussions, 324

- Fairbank, John King, 26
Fang Yi, 192, 202, 203, 204, 205, 208, 209, 210
Feldman, Harvey J., 56, 78, 106, 115, 124, 180, 182
Findley, Paul, 122
Fisher, Richard, 174, 177, 189, 247
Ford, Gerald R., 50, 110
Fox, Galen, 35
France, 201
Freeman, Charles W., Jr., 278, 310, 323
Freiberg, Rona, 305
Frenzel, William Eldridge, 234
Frey, James M., 235
Frosch, Robert A., 144, 150, 164, 257, 263
Frost, Ellen L., 164, 189, 228, 238, 305
Fukuda, Takeo, 21, 50, 53, 84, 108, 109, 111
- G-7 London Economic Summit (May 1977), 47
Gandhi, Indira, 202, 292
Gang Xian (Kang Shien), 247
Gao Jianzhong (Kao Chien-chung), 108, 109
Gardner, Richard N., 1
Garn, Edwin J., 213
Gates, Robert M., 70, 242, 268
Gates, Thomas S., 13
Geng Biao, 290, 291, 292, 294, 310
George, J. Mishell, 133
Giffler, Lydia, 73
Gilliland, Col. William S., 290, 291, 292, 294
Glenn, John H., Jr., 35, 129, 191, 218
Gleysteen, William H., Jr., 3
 Brzezinski China visit, 108, 109, 115, 118
 Middle East, 70
 Taiwanese nuclear capabilities, 12
 U.S. military aid to Taiwan, 57, 78
 U.S.-PRC relations normalization, 35, 46
 U.S.-Taiwanese relations, 7, 10
 Vance China visit (1977), 44, 47, 48, 49, 50, 51
 Vance-Huang Hua meetings, 62
Glick, Warren, 238
Goldschmidt, Neil, 263
Goldwater, Barry, 40, 94, 99, 174, 194, 201
Gou Jiading, 278
Granum, Rex, 245
Great Britain, 219
Greece. *See* Cyprus.
Gregg, Donald, 313, 317
Gromyko, Andrei A., 215
Guo Jiading (Kuo Chia-ting), 62, 138
Gwertzman, Bernard, 217, 218
- Habib, Philip C.:
 Huang Zhen meetings, 13
 Mondale-Huang Zhen meetings, 66
 PRM 24 policy options, 34
 Shen meetings, 7, 8, 10, 56
 Taiwanese nuclear capabilities, 12
 U.S. military aid to Taiwan, 57
 Vance China visit (1977), 44, 47, 48, 49, 50, 51
 Vance-Huang Hua meetings, 62
 Vance-Huang Zhen meetings, 2
Hallford, Scott S., 177, 189, 228, 237
Hamrin, Carol L., 160
Handerson, Harold, 164
Handler, Philip, 31
Handyside, Holsey, 238
Han Hsu. *See* Han Xu.
Han Nianlong (Han Nien-lung), 159, 162, 166, 167, 168, 278, 313
Hansell, Herbert J., 174, 175, 180, 189, 213
Hanson, Vice Adm. Carl Thor, 290, 291, 292
Han Xu (Han Hsu):
 Brown China visit, 290, 291, 292, 294
 Brzezinski China visit, 87, 89, 91, 96, 105
 Carter-Chai Zemin meetings, 135
 Geng Biao U.S. visit, 310
 Mondale China visit, 264, 265, 266
 Mondale-Huang Zhen meetings, 66
 PRC claims to Taiwan government property, 182, 187
 Private claims/blocked assets, 21, 27
 Taiwan Relations Act, 235
 U.S.-PRC relations normalization, 122
 Vance-Huang Zhen meetings, 68
Hao Deqing (Hao Te-ching), 234
Harmon, Sidney, 66
Harris, Patricia R., 209, 263
Hart, Gary W., 191
Hartman, Arthur A., 10
Hathaway, Dale, 189
Heng Samrin, 278, 313
Henze, Paul B., 101
Hill, Steven, 245

- Hoang Van Hoan, 265
Hofheinz, Roy M., Jr., 100
Holbrooke, Richard C.:
 Brown China visit, 290, 291, 292, 294
 Brzezinski China visit, 87, 88, 108,
 109, 114, 115
 Carter–Chai Zemin meetings, 135,
 241
 Carter–Hua Guofeng correspondence,
 227
 Chai Zemin meetings, 129
 China visit, 252
 Deng Xiaoping U.S. visit, 201, 202,
 203, 204, 208, 209
 Geng Biao U.S. visit, 310
 Mondale China visit, 258, 264, 265,
 266, 269
 Mondale–Huang Zhen meetings, 66
 PRC IMF/World Bank participation,
 305
 Private claims/blocked assets, 21, 27
 PRM 24 policy options, 34
 Sino-Vietnamese relations, 270, 275
 Sino-Vietnamese war, 214, 216, 217,
 218, 219
 Taiwanese nuclear capabilities, 22
 Taiwan Relations Act, 213, 230
 U.S. policy in Asia, 92, 94
 U.S.–PRC relations normalization:
 Carter–Woodcock discussions, 35
 Chai Zemin discussions, 129
 High-level meeting discussions, 41
 Implementation, 174, 176, 182, 187
 Joint communiqué, 46
 Oksenberg memoranda, 81
 U.S.–Taiwan discussions, 56, 114
 Woodcock talks, 121
 U.S.–PRC security cooperation, 258
 U.S.–PRC technology transfer, 137,
 301
 U.S.–PRC trade relations, 177, 189
 U.S.–ROC Treaty of Mutual Defense,
 124
 U.S.–Taiwanese relations, 10, 54, 115,
 181
 Vance China visit (1977), 44, 47, 48,
 49, 50, 51, 54
 Vance–Han Nianlong meetings, 278
 Vance–Huang Hua meetings, 62, 117,
 137, 138
 Vance–Huang Zhen meetings, 21, 68
 Vietnam relations normalization, 143
 Zhang Wenjin U.S. visit, 303, 304
Holcomb, Rear Adm. M. Staser, 35
Holdridge, John H., 189, 228, 238, 305
Hollings, Ernest F. (Fritz), 213
Hormats, Robert D., 243
Horn of Africa. *See* Ogaden War.
Horowitz, Herbert, 247
Housing and Urban Development, U.S.
 Department of, 257
Hsieh Ch'i-mei. *See* Xie Qimei.
Hsu Hsuan-wei. *See* Xu Xuanwei.
Hsu Shang-wei. *See* Xu Shangwei.
Hua Guofeng (Hua Kuo-feng):
 Blumenthal China visit (1979), 223
 Brown China visit, 294
 Brzezinski China visit, 111
 Carter correspondence, 185, 227, 262
 Carter meetings, 313
 Mondale China visit, 265
 North Korea visit, 102, 109, 111
 Political situation, 5, 69, 128, 153, 158
 Sino-Soviet revisionism dispute, 281
 Soviet war in Afghanistan, 296, 313
 U.S. visit, 210, 266, 294, 310
 Vance China visit (1977), 52, 58
Hua Kuo-feng. *See* Hua Guofeng.
Huang Chen. *See* Huang Zhen.
Huang Hua:
 Brown China visit, 290
 Brzezinski China visit, 108, 109, 111
 Carter meeting cancellation, 58, 59,
 60, 61, 62, 63
 Deng Xiaoping U.S. visit, 201, 203,
 204, 205, 208, 209
 Mondale China visit, 264, 265, 266
 Platt/Holbrooke China visit, 252
 Taiwan Relations Act, 230, 234, 235,
 241
 U.S.–PRC relations normalization, 62,
 117, 127, 138, 149, 210
 Vance China visit (1977), 47, 48, 49,
 50, 51
 Vance meetings, 58, 59, 62, 116, 117,
 137, 138
Huang Xia Si, 209
Huang Zhengji, 290, 291, 292, 294, 310
Huang Zhen (Huang Chen):
 Arms control, 5, 21, 25, 68
 Carter meetings, 3, 5
 Habib meetings, 13
 Lord meetings, 2
 Mondale meetings, 3, 66
 Taiwan status issue, 2, 5
 U.S. visit, 240
 Vance China visit (1977), 25, 47, 48,
 49, 50, 51

- Huang Zhen (Huang Chen)—*Continued*
 Vance meetings, 2, 21, 25, 68
- Huberman, Benjamin:
 Brown China visit, 280
 Brzezinski China visit, 105, 108, 109
 U.S.–PRC scientific/technological cooperation, 164, 165
 U.S.–PRC trade relations, 228, 237, 238
- Hu Chuan-chung. *See* Hu Zhuanzhong.
- Hughes, Tom, 238
- Human rights issues:
 Brzezinski China visit and, 107
 Brzezinski China visit discussions, 109
 Brzezinski memoranda, 31
 Carter–Nixon correspondence, 178
 Inderfurth memoranda, 145
 Oksenberg memoranda, 33, 279
 Taiwan Lobby on, 40
 Vance China visit (1977) discussions, 48
- Hunter, Robert, 193
- Huntington, Samuel P., 100, 101, 108, 109
- Hu Zhuanzhong (Hu Chuan-chung), 117
- Hyland, William G., 60
- Ilichev, Leonid, 13, 111
- Inderfurth, Karl Frederick (Rick):
 Human rights issues, 145
 PRC foreign policy, 130
 PRC political situation, 153
 U.S. military aid to Taiwan, 80
 U.S.–PRC relations normalization, 59, 84, 98, 174, 186
 U.S.–PRC scientific/technological cooperation, 165
- India:
 Brown China visit discussions, 290, 292
 Brzezinski China visit discussions, 109
 Carter–Hua Guofeng discussions, 313
 Deng Xiaoping U.S. visit discussions, 201, 202, 204
 Vance China visit (1977) discussions, 47
 Vance–Huang Hua discussions, 138
 Zhang Wenjin U.S. visit discussions, 304
- Indian Ocean demilitarization proposals, 21, 25
- Indochina. *See* Cambodia;
 Cambodian-Vietnamese war;
 Sino-Vietnamese relations;
 Sino-Vietnamese war;
 Soviet-Vietnamese relations;
 Vietnam.
- Inman, Bobby Ray, 268
- Intelligence Appraisals, IAPPR 336–77,
 “PRC: Military Contacts and
 Modernization of the PLA,” 65
- Intelligence Assessments:
 PA 79–10200D, “China-Vietnam:
 Territorial and Jurisdictional
 Disputes,” 239
 PA 79–10314, “Deng Xiaoping and
 China’s Leadership: Making
 More Room at the Top,” 255
 RP 77–10328, “Policy Issues in the
 Post-Mao Leadership,” 69
 RP 78–10267C, “The
 Peking-Hanoi-Phnom Penh
 Triangle,” 125
 RP 78–10392, “Collective Leadership
 and Policymaking in Post-Mao
 China,” 140
- Intelligence Memoranda:
 “International Reactions To a
 Normalization of US–PRC
 Relations,” 39
 RP 77–10038, “The Value of the
 United States to China’s National
 Security,” 14
- Interagency Intelligence Memoranda,
 NI IIM 78–10024, “Sino-Soviet
 Cooperation in Indochina,” 152
- Interior, U.S. Department of, 144, 257
- International Bank for Reconstruction
 and Development (IBRD) (World
 Bank), 243, 305, 306
- International Communications Agency
 (ICA), 164, 240
- International Monetary Fund (IMF),
 305, 306
- Iran:
 Brown China visit discussions, 286,
 290, 292, 294, 295
 Brzezinski–Chai Zemin discussions,
 163
 Carter–Hua Guofeng discussions, 313
 Deng Xiaoping U.S. visit discussions,
 201
 Hostage crisis, 290, 292, 294, 313
 Vance–Huang Hua discussions, 138
- Israel (*see also* Middle East), 70, 151

- Jackson, Henry M. ("Scoop"), 94
 Jackson-Vanik Amendment, 17, 31, 189, 190, 194, 208, 225, 232
 Japan (*see also* Sino-Japanese relations; U.S.-Japanese relations):
 Brzezinski China visit discussions, 109
 Military capabilities, 252
 Taiwanese relations with, 16
 U.S. policy in Korea and, 94
 U.S.-PRC relations normalization, 158
 Vietnamese relations with, 265
 Javits, Jacob K., 94
 Jaworski, Leon, 92, 94
 Jayne, Edward R., II, 164, 290, 291, 293, 305
 Jenkins, Kempton, 133, 174
 Jian Fu (Chien Fu), 11, 22, 23, 54, 93, 173
 Jiang Jieshi (Chiang Kai-shek), 37, 49, 109, 111, 225, 264
 Jiang Jieshi, Madame (Madame Chiang Kai-shek), 181
 Jiang Jingguo (Chiang Ching-kuo):
 Brzezinski China visit, 114
 Inaugural address (May 1978), 114
 Political situation, 99
 Taiwanese nuclear capabilities, 11, 22, 23
 Unger meetings, 11, 114, 151
 U.S. military aid to Taiwan, 151
 U.S.-PRC relations normalization, 114, 173, 181, 276
 Vance China visit briefing, 44, 45, 54
 Jian Jizhen (Chien Chi-chen), 47, 48, 49, 50, 51
 Ji Chaozhu, 203, 265, 290, 291, 292, 294
 John Paul II, 299
 Johnson, Bill, 238
 Johnson, Darryl N., 323
 Johnson Debt Default Act, 139
 Joint Chiefs of Staff (JCS) (*see also* Jones, Gen. David C.), 154
 Jones, Gen. David C.:
 Sino-Vietnamese war, 217, 218, 219, 220
 U.S. military aid to PRC, 325
 U.S.-PRC relations normalization, 154
 U.S.-PRC scientific/technological cooperation, 150, 263
 Jones, Gen. David C.—*Continued*
 U.S.-PRC trade relations, 189
 Jordan, Hamilton:
 Deng Xiaoping U.S. visit, 203
 Sino-Vietnamese war, 217, 221
 U.S. military aid to Taiwan, 175
 U.S.-PRC relations normalization, 41, 104, 123, 175
 U.S.-PRC technology transfer, 287
 Joseph, James, 245
 Justice, U.S. Department of, 229
 Kahn, Fred, 245
 Kalicki, Jan H., 22
 Kampuchea. *See* Cambodia;
 Cambodian-Vietnamese war.
 Kang Shien. *See* Gang Xian.
 Kao Chien-chung. *See* Gao Jianzhong.
 Kardelj, Edvard, 50, 62
 Katz, Julius L., 189, 228, 238
 Keatley, Anne, 164
 Keegan, Maj. Gen. George J., Jr., 204
 Kelley, Cmdr., 218
 Kennedy, Edward M., 53
 Kenya, 48, 138
 Khrushchev, Nikita, 100, 106, 108, 109, 110, 278, 290
 Kim Dong-jo, 92
 Kim Il-sung, 30, 191, 265
 Kirbo, Charles, 41
 Kissinger, Henry A. (*see also* Nixon-Kissinger China visit records), 2, 27
 Klutznick, Philip M., 302, 315
 Kneeland, Douglas E., 122
 Komer, Robert W., 71, 290, 291, 292, 294, 304, 325
 Korea:
 Brown China visit discussions, 286, 290
 Brzezinski-Chai Zemin discussions, 242
 Brzezinski China visit and, 100
 Brzezinski China visit discussions, 108, 109, 111, 112, 113
 Brzezinski memoranda, 95, 199
 Carter-Nixon correspondence, 178
 Deng Xiaoping U.S. visit discussions, 204
 High-level meeting discussions, 94
 Hua Guofeng North Korea visit, 102, 109, 111
 Mondale China visit discussions, 265

- Korea—*Continued*
 National Security Council Staff
 memoranda, 84, 246
 Nunn–Deng Xiaoping discussions,
 191
 Platt/Holbrooke China visit
 discussions, 252
 State/NSC memoranda, 92
 Vance China visit (1977) discussions,
 47, 49
 Vance–Huang Hua discussions, 138
 Zhang Wenjin U.S. visit discussions,
 303, 304
 Koreagate, 84, 94
 Kreisberg, Paul, 78, 88
 Kreps, Juanita M.:
 Chai Zemin meetings, 133
 China visit, 228, 236, 238, 244, 245
 Deng Xiaoping U.S. visit, 209
 PRM 24 policy options, 24
 U.S.–PRC scientific/technological
 cooperation, 150, 263
 U.S.–PRC trade relations, 15, 17, 189,
 190, 228, 237, 238
 Kriangsak Chamanan, 196, 217, 270
 Kuo Chia-ting. *See* Guo Jiading.
- Lake, W. Anthony, 88
 Laos, 152
 Latin America, 48, 138
 Law, Gordon, 164
 Le Duan, 265
 Levin, Burton, 7, 10, 22, 44
 Liang Feng, 278
 Lian Hongbao (Lien Hung-pao), 108,
 109, 111
 Lian Zhengpao (Lien Cheng-pao):
 Deng Xiaoping U.S. visit, 202, 204,
 208
 U.S.–PRC relations normalization,
 166, 168
 Vance China visit (1977), 47, 48, 49,
 50, 51
 Li Chiang. *See* Li Jiang.
 Lien Cheng-pao. *See* Lian Zhengpao.
 Lien Hung-pao. *See* Lian Hongbao.
 Li Hsien-nien. *See* Li Xiannian.
 Li Jiang (Li Chiang), 156
 Li Liang, 201
 Lilley, James, 59, 174
 Lin Biao (Lin Piao), 128
 Lin Bing (Lin Ping), 47, 48, 49, 50, 51,
 108, 109, 111
 Lin Piao. *See* Lin Biao.
- Linder, Rear Adm. James, 132
 Ling Ching. *See* Ling Jing.
 Ling Jing (Ling Ching), 290, 291
 Lin Ping. *See* Lin Bing.
 Lin Zhaonan, 310
 Lipshutz, Robert, 202
 Liu Hua, 47, 48, 49, 50, 51
 Liu Hua-ching. *See* Liu Huaqing.
 Liu Huaqing (Liu Hua-ching), 290, 292,
 293, 310
 Li Xiannian (Li Hsien-nien), 5, 13, 155,
 156
 Long, Russell, 225
 Lord, Winston, 2
 Lyne, Stephen R., 270
- Machel, Samora Moises, 62
 Mansfield, Michael, 313
 Mao Tse-tung. *See* Mao Zedong.
 Mao Zedong (Mao Tse-tung) (*see also*
 Nixon–Kissinger China visit
 records), 85, 130, 281
 Death of, 3, 18
 Marcos, Ferdinand, 47, 175, 204
 Marcos, Imelda, 252, 265
 Marcuss, Stanley J., 228, 237, 247
 Marks, Lee R., 182, 187
 Marshall, Andrew W., 284
 Martin, Robert A., 231
 Mathews, Jessica Tuchman, 12, 107
 McAuliffe, Eugene V., 6, 9
 McGiffert, David E.:
 Brown China visit, 280, 290, 291, 292,
 294
 PRC IMF/World Bank participation,
 305
 U.S. military aid to PRC, 325
 U.S. military withdrawal from
 Taiwan, 132
 U.S.–PRC relations normalization, 35,
 90, 179
 U.S.–PRC security cooperation, 233
 U.S.–Soviet-PRC triangle, 71
 Zhang Wenjin U.S. visit, 304
 McHenry, Donald, 278
 McIntyre, James T., 150, 263
 McKenna, Margaret, 245
 McNamara, Robert A., 243
 Middle East:
 Brown China visit discussions, 292,
 294
 Brzezinski–Chai Zemin discussions,
 163

- Middle East—*Continued*
- Brzezinski China visit discussions, 108, 109, 111, 112
 - Carter–Hua Guofeng discussions, 313
 - Deng Xiaoping U.S. visit discussions, 202, 204
 - Habib–Huang Zhen discussions, 13
 - National Security Council scope paper, 106
 - Oksenberg memoranda, 70
 - Strauss China visit discussions, 249
 - Vance China visit (1977) discussions, 47, 48, 49, 50
 - Vance–Huang Hua discussions, 62, 138
 - Vance–Huang Zhen discussions, 21, 25, 68
 - Vance trip, 13
- Middleton, Drew, 293
- Miller, G. William, 305, 324
- Mink, Patsy, 22
- Moe, Richard, 104, 245, 264, 265
- Mondale, Walter:
- Asia trip (1978), 108
 - Brzezinski China visit, 86
 - Carter–Huang Zhen meetings, 5
 - China visit (1979), 81, 250, 254, 258, 262, 264, 265, 266, 267
 - Deng Xiaoping U.S. visit, 202, 204, 205, 208
 - Geng Biao U.S. visit, 310
 - Huang Zhen meetings, 3, 66
 - PRM 24 policy options, 24, 32
 - Sino-Vietnamese war, 214, 217, 218, 221
 - U.S. military aid to Taiwan, 175
 - U.S.–PRC relations normalization, 35, 104, 175
 - U.S.–PRC scientific/technological cooperation, 150, 263
 - U.S.–PRC technology transfer, 264, 265, 266, 269, 287
 - U.S.–PRC trade relations, 264, 266, 287
- Woodcock–Carter meetings, 77
- Moore, Frank B., 174, 245
- Moore, John, 189
- Morgan, Elva, 49
- Mossellem, Cornelia, 50
- Moyer, Homer, 228, 305
- Moynihhan, Daniel P., 218
- Mozambique, 202
- Murray, Russell, II, 71
- Muskie, Edmund S., 309, 310, 313, 323
- Namibia, 48, 50, 138
- National Aeronautics and Space Administration (NASA), 144
- National Cancer Institute, 144
- National Council for U.S.–China Trade, 18, 51
- National Intelligence Analytical Memoranda, NIAM 43–1–77, “The Prospects for Taiwan After Normalization,” 38
- National Intelligence Estimates, NIE 11/13–80, “Sino-Soviet Relations in the Early 1980’s,” 312
- National Science Foundation, 144, 164, 257
- National Security Council (NSC), Meetings, 214, 287
- National Security Decision Memoranda (NSDM):
- NSDM 246, “End-Use Information Required by US and COCOM Export Controls,” 24
 - NSDM 247, “US Policy on the Export of Computers to Communist Countries,” 24
- Negroponte, John D., 323
- Nemirow, Sam, 238
- Newsom, David D., 147, 185, 203, 217, 218, 221, 278
- Nguyen Co Thach, 138
- Nigeria, 48
- Nixon, Richard M. (*see also* Nixon–Kissinger China visit records), 27, 175, 178
- Nixon–Kissinger China visit records (*see also* Shanghai Communiqué):
- Brzezinski memoranda, 16, 20, 28, 98
 - Carter–Huang Zhen discussions, 5
 - High-level meeting discussions, 41
 - Vance China visit (1977) discussions, 50
 - Vance–Huang Zhen discussions, 2
- Ni Yaoli (Ni Yao-li), 108, 109, 247, 310
- Noren, James H., 73
- North Atlantic Treaty Organization (NATO):
- Brzezinski China visit discussions, 108
 - Brzezinski memoranda, 31
 - Comprehensive Net Assessment and Military Force Posture Review, 47, 50
 - Deng Xiaoping U.S. visit discussions, 203, 204

- North Atlantic Treaty Organization (NATO)—*Continued*
 PRC briefing proposals, 59
 Strategic Arms Limitation (SALT) talks, 266
 U.S.-Soviet-PRC triangle and, 71
 Vance-Huang Hua discussions, 138
 Vance-Huang Zhen discussions, 2
 Notargiacomo, Joe, 78
 Nuclear Non-Proliferation Act (1978), 93
 Nuclear proliferation. *See* Nuclear weapons.
 Nuclear weapons (*see also* Arms control):
 Comprehensive Net Assessment and Military Force Posture Review, 50
 Pakistani capabilities, 199, 201, 202, 204, 265, 280, 286, 292
 PRC testing, 208, 211, 280, 282, 283, 286
 Taiwanese nuclear capabilities, 11, 12, 22, 23, 93
 U.S. démarche to Taiwan government, 93
 Vance China visit (1977) discussions, 49, 50
 Nunn, Samuel A., 176, 191
 Nye, Joseph, 22
 Nyerere, Julius, 48, 204
- Oakley, Robert B., 221, 270
 Oberdorfer, Don, 22, 96
 Obermiller, Francine, 108, 109
 Odom, William E., 193, 217, 218, 219
 O'Donohue, Daniel A., 10
 Ogaden War (*see also* Soviet policy in Africa), 62
 Brown memoranda, 83
 Brzezinski China visit discussions, 108, 109
 Deng Xiaoping U.S. visit discussions, 202
 National Security Council scope paper, 106
 National Security Council Staff memoranda, 84
 Vance China visit (1977) discussions, 48, 49
 Vance-Huang Chen discussions, 25
 Vance-Huang Hua discussions, 62, 138
- Ogaden War (*see also* Soviet policy in Africa)—*Continued*
 Vance-Huang Zhen discussions, 21, 68
 Ohira, Masayoshi, 109, 207, 225, 241, 294, 313
 Oksenberg, Michel:
 Afghanistan, 101
 Brown China visit, 267, 280, 290, 291, 292, 293, 294
 Brzezinski-Chai Zemin meetings, 163
 Brzezinski China visit:
 Brzezinski-Hua Guofeng meetings, 111
 Brzezinski-Huang Hua meetings, 108, 109
 Debriefing, 112, 131
 Planning, 77, 81, 87, 88, 89, 91, 96, 105, 106
 Bush China visit (1977), 62
 Carter-Chai Zemin meetings, 135, 241
 Carter-Hua Guofeng correspondence, 227, 262
 Carter-Huang Hua meeting cancellation, 60, 61
 Carter-Huang Zhen meetings, 5
 Congressional China visits, 25
 Deng Xiaoping U.S. visit, 196, 201, 202, 203, 204, 209
 Holbrooke-Chai Zemin meetings, 129
 Human rights issues, 33, 107, 279
 Korea, 246
 Middle East, 70
 Mondale China visit, 264, 265, 266, 269
 Mondale-Huang Zhen meetings, 66
 Platt/Holbrooke China visit, 252
 PRC foreign policy, 130
 PRC political situation, 112, 128, 153, 158
 Private claims/blocked assets, 27, 59
 PRM 24 policy options, 34
 Sino-Soviet relations, 3, 128, 130
 Sino-Vietnamese war, 214, 215, 217, 218, 219, 221
 Taiwanese nuclear capabilities, 12
 Thornton memorandum, 63
 U.S. military aid to Taiwan, 59, 80, 81
 U.S. policy in Asia, 84, 92, 94, 175
 U.S.-PRC exchanges, 112, 128, 240
 U.S.-PRC relations normalization, 3, 26, 55, 59, 81, 85, 131, 138

- Oksenberg, Michel—*Continued*
 U.S.–PRC relations
 normalization—*Continued*
 Brzezinski–Han Xu discussions,
 122
 Brzezinski memoranda, 98
 Carter high-level meetings, 123
 Carter–Woodcock discussions, 35
 High-level meeting discussions, 41,
 42
 Implementation, 175, 194, 308
 Joint communiqué, 36, 41, 46, 149,
 186
 Vance–Huang Hua discussions, 138
 Woodcock talks, 135, 149
 U.S.–PRC relations overviews, 131,
 259, 300, 327
 U.S.–PRC scientific/technological
 cooperation, 164, 165
 U.S.–PRC security cooperation, 267,
 268
 U.S.–PRC trade relations, 248
 Blumenthal China visit, 177, 223,
 225
 Blumenthal memoranda, 232
 Brzezinski memoranda, 19
 Export licenses, 237, 269
 Kang Shien U.S. visit, 247
 National Security Council Staff
 memoranda, 139
 Policy Review Committee
 discussions, 189, 228, 229, 238
 U.S.–ROC Treaty of Mutual Defense,
 59, 124
 U.S.–Soviet-PRC triangle, 34, 59, 112,
 123, 130, 175, 215
 U.S.–Soviet relations, 9
 U.S.–Taiwanese relations, 175, 195
 Vance China visit (1977), 47, 48, 49,
 50, 51, 53, 131
 Vance–Huang Hua meetings, 62, 117,
 138
 Vance–Huang Zhen meetings, 21, 68
 O’Leary, John F., 245
 Olympic Games boycott, 296, 304
 O’Neill, Thomas Phillip, Jr. “Tip,” 94
 Overseas Private Investment
 Corporation, 264, 324
 Owen, Henry D., 1, 189, 225, 243, 305
- Pakistan (*see also* U.S. military aid to
 Pakistan)—*Continued*
 Brzezinski China visit discussions,
 109, 110, 112
 Deng Xiaoping U.S. visit discussions,
 201, 202, 203, 204
 Mondale China visit discussions, 265
 Nuclear capabilities, 199, 201, 202,
 204, 265, 280, 286, 292
 Vance memoranda, 199
 Zhang Wenjin U.S. visit discussions,
 304
- Palestinians. *See* Middle East.
 Paley, William, 2
 Panama Canal, 48, 59, 108, 110, 122, 178
 Park, Chung Hee, 49, 204
 Park, Tongsun, 84, 94
 Peng Chen. *See* Beng Zhen.
 P’eng Chin-po. *See* Peng Jinbo.
 Peng Dehuai (P’eng Te-huai), 158
 Peng Di, 203
 Peng Jinbo (P’eng Chin-po), 66, 133
 Peng Jinho, 247
 P’eng Te-huai. *See* Peng Dehuai.
 People’s Republic of China (PRC) (*see*
 also PRC peaceful intent
 assurances; PRC political situation;
 U.S. military aid to PRC; U.S.–PRC
 relations; U.S.–PRC relations
 normalization; U.S.–PRC security
 cooperation; U.S.–PRC technology
 transfer; U.S.–PRC trade relations):
 Birth control program, 73
 Catholic Church, 299
 Economic situation, 4, 69, 224
 Military capabilities, 41, 69
 Military delegation exchanges, 65
 Nuclear testing, 208, 211, 280, 282,
 283, 286
 Tangshan earthquake (July 1976), 4
 Vatican relations with, 299
 Perkins, Dwight H., 100
 Perry, William J., 71, 253, 320
 Pham Van Dong, 265
 Phan Hien, 270
 Philippines, 47
 Phillips, Christopher H., 2
 Pickering, Tom, 164
 Pillsbury, Michael, 284
 Pimentel, George, 164
 Pinckney, Col. T. C., 78
 Pinyin romanization system, 161
 Platt, Nicholas:
 Brown China visit, 290, 291, 292, 293,
 294

- Platt, Nicholas—*Continued*
 China visit, 252
 Geng Biao U.S. visit, 310
 Korea, 246
 U.S. economic aid to PRC, 243
 U.S. military aid to PRC, 325
 U.S.–PRC relations normalization, 174
 U.S.–PRC technology transfer, 301
 U.S.–PRC trade relations, 134
- Policy Review Committee:
 PRM 24, 24, 34
 U.S.–PRC exchanges, 240
 U.S.–PRC scientific/technological cooperation, 144, 146, 164, 165
 U.S.–PRC trade relations, 189, 190, 228, 229, 238
- Pol Pot (Salth Sar), 152, 264, 265, 275, 278
- Popple, Paul M., 23
- Porpora, Jeannette, 47, 48
- Portugal, 121
- Powell, Jody:
 Deng Xiaoping U.S. visit, 202, 208
 Sino-Vietnamese war, 217, 218, 219, 221
 U.S.–PRC relations normalization, 174, 175
 U.S.–PRC technology transfer, 287
- Pratt, Mark S., 276
- PRC foreign policy:
 Brzezinski memoranda, 30
 Holbrooke memoranda, 137
 Intelligence Assessments, 69
 Intelligence Memoranda, 14
 Oksenberg memoranda, 130
 Vance China visit (1977) discussions, 49
 Woodcock memoranda, 297
- PRC IMF/World Bank participation, 243, 305, 306
- PRC peaceful intent assurances:
 Brzezinski China visit discussions, 111, 112, 113, 118
 Brzezinski memoranda, 1, 31, 318
 Carter–Chai Zemin discussions, 135
 Carter–Nixon correspondence, 178
 Deng Xiaoping U.S. visit discussions, 208
 High-level meeting discussions, 41
 JCS memoranda, 154
 Nunn–Deng Xiaoping discussions, 191
 Oksenberg memoranda, 123
- PRC peaceful intent assurances—*Continued*
 Vance China visit (1977) discussions, 48, 49, 50
 Vance memoranda, 119
 Woodcock–Huang Hua discussions, 230
 Woodcock talk discussions, 121, 159, 162
- PRC political situation:
 Blumenthal memoranda, 18
 Carter–Huang Zhen discussions, 5
 Intelligence Assessments, 69, 140, 255
 National Security Council Staff memoranda, 84
 Oksenberg memoranda, 112, 128, 153, 158
 Woodcock memoranda, 261
- Presidential Determinations, No. 80–1, “Determination under Subsection 2(b)(2) of the Export-Import Bank of 1945, as Amended—People’s Republic of China,” 307
- Presidential Directives:
 PD 18, “U.S. National Strategy,” 59, 108
 PD 43, “US-China Scientific and Technological Relationships,” 150, 263
- Presidential Review Committee, 305
- Presidential Review Memoranda:
 PRM 10, “Comprehensive Net Assessment and Military Force Posture Review,” 50, 53, 54, 59, 100, 108, 109, 111
 PRM 24, “People’s Republic of China,” 24, 26, 31, 32, 34, 53, 59, 67, 131
 PRM 31, “Export Control of U.S. Technology,” 59
- Press, Frank:
 Brzezinski China visit, 105
 Cabinet meetings, 245
 China visit, 117, 122, 129, 192
 Deng Xiaoping U.S. visit, 209, 210
 U.S.–PRC scientific/technological cooperation, 75, 144, 146, 150, 164, 210, 211, 257, 260, 263
 U.S.–PRC technology transfer, 64, 144
 U.S.–PRC trade relations, 189
- Private claims/blocked assets:
 Carter–Blumenthal discussions, 225
 Carter–Chai Zemin discussions, 241
 Carter–Huang Zhen discussions, 5

- Private claims/blocked assets—*Continued*
 Carter memoranda, 26
 Deng Xiaoping U.S. visit discussions, 208, 209
 Final agreement, 244
 Habib–Huang Zhen discussions, 13
 Holbrooke–Han Xu discussions, 27
 Oksenberg memoranda, 59
 Policy Review Committee discussions, 189, 190, 238
 Roy memoranda, 222
 Vance China visit (1977) discussions, 53
 Vance–Huang Zhen discussions, 21
 Woodcock memoranda, 234
 Pu Shouchang, 202, 203, 204, 208, 209
 Pustay, Lt. Gen. John, 305
 Putschman, Alan, 189
 Pye, Lucian W., 100
- Qian Dayong (Tsien Ta-yung), 2, 5, 13, 21, 27
 Qian Jiadong (Tsien Chia-tung), 62
 Qian Xusen, 293
 Quaksenburgh, Col. Robert, 174
 Quandt, William B., 101
- Rathner, Herbert, 296
 Reagan, Ronald, 316, 317
 Reinhardt, John E., 164
 Renner, John C., 139, 164, 189, 228
 Resor, Stanley, 189
 Reuss, Henry, 91
 Rhodesia (*see also* Africa), 48, 49, 50, 62, 108, 138
 Richardson, John, Jr., 107
 Richeson, Lt. Col. Alfred K., 78, 290, 291, 293
 Ridge, Thomas, 35, 78
 Ripley, S. Dillon, 263
 Rivers, Richard, 238
 Rockefeller, David, 2, 5, 13
 Rogers, Bernard W., 183
 Rogers, William P., 59
 Romania (*see also* Eastern Europe), 138
 Romanization system, 161
 Romberg, Alan D., 22, 47, 50, 54, 78
 Roosevelt, Julien, 296
 Roy, J. Stapleton:
 Brown China visit, 293
 Congressional China visits, 25
 Private claims/blocked assets, 27, 222
 Sino-Vietnamese war, 216
- Roy, J. Stapleton—*Continued*
 U.S.–PRC relations normalization, 186
 U.S.–Taiwanese relations, 235, 276
 Vance–Han Nianlong meetings, 278
 Vance–Huang Zhen meetings, 68
- Sadat, Anwar, 202, 204, 249, 292
 Safire, William, 59
 Samuel, Howard, 238
 Saunders, Harold H., 175, 218
 Saylor, Thomas, 228
 Schecter, Jerrold, 202
 Schlesinger, James R.:
 China visit, 41, 117, 122, 135, 144, 153, 157
 Mondale–Huang Zhen meetings, 66
 U.S.–PRC scientific/technological cooperation, 150, 210
 Schmidt, Helmut, 68, 233
 Schwartz, Teresa, 245
 Schweiker, Richard, 25, 27
 Scranton, William, 59
 Seignious, Lt. Gen. George M., 280, 290, 291
 Seitz, Raymond G.H., 298
 Senkaku incident (1978), 106, 109
 Seton-Watson, Hugh, 101
 Shanghai Communiqué (Feb. 1972):
 High-level meeting discussions, 41
 Joint communiqué and, 142, 186
 PRM 24 on, 24
 U.S.–PRC discussions, 2, 5, 21, 50, 52, 159, 167
 U.S.–Taiwan discussions, 7, 8, 10
 Shen, James Changhuan:
 Brzezinski China visit, 114, 115
 Habib meetings, 7, 8, 10, 56
 Unger meetings, 56, 114
 U.S. military aid to Taiwan, 57
 U.S.–PRC relations normalization, 56, 114, 115
 Vance China visit briefing, 44, 54
 Vance meetings, 56
 Shen Jo-yun. *See* Shen Ruoyun.
 Shen Ruoyun (Shen Jo-yun), 89
 Shih Yen-hua. *See* Shi Yanhua.
 Shirk, Susan L., 145
 Shi Yanhua (Shih Yen-hua), 47, 48, 49, 50, 51, 62, 111, 166, 168
 Shoesmith, Thomas P., 187, 281
 Shu Erwei (Shu Erh-wei), 138
 Shulman, Marshall D., 193, 215

- Sick, Gary, 101, 217, 218
- Sihanouk, Norodom (Prince of Cambodia), 264, 265, 292
- Singh, Charan, 265
- Sino-Japanese relations:
- Brzezinski China visit discussions, 109, 111
 - Brzezinski memoranda, 143
 - Holbrooke–Chai Zemin discussions, 129
 - National Security Council scope paper, 106
 - Oksenberg memoranda, 128, 130
 - Vance–Huang Hua discussions, 138
- Sino-Soviet relations (*see also* U.S.-Soviet-PRC triangle), 3
- Border conflicts, 102
 - Brown China visit discussions, 290
 - Brzezinski memoranda, 143
 - East-West Planning Group discussions, 193
 - High-level meeting discussions, 41
 - Mondale China visit discussions, 266
 - National Intelligence Estimates, 312
 - National Security Council scope paper, 106
 - Oksenberg memoranda, 3, 128, 130
 - Revisionism dispute, 281
 - Sino-Vietnamese war and, 231
 - U.S.–PRC security cooperation and, 233, 251
- Sino-Vietnamese relations:
- Brzezinski memoranda, 113, 126
 - Intelligence Assessments, 125
 - Mondale China visit discussions, 265
 - Oksenberg memoranda, 112
 - Turner memoranda, 155
 - Vance memoranda, 270
 - Woodcock memoranda, 275
- Sino-Vietnamese war, 213
- Blumenthal China visit discussions, 223
 - Brzezinski memoranda, 199, 220
 - Bureau of Intelligence and Research reports, 231
 - Carter–Blumenthal discussions, 225
 - Carter–Chai Zemin discussions, 241
 - Carter–Deng Xiaoping correspondence, 212, 216
 - Carter–Hua Guofeng correspondence, 227
 - CIA research paper, 226
 - Deng Xiaoping U.S. visit discussions, 205, 206, 207
 - Sino-Vietnamese war—*Continued* Intelligence Assessments, 239
 - NSC discussions, 214
 - Oksenberg memoranda, 215
 - SCC discussions, 217, 218, 219, 221
 - Smith, Brig. Gen. Carl, 290, 291, 292
 - Smith, Ian, 49, 50, 62
 - Smith, Michael B., 189
 - Smith, Mort, 164
 - Smithsonian Institution, 257
 - Smith, Terry, 245
 - Smith, Lt. Gen. William Y.:
 - Sino-Vietnamese war, 214, 217, 218, 221
 - U.S.–PRC relations normalization, 34, 174
 - U.S.–PRC scientific/technological cooperation, 164
 - U.S.–PRC trade relations, 189, 228, 238
 - Snow, Edgar, 85
 - Solarz, Stephen J., 94
 - Solomon, Anthony, 228, 238, 247
 - Somalia (*see also* Ogaden War), 96
 - Sonada Sunao, 137, 138, 265
 - Song Zhenming, 247
 - Sonnenfeldt Doctrine, 49, 50
 - Soong, James, 54, 114, 173
 - Soviet foreign policy (*see also* Cuba as Soviet proxy; Sino-Soviet relations; Soviet policy in Africa; Soviet-Vietnamese relations; Soviet war in Afghanistan; U.S.-Soviet-PRC triangle; U.S.-Soviet relations):
 - Brown China visit discussions, 290, 292, 294
 - Brzezinski China visit discussions, 108, 109, 110, 111, 112, 113, 118
 - Brzezinski memoranda, 251
 - Carter–Hua Guofeng discussions, 313
 - Carter–Huang Zhen discussions, 5
 - Carter–Nixon correspondence, 178
 - Deng Xiaoping U.S. visit discussions, 202, 204
 - Mondale China visit discussions, 265, 266
 - National Security Council Staff memoranda, 84
 - Nunn–Deng Xiaoping discussions, 191
 - Oksenberg memoranda, 130
 - Vance China visit (1977) discussions, 49, 52

- Soviet foreign policy (*see also* Cuba as Soviet proxy; Sino-Soviet relations; Soviet policy in Africa; Soviet-Vietnamese relations; Soviet war in Afghanistan; U.S.-Soviet-PRC triangle; U.S.-Soviet relations)—*Continued*
- Vance–Huang Hua discussions, 62, 138
- Vance–Huang Zhen discussions, 21, 25, 68
- Zhang Wenjin U.S. visit discussions, 303
- Soviet policy in Africa:
- Brown memoranda, 83
- Brzezinski China visit discussions, 108, 109, 112
- Deng Xiaoping U.S. visit discussions, 202, 204
- Ogaden War, 21, 25, 83
- Vance China visit (1977) discussions, 48, 49
- Vance–Huang Hua discussions, 62, 117
- Vance–Huang Zhen discussions, 21, 25
- Vance memoranda, 199
- Soviet Union (*see also* Soviet foreign policy; Strategic Arms Limitation (SALT) talks; U.S.-Soviet-PRC triangle; U.S.-Soviet relations):
- Economic situation, 48
- Military capabilities, 47, 49, 108, 203, 286
- Military presence in Cuba, 251, 272, 273, 278
- Soviet-Vietnamese relations:
- Brzezinski–Han Xu discussions, 96
- Brzezinski memoranda, 126
- Bureau of Intelligence and Research reports, 231
- Carter–Chai Zemin discussions, 241
- Carter–Hua Guofeng discussions, 313
- Deng Xiaoping U.S. visit discussions, 202, 205
- Interagency Intelligence Memoranda, 152
- Mondale China visit discussions, 264, 265
- Oksenberg memoranda, 130
- SCC discussions, 221
- State Department discussions, 197
- Turner memoranda, 155
- Vance–Huang Hua discussions, 138
- Soviet-Vietnamese relations—*Continued*
- Woodcock memoranda, 275
- Soviet war in Afghanistan:
- Brown China visit discussions, 290, 292, 294
- Carter–Hua Guofeng discussions, 313
- Carter–Watson discussions, 311
- Geng Biao U.S. visit discussions, 310
- Olympic Games boycott and, 296, 304
- Zhang Wenjin U.S. visit discussions, 304
- Special Coordination Committee Ad Hoc Group on China, 174, 195, 280
- Special Coordination Committee (SCC), 194, 213, 217, 218, 219, 220, 221
- Stevenson, Adlai E., III, 225
- Steuer, H. Guyford, 263
- Stoddard, Phillip H., 231
- Stone, Richard, 40
- Strategic Arms Limitation (SALT) talks (*see also* Arms control):
- Brown memoranda, 83
- Brzezinski–Chai Zemin discussions, 163, 242
- Brzezinski China visit discussions, 108, 109, 110, 113
- Brzezinski–Han Xu discussions, 96
- Brzezinski memoranda, 143
- Brzezinski–Woodcock discussions, 77
- Carter–Chai Zemin discussions, 241
- Carter–Nixon correspondence, 178
- Deng Xiaoping U.S. visit discussions, 204, 208
- High-level meeting discussions, 94
- Moe memoranda, 104
- Mondale China visit discussions, 266
- National Security Council scope paper, 106
- Oksenberg memoranda, 123
- Vance/Brown/Brzezinski memoranda, 99
- Vance China visit (1977) discussions, 47, 49
- Vance–Huang Hua discussions, 62, 138
- Vance–Huang Zhen discussions, 21, 25, 68
- Vance memoranda, 119
- Stratton, Samuel Studdiford, 84, 92, 94
- Strauss, Robert S., 134, 189, 209, 228, 247, 249
- Sudan, 48

- Suharto, Mohammed, 175
- Sullivan, Roger W.:
 Brown China visit, 280
 Brzezinski–Chai Zemin meetings, 299
 Bush China visit (1980), 316
 Deng Xiaoping U.S. visit, 203
 Geng Biao U.S. visit, 310
 PRC IMF/World Bank participation, 305
 Taiwanese nuclear capabilities, 11
 U.S. military aid to Taiwan, 328
 U.S.–PRC relations normalization, 174, 308
 U.S.–PRC technology transfer, 301
 U.S.–PRC trade relations, 133, 177, 228
 U.S.–ROC Treaty of Mutual Defense termination, 180
 Vance China visit Taiwan government briefing, 54
 Vance–Han Nianlong meetings, 278
 Zhang Wenjin U.S. visit, 303
- Sun Ping, 313
- Sun Suochang, 236
- Sun, Y. S., 183
- Sylvester, John, Jr., 231
- Taiwan (*see also* PRC peaceful intent assurances; Republic of China; Taiwan status issue; U.S.–Taiwanese relations):
 Independence issue, 16, 37, 41, 99
 Israeli military aid to, 151
 Japanese relations with, 16
 National Intelligence Analytical Memoranda, 38
 Nuclear capabilities, 11, 12, 22, 23, 93
 Olympic Games boycott, 296, 305
 Political situation, 99, 276
- Taiwan Lobby, 40, 53, 59, 145
- Taiwan omnibus legislation. *See* Taiwan Relations Act.
- Taiwan Public Relations Act, 234
- Taiwan Relations Act (TRA):
 Albright memoranda, 213
 Policy Review Committee discussions, 189
 SCC Ad Hoc Group on China discussions, 174
 SCC discussions, 194, 213
 U.S.–PRC discussions, 230, 234, 235, 241, 264, 318, 323
- Taiwan status issue:
 Brown memoranda, 6
- Taiwan status issue—*Continued*
 Brzezinski China visit discussions, 109, 111
 Brzezinski memoranda, 31
 Carter–Huang Zhen discussions, 5
 High-level meeting discussions, 41
 Joint communiqué on, 36, 46, 142
 Lord–Huang Zhen discussions, 2
 Nixon–Kissinger China visit records, 16, 98
 PRM 24 on, 24
 U.S.–Taiwan discussions, 54
 Vance China visit (1977) discussions, 48, 49, 50
 Vance–Huang Hua discussions, 138
 Vance–Huang Zhen discussions, 2
 Vance memoranda, 26
 Woodcock talk discussions, 159
- Takeiri, Yoshikatsu, 158
- Talmadge, Herman E., 94
- Tang Wensheng (T'ang Wen-sheng) (Nancy), 2, 47, 48, 49, 50, 51, 167
- Tanzania, 204
- Taraki, Nur Mohammad, 101
- Tarnoff, Peter R., 47, 67, 78, 82, 253, 298, 307
- Teng Hsiao-p'ing. *See* Deng Xiaoping.
- Thailand, 252, 278, 313
- Thayer, Harry E. T.:
 Brzezinski China visit, 88, 115
 Carter–Hua Guofeng correspondence, 185
 Deng Xiaoping U.S. visit, 203
 PRC claims to Taiwan government property, 182, 187
 U.S. military aid to Taiwan, 78
 U.S.–PRC relations normalization, 176
 Vance China visit (1977), 47, 48, 49, 51
 Vance–Huang Hua meetings, 62, 117, 138
 Vance–Huang Zhen meetings, 21
- Thomas, John, 164
- Thornton, Thomas, 60, 61, 63, 101
- Tibet, 41, 264, 311
- Tien Yu. *See* Dian Yu.
- Ting Yuan-hung. *See* Ding Yuanhong.
- Tito, Josip Broz, 62
- Tolstikov, Vasily, 102
- Toon, Malcolm, 215
- Tower, John, 40
- Trade Act (1974) (*see also* Jackson–Vanik Amendment), 17, 232, 243

- Transportation, U.S. Department of, 257
 Treasury, U.S. Department of, 229
 Trilateral Commission, 2
 Tsao Kuei-sheng. *See* Cao Guisheng.
 Tsien Chia-tung. *See* Xian Jiadong.
 Tsien Ta-yung. *See* Xian Dayong.
 Turkey (*see also* Cyprus), 106, 203
 Turner, Adm. Stansfield:
 Cabinet meetings, 245
 Cambodian-Vietnamese war, 155, 197
 Sino-Vietnamese war, 214, 217, 218,
 219, 220, 221
 U.S.-PRC relations, PRM 24 policy
 options, 24, 32, 34
 U.S.-PRC relations normalization,
 Intelligence Memoranda, 39
 U.S.-PRC scientific/technological
 cooperation, 150, 263
 U.S.-PRC trade relations, Policy
 Review Committee discussions,
 189
 Vietnam relations normalization, 155
 Turner, Brian, 228
 Tyler, Patrick, 131
- Ullman, Albert C., 234
 Unger, Leonard S.:
 Brzezinski China visit, 114
 PRC claims to Taiwan government
 property, 184, 187
 Shen meetings, 56, 114
 Taiwanese nuclear capabilities, 11, 23,
 93
 U.S. military aid to Taiwan, 151
 U.S.-PRC relations normalization, 8,
 114, 171, 173
 Vance China visit, 45, 54
- United Nations:
 Cambodian-Vietnamese war, 204
 Iran, 292, 294, 295
 Sino-Vietnamese war, 217, 219, 221
 U.S.-China Joint Economic Committee,
 177, 189, 198, 225, 319, 324
 U.S. diplomatic relations with PRC. *See*
 U.S.-PRC relations normalization.
 U.S.-Japanese relations:
 Blumenthal visit, 225
 Brown memoranda, 6, 9
 Brzezinski China visit and, 100
 Brzezinski China visit discussions,
 108
 Fukuda visit, 21
 Kreps visit, 245
 U.S.-Japanese relations—*Continued*
 National Security Council Staff
 memoranda, 84
 Vance China visit (1977) discussions,
 47, 49
 Vance-Huang Hua discussions, 138
 Vance memoranda, 26
 U.S. military aid to Pakistan, 304
 Brown China visit discussions, 286,
 290, 292, 294
 Deng Xiaoping U.S. visit discussions,
 201, 202, 204
 Vance China visit (1977) discussions,
 47
 Vance-Huang Hua discussions, 117,
 138
 U.S. military aid to PRC (*see also*
 U.S.-PRC security cooperation;
 U.S.-PRC technology transfer), 31,
 71, 289, 325, 326
 U.S. military aid to Taiwan:
 Brown China visit discussions, 290,
 295
 Brown memoranda, 179
 Brown-Woodcock discussions, 35
 Brzezinski China visit discussions,
 111, 112, 113, 118
 Brzezinski-Han Xu discussions, 122
 Brzezinski memoranda, 31, 95, 147,
 148, 172, 181
 Carter-Chai Zemin discussions, 135
 Carter-Nixon correspondence, 178
 Carter-Woodcock discussions, 141
 Christopher Taiwan mission
 discussions, 183
 Deng Xiaoping U.S. visit discussions,
 208
 Gleysteen memoranda, 57
 High-level meeting discussions, 41,
 94, 175
 McGiffert memoranda, 90
 Muskie-Chai Zemin discussions, 323
 National Security Council Staff
 memoranda, 84
 Oksenberg memoranda, 59, 80, 81
 SCC Ad Hoc Group on China
 discussions, 174
 State-Defense memoranda, 78, 80, 82
 State/NSC memoranda, 92
 Sullivan memoranda, 328
 Unger-Jiang Jinguo discussions, 151
 Vance memoranda, 26, 285
 Woodcock memoranda, 241

- U.S. military aid to Taiwan—*Continued*
Woodcock talk discussions, 119, 121, 159, 162, 166, 167, 168, 169, 170
- U.S. military capabilities, 47, 49, 108
- U.S. military withdrawal from Taiwan:
Armocost memoranda, 55, 132
Brown memoranda, 6, 179
Brown–Woodcock discussions, 35
Brzezinski memoranda, 1, 31, 103, 181
Christopher memoranda, 74
Christopher Taiwan mission discussions, 183
Duncan memoranda, 72, 76
Nixon–Kissinger China visit records, 16
Oksenberg memoranda, 59
Policy Review Committee discussions, 34
PRM 24 on, 24, 32
SCC Ad Hoc Group on China discussions, 174
State/NSC memoranda, 92
Vance China visit (1977) discussions, 48, 50
Vance memoranda, 26
Woodcock talk discussions, 166
- U.S. policy in Asia:
Brown memoranda, 9
Brzezinski China visit discussions, 108
Brzezinski memoranda, 143, 309
Carter–Nixon correspondence, 178
East–West Planning Group discussions, 193
High-level meeting discussions, 94, 309
Mondale China visit discussions, 265
National Security Council scope paper, 106
National Security Council Staff memoranda, 84
Nixon–Oksenberg discussions, 175
State/NSC memoranda, 92
Vance/Brown/Brzezinski memoranda, 99
Vance China visit (1977) discussions, 47
Vance memoranda, 26
- U.S. political situation:
Brzezinski China visit discussions, 108
High-level meeting discussions, 94
McGiffert memoranda, 90
- U.S. political situation—*Continued*
Moe memoranda, 104
National Security Council scope paper, 106
Presidential elections (1980), 316, 317
Vance/Brown/Brzezinski memoranda, 99
Vance China visit (1977) discussions, 47, 50
- U.S.–PRC exchanges (*see also* U.S.–PRC scientific/technological cooperation), 51, 113
Brzezinski directive, 254
Brzezinski–Han Xu discussions, 122
Brzezinski memoranda, 31
Deng Xiaoping U.S. visit discussions, 208, 209
Holbrooke memoranda, 137
Kreps–Chai Zemin discussions, 133
Mondale China visit discussions, 254
Oksenberg memoranda, 112, 128
Policy Review Committee discussions, 240
Vance–Huang Hua discussions, 117
Vance–Huang Zhen discussions, 21
- U.S.–PRC relations (*see also* China delegation visits *under* Congress, U.S.; Nixon–Kissinger China visit records; Private claims/blocked assets; U.S.–PRC relations normalization; U.S.–Soviet–PRC triangle):
Brzezinski–Chai Zemin meetings, 129, 163, 242, 299
Cabinet officials China visit proposals, 136
Carter–Chai Zemin meetings, 135, 241
Carter China visit proposals, 210, 241, 266, 294
Carter–Deng Xiaoping correspondence, 212, 216
Carter–Hua Guofeng correspondence, 185, 227, 262
Carter–Hua Guofeng meetings, 313
Carter–Huang Hua meeting cancellation, 58, 59, 60, 61, 62, 63
Carter–Huang Zhen meetings, 3, 5
Civil aviation agreement, 319
Blumenthal memoranda, 232
Deng Xiaoping U.S. visit discussions, 199, 208
Kreps China visit discussions, 244

- U.S.–PRC relations (*see also* China delegation visits *under*) Congress, U.S.; Nixon–Kissinger China visit records; Private claims/blocked assets; U.S.–PRC relations normalization; U.S.–Soviet-PRC triangle)—*Continued*
- Civil aviation agreement—*Continued*
- Mondale China visit discussions, 254, 264
- Muskie–Chai Zemin discussions, 323
- Policy Review Committee discussions, 189
- Woodcock memoranda, 250
- Geng Biao U.S. visit, 310
- Habib–Huang Zhen meetings, 13
- Holbrooke–Chai Zemin meetings, 129
- Hua Guofeng U.S. visit, 210, 266, 294, 310
- Huang Zhen U.S. visit, 240
- Maritime agreement, 199, 208, 229, 232, 238, 244, 250, 319
- Mondale China visit, 250, 254, 258, 262, 264, 265, 266, 269
- Mondale–Huang Zhen meetings, 66
- Muskie–Chai Zemin meetings, 323
- Oksenberg memoranda, 63, 85
- Overviews, 131, 259, 300, 322, 327
- Platt/Holbrooke China visit, 252
- PRM 24 policy options, 24, 32, 34
- Taiwan Relations Act and, 230, 234, 235, 241, 264, 318, 323
- Thornton memorandum, 60, 61, 63
- U.S. economic aid, 243
- U.S. military aid, 31, 71, 289, 325, 326
- Vance–Han Nianlong meetings, 278
- Vance–Huang Hua meetings, 58, 59, 62, 137, 138
- Vance–Huang Zhen meetings, 2, 21, 25, 68
- Woodcock liaison appointment, 25, 35
- Zhang Wenjin U.S. visit, 303
- U.S.–PRC relations normalization:
- Armacost memoranda, 55
- Brown memoranda, 6, 9, 83
- Brown–Woodcock discussions, 35
- Brzezinski–Chai Zemin discussions, 163
- Brzezinski China visit discussions, 108, 109, 110, 111, 112, 113, 116, 118
- Brzezinski–Han Xu discussions, 122
- U.S.–PRC relations
- normalization—*Continued*
- Brzezinski memoranda, 31, 95, 98, 126, 143
- Brzezinski–Woodcock discussions, 77
- Carter–Chai Zemin discussions, 135
- Carter memoranda, 43
- Carter–Woodcock discussions, 35, 77, 141
- High-level meetings, 41, 42, 94, 123
- Holbrooke–Chai Zemin discussions, 129
- Implementation (*see also* Joint communiqué *below*); Post-normalization implementation (*under*) U.S.–Taiwanese relations):
- Agreements (Sept. 1980), 319
- Brown memoranda, 179
- Carter high-level meeting discussions, 175
- Carter–Hua Guofeng correspondence, 185
- Carter–Nixon correspondence, 178
- Carter speech (Dec. 15, 1978), 171
- Consular relations agreement, 208, 210, 250, 254, 264, 319
- Deng Xiaoping U.S. visit discussions, 209
- Intelligence community, 308
- Nixon–Oksenberg discussions, 175
- Nunn China visit, 176, 191
- PRC claims to Taiwan government property, 176, 182, 183, 184, 187, 264
- SCC Ad Hoc Group on China discussions, 174
- SCC discussions, 194
- U.S.–Taiwan discussions, 171, 173
- Vance–Chai Zemin discussions, 176
- Vance memoranda, 199
- Woodcock ambassadorship, 194
- Intelligence Memoranda, 39
- JCS memoranda, 154
- Joint communiqué:
- Brzezinski memoranda, 142
- Carter–Woodcock discussions, 141
- Final text, 171
- High-level meeting discussions, 41
- Oksenberg memoranda, 36, 46, 149, 186
- Vance memoranda, 119
- Woodcock talk discussions, 159, 162, 166, 167, 168

- U.S.–PRC relations
 normalization—*Continued*
 Kreps–Chai Zemin discussions, 133
 Mark memoranda, 160
 McGiffert memoranda, 90
 Moe memoranda, 104
 National Intelligence Analytical
 Memoranda, 38
 National Security Council Staff
 memoranda, 84
 Oksenberg memoranda, 3, 59, 81, 85,
 131, 138
 Policy Review Committee
 discussions, 34
 PRC–Japanese discussions, 158
 PRM 24 on, 24, 34
 Soviet responses, 201
 State/NSC memoranda, 92
 Taiwan Lobby and, 40, 59
 Unger memoranda, 8
 U.S. public opinion:
 Brown–Woodcock discussions, 35
 Moe memoranda, 104
 Oksenberg memoranda, 36, 53, 59,
 123
 Policy Review Committee
 discussions, 34
 Vance/Brown/Brzezinski
 memoranda, 99
 Vance China visit (1977)
 discussions, 48
 Vance memoranda, 26
 U.S.–Taiwan discussions, 7, 10, 54, 56,
 114, 115
 Vance/Brown/Brzezinski
 memoranda, 99
 Vance China visit (1977) discussions,
 47, 48, 49, 50
 Vance–Huang Hua discussions, 62,
 138
 Vance–Huang Zhen discussions, 2
 Vance memoranda, 26
 Woodcock–Deng Xiaoping meetings,
 162, 163, 166, 167, 168, 170
 Woodcock talks:
 Brzezinski–Chai Zemin
 discussions, 163
 Brzezinski China visit discussions,
 110, 111
 Brzezinski memoranda, 120, 127,
 142, 162
 Oksenberg memoranda, 135, 149
 Vance/Brown/Brzezinski
 memoranda, 99
- U.S.–PRC relations
 normalization—*Continued*
 Woodcock talks—*Continued*
 Vance–Huang Hua discussions, 117
 Vance memoranda, 119
 Woodcock memoranda, 121, 159,
 166, 167, 168, 170
 U.S.–PRC scientific/technological
 cooperation (*see also* U.S.–PRC
 technology transfer):
 Agreements, 210
 Bergland China visit, 156
 Brzezinski China visit discussions,
 109
 Brzezinski–Han Xu discussions, 105
 Brzezinski memoranda, 31, 146, 260,
 263
 Deng Xiaoping U.S. visit, 192, 209
 Holbrooke–Chai Zemin discussions,
 129
 Kreps–Chai Zemin discussions, 133
 Policy Review Committee
 discussions, 164, 165
 Presidential Directives, 150, 263
 Press/Brzezinski memoranda, 211
 Press memoranda, 144, 257, 260
 Schlesinger China visit, 41, 117, 122,
 135, 144, 153, 157
 Sinologist advice, 100
 U.S.–PRC security cooperation (*see also*
 Brown China visit):
 Brown China visit discussions, 286,
 290, 291, 292, 295
 Brown memoranda, 233
 Gen. Brown memoranda, 9
 Brzezinski China visit discussions,
 109
 Brzezinski memoranda, 31, 251
 Geng Biao U.S. visit discussions, 310
 Holbrooke memoranda, 258
 Intelligence sharing, 16, 21, 31, 99,
 100
 Mondale China visit discussions, 254,
 264, 266, 267
 National Intelligence Estimates, 312
 Nunn–Deng Xiaoping discussions,
 191
 PRC NATO briefing proposals, 59
 U.S.–PRC technology transfer (*see also*
 U.S.–PRC scientific/technological
 cooperation):
 Brown China visit discussions, 286,
 290, 291, 292, 293, 294, 295
 Brown memoranda, 283

- U.S.–PRC technology transfer (*see also* U.S.–PRC scientific/technological cooperation)—*Continued*
- Brzezinski memoranda, 31, 95, 251, 253, 288, 289, 315, 320
 - Deng Xiaoping U.S. visit discussions, 208
 - High-level meeting discussions, 94
 - Holbrooke memoranda, 137, 301
 - Mondale China visit discussions, 264, 265, 266, 269
 - NSC discussions, 287
 - Oksenberg memoranda, 59, 123, 128
 - Policy Review Committee discussions, 164
 - Press memoranda, 64, 144
 - PRM 24 on, 24, 67
 - SCC Ad Hoc Group on China discussions, 280
 - State/NSC memoranda, 92
 - Vance/Brown/Brzezinski memoranda, 99
 - Vance memoranda, 282
- U.S.–PRC trade relations, 278
- Blumenthal China visit (1979), 177, 219, 223, 224, 225, 234
 - Blumenthal memoranda, 18, 232
 - Brzezinski memoranda, 15, 19, 31, 134, 143, 302
 - Cabinet meeting discussions, 245
 - Carter–Blumenthal discussions, 225
 - Carter–Chai Zemin discussions, 241
 - Deng Xiaoping U.S. visit discussions, 208, 209
 - Export licenses, 232, 237, 264, 269
 - Grain agreement, 321, 322, 323
 - Kang Shien U.S. visit, 247
 - Kreps–Chai Zemin meetings, 133
 - Kreps China visit, 228, 236, 238, 244, 245
 - Kreps memoranda, 17
 - Mondale China visit discussions, 264, 266
 - Most Favored Nation status:
 - Blumenthal China visit (1979) discussions, 224
 - Brzezinski memoranda, 31, 256
 - Carter–Blumenthal discussions, 225
 - Kang Shien U.S. visit discussions, 247
 - Kreps–Chai Zemin discussions, 133
 - Kreps China visit discussions, 244
 - Kreps memoranda, 17
- U.S.–PRC trade relations—*Continued*
- Most Favored Nation status—*Continued*
 - Mondale China visit discussions, 264
 - Policy Review Committee discussions, 189, 228, 229, 238
 - SCC discussions, 194
 - Vance memoranda, 199
 - Woodcock memoranda, 236
- National Security Council Staff memoranda, 139
- NSC discussions, 287
 - Oksenberg memoranda, 248
 - Policy Review Committee discussions, 189, 190, 228, 238
 - Strauss China visit, 247, 249
 - Tarnoff memoranda, 298
 - Textile agreement, 319
 - Blumenthal memoranda, 232
 - Brzezinski memoranda, 134
 - Carter–Chai Zemin discussions, 241
 - Deng Xiaoping U.S. visit discussions, 199
 - Kreps China visit discussions, 244
 - Oksenberg memoranda, 248
 - Policy Review Committee discussions, 189, 228, 238
 - Strauss China visit discussions, 249
 - Woodcock memoranda, 250
 - Trade agreement, 278
 - Blumenthal China visit (1979) discussions, 177, 224
 - Blumenthal memoranda, 232
 - Carter–Chai Zemin discussions, 241
 - Deng Xiaoping U.S. visit discussions, 196, 208
 - Erb memoranda, 243
 - Kreps China visit discussions, 236, 244
 - Mondale China visit discussions, 264
 - National Security Council Staff memoranda, 139
 - Oksenberg memoranda, 248
 - Policy Review Committee discussions, 189, 190, 228, 229, 238
 - Strauss memoranda, 249
 - Woodcock memoranda, 236, 250

- U.S.–PRC trade relations—*Continued*
 U.S.–China Joint Economic Committee, 177, 189, 198, 225, 319, 324
 Vance/Brown/Brzezinski memoranda, 99
 Vance China visit (1977) discussions, 51
- U.S. presidential elections (1980), 316, 317
- U.S.–ROC Agreement for Cooperation Concerning Civil Uses of Atomic Energy (1972), 22
- U.S.–ROC Treaty of Friendship, Commerce and Navigation, 7
- U.S.–ROC Treaty of Mutual Defense (*see also* U.S. military withdrawal from Taiwan):
 Brown memoranda, 9
 Carter–Woodcock discussions, 141
 Habib–Shen discussions, 7
 Holbrooke memoranda, 124
 JCS memoranda, 154
 Joint communiqué on, 142
 Oksenberg memoranda, 59
 Termination of, 180, 181, 183, 194
 Vance China visit (1977) discussions, 48
 Vance–Shen discussions, 56
 Woodcock talk discussions, 166, 167, 168
- U.S.–Soviet–PRC triangle:
 Brown memoranda, 6, 83, 233, 271, 283
 Gen. Brown memoranda, 9
 Brown–Woodcock discussions, 35
 Brzezinski China visit discussions, 109, 110, 112, 118
 Brzezinski memoranda, 9, 28, 31, 42, 143, 196, 200, 251, 253, 273, 277
 Brzezinski–Woodcock discussions, 77
 Carter–Brzezinski discussions, 77
 Carter–Watson discussions, 311
 Habib–Huang Zhen discussions, 13
 High-level meeting discussions, 94
 Holbrooke memoranda, 258
 Intelligence Memoranda, 14
 Mao's death and, 3
 Mondale memoranda, 254
 National Intelligence Estimates, 312
 National Security Council scope paper, 106
 National Security Council Staff memoranda, 84
- U.S.–Soviet–PRC triangle—*Continued*
 NATO and, 71
 Nixon–Kissinger China visit records, 28
 Nixon–Oksenberg discussions, 175
 Oksenberg memoranda, 59, 112, 123, 130, 215
 Pillsbury study, 284
 Policy Review Committee discussions, 34
 PRM 24 on, 67
 Sinologist advice, 100
 Sino-Vietnamese war and, 214, 215, 217, 218, 219, 220, 221
 U.S.–PRC technology transfer and, 67
 Vance memoranda, 26, 272, 282
- U.S.–Soviet relations (*see also* Strategic Arms Limitation (SALT) talks; U.S.–Soviet–PRC triangle):
 Brzezinski China visit notification, 97
 Carter–Brezhnev correspondence, 214, 219
 Carter–Brezhnev meetings, 251
 Carter–Watson discussions, 311
 Habib–Huang Zhen discussions, 13
 Security cooperation, 9
 Trade relations, 189, 190, 225, 232, 256, 266
 U.S.–PRC relations normalization responses, 201
 U.S.–PRC security cooperation and, 251, 272, 273, 312
 Vance China visit (1977) discussions, 49, 50
 Vance memoranda, 271
 Vance Soviet Union visit (1977), 21, 25
 Vance Soviet Union visit (1978), 96
- U.S.–Taiwanese relations (*see also* Taiwan Relations Act; U.S. military withdrawal from Taiwan; U.S.–ROC Treaty of Mutual Defense):
 Armacost memoranda, 55
 Brzezinski China visit discussions, 109, 118
 Brzezinski memoranda, 31
 Brzezinski–Woodcock discussions, 77
 Carter–Chai Zemin discussions, 135
 Cranston proposal, 77
 Habib–Shen meetings, 7, 8, 10, 56
 High-level meeting discussions, 41
 Holbrooke–Shen meetings, 115
 JCS memoranda, 154

- U.S.-Taiwanese relations (*see also*
 Taiwan Relations Act; U.S. military
 withdrawal from Taiwan;
 U.S.-ROC Treaty of Mutual
 Defense)—*Continued*
 Legal issues, 99
 National Intelligence Analytical
 Memoranda, 38
 News conference (Jan. 31, 1977), 7
 Policy Review Committee
 discussions, 34
 Post-normalization implementation
 (*see also* Taiwan Relations Act):
 Christopher Taiwan mission, 179,
 181, 183
 Cross memoranda, 276, 314
 Defense Department involvement,
 195
 Nixon-Oksenberg discussions, 175
 PRC claims to Taiwan government
 property, 176, 182, 183, 184,
 187, 264
 Presidential Memorandum, 188
 SCC Ad Hoc Group on China
 discussions, 174
 SCC discussions, 194
 Republican Party platform, 316
 Taiwan Lobby and, 40
 Trade relations, 38
 Unger-Jiang Jinguo meetings, 11,
 114, 151
 Unger-Shen meetings, 56, 114
 U.S. nuclear non-proliferation
 demarché, 93
 U.S.-PRC relations normalization
 discussions, 7, 10, 54, 56, 114, 115
 U.S. public opinion, 26, 35, 48, 53, 99,
 104
 Vance China visit briefing, 44, 45, 54
 Vance China visit (1977) discussions,
 48
 Vance memoranda, 119
 Woodcock talk discussions, 127, 149,
 159, 162, 166
 Wording change, 161
 U.S.-Vietnamese relations
 normalization:
 Brzezinski China visit discussions,
 112, 113
 Brzezinski memoranda, 126, 143
 Deng Xiaoping U.S. visit discussions,
 201
 Holbrooke-Chai Zemin discussions,
 129
 U.S.-Vietnamese relations
 normalization—*Continued*
 Turner memoranda, 155
 Vance China visit (1977) discussions,
 47
 Vance-Huang Hua discussions, 138
 Vance-Huang Zhen discussions, 21
 Vance, Cyrus (*see also* Vance China visit
 (1977)):
 Arms control, 21, 25, 47, 62, 68
 Asia Society speech (June 29, 1977),
 43, 44, 131
 Brown China visit, 272, 282, 287, 295
 Brzezinski China visit, 86, 87, 99, 110,
 111, 115, 116, 117
 Cambodian-Vietnamese war, 138, 197
 Carter-Chai Zemin meetings, 135,
 241
 Carter-Huang Hua meeting
 cancellation, 58, 62
 Carter-Huang Zhen meetings, 5
 China visit (1978), 92
 Congressional China visits, 25
 Deng Xiaoping U.S. visit, 199, 202,
 203, 204, 205, 208
 Han Nianlong meetings, 278
 Holbrooke-Chai Zemin meetings, 129
 Huang Hua meetings, 58, 59, 62, 116,
 117, 137, 138
 Huang Zhen meetings, 2, 21, 25, 68
 Middle East trip, 13
 Mondale China visit, 269
 PRC foreign policy, 49, 297
 Private claims/blocked assets, 21, 29,
 53, 222
 PRM 24 policy options, 24, 32, 34
 Sino-Vietnamese relations, 270
 Sino-Vietnamese war, 214, 217, 218,
 219, 220
 Soviet Union visit (1977), 21, 25
 Soviet Union visit (1978), 96
 Taiwanese independence issue, 37
 Taiwanese nuclear capabilities, 22
 Taiwan status issue, 2, 26, 48, 49, 50,
 138
 U.S. military aid to Taiwan, 94, 119,
 147, 148, 175, 285
 U.S. military withdrawal from
 Taiwan, 26, 48, 50
 U.S. policy in Asia, 26, 47, 92, 94, 99
 U.S.-PRC relations normalization, 26
 Carter high-level meetings, 123
 Carter-Woodcock discussions, 35

- Vance, Cyrus (*see also* Vance China visit (1977))—*Continued*
- U.S.–PRC relations
 - normalization—*Continued*
 - China visit discussions, 47, 48, 49, 50
 - High-level meeting discussions, 41, 42
 - Huang Hua discussions, 62, 138
 - Huang Zhen discussions, 2
 - Implementation, 94, 175, 176, 182, 187, 199, 210
 - Mark memoranda, 160
 - Oksenberg memoranda, 81
 - Policy Review Committee
 - discussions, 34
 - U.S.–Taiwan discussions, 56, 171, 173
 - Vance/Brown/Brzezinski memoranda, 99
 - Woodcock talks, 99, 117, 119, 159, 166, 167, 168, 170
 - U.S.–PRC scientific/technological cooperation, 150, 263
 - U.S.–PRC security cooperation, 268, 272, 273, 274, 282
 - U.S.–PRC technology transfer, 94, 99, 137, 253, 282, 287, 301, 315
 - U.S.–PRC trade relations, 99
 - China visit (1977) discussions, 51
 - Export-Import Bank credits, 189, 307
 - Kreps China visit, 244
 - Most Favored Nation status, 199, 244, 256
 - NSC discussions, 287
 - Oksenberg memoranda, 248
 - Policy Review Committee
 - discussions, 189, 190
 - Strauss memoranda, 134
 - U.S.–ROC Treaty of Mutual Defense, 48, 56, 124
 - U.S.–Soviet-PRC triangle, 9, 26, 94, 272, 282
 - U.S.–Taiwanese relations, 119
 - China visit (1977) discussions, 48
 - Habib–Shen meetings, 7, 10
 - Post-normalization
 - implementation, 171, 173, 181, 188
 - Shen meetings, 56
 - Taiwan Relations Act, 230, 235
 - Vietnam relations normalization, 21, 47, 138, 143, 155
- Vance, Cyrus (*see also* Vance China visit (1977))—*Continued*
- Zhang Wenjin U.S. visit, 303, 304
- Vance China visit (1977):
- Communiqué, 51
 - Deng Xiaoping press conference, 56
 - Oksenberg memoranda, 53, 131
 - Planning, 25, 31, 34, 41, 42, 43
 - Taiwan government briefing, 44, 45, 54
 - Vance–Deng Xiaoping meeting, 50
 - Vance–Hua Guofeng meetings, 52, 58
 - Vance–Huang Hua meetings, 47, 48, 49, 51
- Vatican, 299
- Verville, Elizabeth G., 27
- Vessey, Gen. John W., Jr., 94
- Vietnam (*see also*
- Cambodian-Vietnamese war;
 - Sino-Vietnamese relations;
 - Sino-Vietnamese war;
 - Soviet-Vietnamese relations;
 - U.S.–Vietnamese relations
- normalization; Vietnamese occupation of Cambodia):
- Japanese relations with, 265
 - Refugees, 107, 208, 252
- Vietnamese occupation of Cambodia:
- Brown China visit discussions, 286, 292
 - Carter–Hua Guofeng discussions, 313
 - Mondale China visit discussions, 264, 265
 - Platt/Holbrooke China visit discussions, 252
 - Vance–Han Nianlong discussions, 278
 - Woodcock memoranda, 275
 - Zhang Wenjin U.S. visit discussions, 304
- Waldheim, Kurt, 252, 270, 313
- Wang Dongxing (Wang Tung-hsing), 153
- Wang Hai-jung. *See* Wang Hairong.
- Wang Hairong (Wang Hai-jung):
- Brzezinski China visit, 108, 109, 111
 - Vance China visit (1977), 47, 48, 49, 50, 51
 - Woodcock–Deng Xiaoping meeting, 167
- Wang Letian, 293
- Wang Tung-hsing. *See* Wang Dongxing.
- Wang Xiaoyun, 313

- Watson, Barbara, 278
 Watson, Jack, 136, 245
 Watson, Thomas J., Jr., 311
 Wedemeyer, Gen. Albert C., 204
 Weicker, Lowell P., Jr., 213
 Wei Jinsheng, 279
 Weil, Frank A., 133, 174, 189, 237, 238
 Weisner, Adm. Maurice F., 132, 181
 Wei Yongqing, 202, 203, 204, 208, 264, 265, 266
 Werner, Gertrude, 108, 204
 Wexler, Anne, 245, 327
 White, John C., 66, 305
 Williamson, David, 164
 Wisner, Frank G., 78
 Woerner, Manfred, 193
 Wolff, Lester, 59, 94, 129
 Woodcock, Leonard (*see also* Woodcock talks *under*) U.S.–PRC relations normalization):
 Ambassadorship, 194
 Brown China visit, 290, 291, 292, 294
 Brzezinski China visit, 77, 87, 108, 109, 111, 113
 Bush China visit (1980), 318
 Carter–Hua Guofeng correspondence, 227
 Carter meetings, 77
 Deng Xiaoping meetings, 162, 163, 166, 167, 168, 170
 Deng Xiaoping U.S. visit, 202, 203, 208
 Geng Biao U.S. visit, 310
 Liaison appointment of, 25, 35
 Mondale China visit, 250, 264, 265, 266
 PRC claims to Taiwan government property, 187
 PRC foreign policy, 297
 PRC IMF/World Bank participation, 306
 PRC political situation, 261
 Sino-Soviet relations, 102
 Sino-Vietnamese relations, 275
 Taiwan Relations Act, 230, 234, 235, 241
 U.S. military aid to Taiwan, 35, 141, 169, 172, 241
 U.S.–PRC relations normalization, 35, 77, 141
 U.S.–PRC trade relations, 236, 250
 U.S.-Soviet-PRC triangle, 35, 77
 Vance China visit (1977), 47, 48, 49, 50, 51
 Woodcock, Leonard (*see also* Woodcock talks *under*) U.S.–PRC relations normalization)—*Continued*
 Vance–Huang Hua meetings, 62, 138
 World Bank (International Bank for Reconstruction and Development), 243, 305, 306
 Wu De (Wu Te), 153
 Wu Te. *See* Wu De.
 Wu Xiuchuan, 290, 291, 292, 294

 Xiao Xiangchuan, 313
 Xie Qimei (Hsieh Ch'i-mei), 66
 Xu Shangwei (Hsu Shang-Wei):
 Brzezinski–Chai Zemin meetings, 163
 Bush China visit (1980), 316
 Carter–Chai Zemin meetings, 135
 Carter–Huang Zhen meetings, 5
 Habib–Huang Zhen meetings, 13
 Mondale–Huang Zhen meetings, 66
 Vance–Chai Zemin meetings, 176
 Vance–Huang Zhen meetings, 2, 21, 68
 Xu Xuanwei (Hsu Hsuan-wei), 133
 Xu Yimin, 293, 310

 Yang Chen Yi, 278
 Yang Ligong (Yang Li-Kung), 156
 Yang Li-Kung. *See* Yang Ligong.
 Yang Yuyung, 27, 87, 91, 96, 105, 122, 187
 Ye Jianying, 281
 Young, Andrew J., 24, 32, 209, 217
 Yu Chan. *See* Yu Zhan.
 Yugoslavia, 47, 48, 49, 50, 62, 138, 203
 Yu Zhan (Yu Chan), 102

 Zablocki, Clement J., 40, 94
 Zaire:
 Deng Xiaoping U.S. visit discussions, 202, 204
 National Security Council scope paper, 106
 Vance China visit (1977) discussions, 48, 49
 Vance–Huang Hua discussions, 117, 138
 Vance–Huang Zhen discussions, 21, 25
 Zambia, 138, 202
 Zhang Aiping, 293
 Zhang Jingfu, 244

- Zhang Naizheng, 310
Zhang Wenjin (Chang Wen-chin):
 Brown China visit, 290, 291, 292, 294
 Carter–Hua Guofeng correspondence,
 227
 Deng Xiaoping U.S. visit, 202, 203,
 204, 205, 208, 209
 Mondale China visit, 265, 266
 U.S. visit, 303, 304
 Woodcock talks, 166, 167, 168
Zhang Zai, 247, 310
Zhang Zhenhuan, 290, 291, 293
Zhao Jihua (Chao Chi-hua), 108, 109
Zhao Shenzhen, 247
Zhao Ziyang, 281
Zhou Beiyuan (Chou Pei-yuan), 137
Zhou Enlai (Chou En-lai) (*see also*
 Nixon–Kissinger China visit
 records), 18
Zhou Jihua, 290, 291, 293
Zhou Nan (Chou Nan), 62, 117, 278
Zhou Wenzhong, 241, 242, 247, 299, 317
Zhu Qizhen (Chu Chi-chen), 138, 202,
 204, 208
Zia-ul-Haq, Gen., 110
Zu Lizhang, 247
Zumwalt, Adm. Elmo R., Jr., 35, 204