

The original documents are located in Box 19, folder “November 28 - December 7, 1975 - Far East - Briefing Book - Peking - International Issues – Scowcroft’s Copy (2)” of the National Security Adviser Trip Briefing Books and Cables for President Ford, 1974-1976 at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

PERSIAN GULF



DEPARTMENT OF STATE

BRIEFING PAPER

THE PERSIAN GULFThe Problem

With the exception of OPEC's oil policy, we have no basic disagreement with the PRC regarding the Persian Gulf area. Thus the subject need not be discussed at length. We want the Chinese to recognize that a strong US position in the Gulf serves their interests as well as our own, that US policies and actions are proving effective in reducing Soviet influence in the region, and that Peking should avoid actions or rhetoric that complicate our ability to attain our objectives.

Background

Chinese policies and actions in the Persian Gulf remain a function of their overriding national concern to thwart the expansion of Soviet influence. Chairman Mao has acknowledged the strategic importance of the Gulf, but the Chinese have few direct immediate interests there. Their trade with Persian Gulf states is minimal, and the pro-Chinese wings of the various Communist movements are weak. The Chinese pragmatically recognize that at this time their influence and power--military, economic, or political--do not permit them to have a major impact on the course of events.

Because of Peking's limited interests in the Gulf, Chinese policies there are peculiarly subject to the pulls and tugs of the often conflicting considerations that motivate Peking's actions. The Gulf's energy resources make it a critically important part of the third world, which is a major target for Chinese policies. At the same time, the conservative regimes there, who provide the strongest barrier to Soviet inroads, have little in common with Peking's ideological posturings. In addition, as the dividing line between the Arab west and the non-Arab east, the Gulf is the locus of centuries-old rivalries that interplay with more immediate concerns such as the Arab-Israeli dispute.

~~SECRET~~

XGDS-3

DECLASSIFIED

EO. 12958 (as amended) SEC 3.3

State Dept Guidelines: *State review 9/18/03*By *WA* NARA, Date *6/22/10*

~~SECRET~~

- 2 -

To the best of our knowledge, the Chinese have not attempted to interfere in the question of the continuation of COMIDEASTFOR at Bahrain. They have continued to develop cordial ties with Iran, which they realistically view as the predominant regional power. They have maintained a hands-off policy with respect to the Dhofar rebels (a condition for good relations with Iran) and have been carrying out a modest and low key, but effective, aid program in North Yemen in direct competition with the Soviets. The Chinese have vocally supported the various OPEC price increases--an action we consider unhelpful. Conceivably they might tone down their rhetoric if it could be convincingly shown that these prices are causing sufficient hardship to Europe and Japan to weaken resistance to Soviet pressures.

The Gulf area has been remarkably stable in the last year. Iranian and Saudi relations are improving, and Oman is making slow and limited progress against the rebels. The Kuwait economy is booming and its border problem with Iraq is currently quiescent. Iraq is providing major business opportunities for US and European firms--to the annoyance of the Soviets--but in political and military fields the Iraqi Government remains very close to the Soviets. The Saudis, Egyptians and others are attempting to draw the People's Democratic Republic of Yemen out of the Soviet camp, and we are encouraging this effort.

The United States has taken a number of initiatives in recognition of the increased importance of the Gulf to our interests. We have increased the size of our diplomatic missions in the area and now have representation at the ambassadorial level with all of the Gulf states. Our long-standing military assistance relationship with Iran has blossomed into a major military sales and advisory program. We have also agreed to assist Saudi Arabia in the modernization of its armed forces and have a modest program with Kuwait.

Our relations with Iran are extremely close, as they have been for some time. Our relations with Saudi Arabia have weathered the coolness that entered with the

~~SECRET~~

~~SECRET~~

- 3 -

October War and the oil embargo; we now have much deeper relations than ever before, with the Saudis looking for close US involvement in their economic development plans. Relations with the other Arab countries have not evolved as swiftly as with Saudi Arabia, but there are no major problems.

Chinese Position

We doubt the Chinese will want to discuss this area at any length. Peking approves of our own activities in the Gulf which have the clear effect of reducing Soviet influence, and it has adopted an understanding attitude toward the US presence at Diego Garcia. On the other hand, the Chinese have supported OPEC's oil policies, and believe that the US has adopted too much of a confrontation policy towards the oil-producing countries.

US Position

We agree with Chairman Mao's view that the Persian Gulf is strategically important. Its geographic location is crucial, with two-thirds of the oil in international trade transiting the Gulf. This oil is vital to Europe and Japan and important to our own economy. As we have seen, what happens in this area can have serious consequences for the global economy. The complex of nations around the Gulf constitutes a new center of influence on the rest of the world.

The United States has made major efforts over the past two years to strengthen our ties with the countries of the region. We have made significant progress in expanding our influence and reducing that of the Soviet Union. We believe that our activities in the Gulf provide an excellent example of our continuing effectiveness in curbing Soviet influence in various parts of the world.

Our relations with Iran are fundamentally excellent, although we differ strongly on oil prices. Europe and Japan have been hurt badly by the OPEC pricing policy, and this in the long term affects negatively the overall security of Iran and the Gulf countries. It is also creating serious problems for many developing countries.

~~SECRET~~

~~SECRET~~

- 4 -

We hope to move to a constructive dialogue between the major oil consuming countries and the oil producers.

US arms sales to the regional countries have grown substantially in recent years and are in keeping with our efforts to meet the defense needs of the countries involved. US willingness to meet such needs reduces Soviet opportunities for penetration into the areas through arms sales, just as our naval presence in the Gulf and at Diego Garcia enhances our ability to counter the Soviet naval threat.

Department of State
November 1975

~~SECRET~~

INDOCHINA



ISSUES PAPER



DEPARTMENT OF STATE

BRIEFING PAPER

INDOCHINAThe Problem

Indochina was discussed during Secretary Kissinger's late September meeting with Ch'iao Kuan-hua in New York, but the subject did not arise during his subsequent talks in Peking. There is no need for a detailed discussion of our views, but the Chinese will be looking for insights into our intentions in the area. The Chinese have urged us to initiate discussions with the Cambodians but have been silent on Viet-Nam, where their own relations are strained. Peking probably has mixed views on US contacts with Hanoi: It would welcome moves that would undercut the Soviet position in Viet-Nam or cause strains in Soviet-DRV relations, but it would not wish the US to act in a way that would strengthen Hanoi's pretensions to regional hegemony. Any remarks you make on the subject should seek to reinforce the impression that we are willing to look to the future in our relations with former adversaries but need to have some reason to believe that they will be acting responsibly in the region.

Background

The PRC is pursuing a differentiated policy toward the three Indochinese states in which the common threads are Peking's desire to assert Chinese influence, to keep the Soviet presence to a minimum, and to prevent Hanoi from dominating the area.

PRC-Viet-Nam Relations

Peking's relations with Hanoi are showing increasing signs of strain. While the two powers are likely to try to keep their differences within bounds, they are clearly emerging as rivals for political influence in the region. One intelligence report quotes a Chinese official as saying relations between Peking and Hanoi are "appalling," and Thai Prime Minister Khukrit returned from Peking in July convinced that the PRC would back Thailand against any Vietnamese aggression.

~~SECRET/NODIS~~

XGDS-3

DECLASSIFIED

E.O. 12958 (as amended) SEC 3.3

State Dept Guidelines: state.gov/vis-sec 9/18/03

By MA NARA, Date 6/23/10

~~SECRET/NODIS~~

- 2 -

The visit to Peking by North Vietnamese Party First Secretary Le Duan in September did not succeed in resolving Sino-Vietnamese differences. The tone was markedly cooler than on Le Duan's last visit in 1973; in the banquet speeches, Teng Hsiao-p'ing warned about "super-power hegemony" while Le Duan toasted the "further consolidation and development of solidarity among Socialist countries and in the International Communist and Workers' Movement"; and most significantly there was neither a communique nor the traditional return banquet hosted by Le Duan. Lengthy aid negotiations have produced a small number of agreements, but Peking seems to have been less generous than Hanoi would have liked. The terms of Chinese aid have reverted from a war-time gratis basis to the pre-war no-interest long-term credit basis that is Peking's standard practice for aid to most less developed countries. And the Chinese apparently declined to make a commitment for an aid plan covering the next five years.

The marked chill in Peking's relations with Hanoi contrasts sharply with the growing cordiality in Viet-Nam's ties with Moscow. Le Duan's visit to the USSR in late October was marked by unusually warm Soviet praise for the Vietnamese. The concluding joint declaration noted the "completely identical views" of the two sides on the matters discussed, explicitly endorsed the Soviet policy of detente (unprecedented for the Vietnamese), and committed Hanoi to expanded ties and consultations with Moscow. The economic assistance package signed during the visit included an agreement on Soviet assistance to Viet-Nam during 1976-80 and a protocol on the coordination of Soviet and Vietnamese five-year plans.

These signs of closer Soviet-Vietnamese political and economic cooperation are certain to irritate Peking, which is obviously concerned at Hanoi's role in facilitating Soviet inroads into the area. Repeated Chinese references to alleged Soviet ambitions to secure a base at Cam Ranh Bay reflect Peking's anxiety that with the collapse of the US position in Indochina, the Soviets now have enhanced opportunities to "encircle" China, both politically and through the acquisition of bases in nearby countries.

~~SECRET/NODIS~~

~~SECRET/NODIS~~

- 3 -

These political differences are developing against a background of conflicting territorial claims that have deep historical roots. Peking's unilateral seizure of the Paracel Islands in January 1974, despite Chinese knowledge that the islands are also claimed by the Vietnamese, provided an early signal that Peking was not prepared to sacrifice concrete interests to the desire to maintain "fraternal solidarity" with Hanoi. The Vietnamese reciprocated in April 1975 by occupying six Chinese-claimed islands in the Spratleys. The possibility of offshore oil in the South China Sea will only exacerbate this contentious issue.

PRC-Cambodian Relations

If Peking's relations with Hanoi can best be described as correct but cool, the PRC has better opportunities in Cambodia. While the hyper-nationalism of the Khmer Communist leaders will pose problems for Peking, it is even more likely to contribute to contentious relations with the Vietnamese, which will provide Peking with some assurance of a role as a counterweight to Vietnamese pressure.

Moreover, through their early support for Sihanouk and their subsequent ties with the Khmer Communist leaders, the Chinese have clearly established the best entree to Phnom Penh of any outside power. The PRC was the first country to provide aid and technicians to Cambodia's new regime, and they are still the only country with a diplomatic presence in Phnom Penh. For the moment, however, Sihanouk has become more of an albatross than an asset, although the Chinese seem to have worked out a face-saving compromise with the new Khmer leaders that will retire the Prince not too gracefully to the sidelines.

As Cambodia's principal foreign mentor, Peking has taken an interest in facilitating Phnom Penh's reentry into the international community. Ch'iao Kuan-hua urged us to take the initiative in seeking to reopen a dialogue with Cambodia during his September meeting with Secretary Kissinger in New York and expressed confidence the Cambodians would respond. Assistant Secretary Habib

SECRET/NODIS

~~SECRET/NODIS~~

- 4 -

subsequently met with the Cambodian Foreign Minister in New York and said we were willing to open discussions, but we have still received no reply. (We have also raised with the Cambodian delegation in New York the question of missing Americans in Cambodia. The Cambodians accepted our list of missing personnel but without any indication of their intent.) Peking also looked with favor on the recent decision by Cambodia and Thailand to resume diplomatic relations, as demonstrated by its provision of one of its Boeing 707's (aircraft) to fly the Cambodian delegation to Bangkok.

None of this suggests that Peking is in a position to call the tune in Phnom Penh. Indeed, to preserve their position the Chinese must now adjust to Phnom Penh's actions and needs, and this adjustment may require Peking to take a more explicitly anti-US position on certain issues, thus cutting across their interests vis-a-vis us. Some easing in US-Cambodian hostility would make this contradiction easier for Peking to manage, which may explain their interest in promoting renewed contacts between us and the Cambodians.

PRC-Lao Relations

In Laos, Peking's situation is less clear cut. The Chinese have preserved good relations with the Pathet Lao, but they have deferred to Hanoi's patronage of the Lao Communists and have shown no inclination to challenge the dominant Vietnamese position. The principal Chinese interests are in north and northwest Laos, where their road-building activities have been concentrated. This area provides Peking with a limited buffer zone along its border and with possible entry points to Thailand and Burma.

The influx of Soviet advisers to Laos--although dismissed by Ch'iao Kuan-hua as of no special significance--may change Peking's calculations and force it

~~SECRET/NODIS~~

~~SECRET/NODIS~~

- 5 -

into a more openly competitive position with Hanoi. A primary Chinese goal with the Communist-dominated regime in Laos is undoubtedly to deter it from becoming a complete puppet of Hanoi, with a pro-Moscow tilt. For the moment, however, the Chinese seem to be watching developments, and we have seen no indications of any major new departures in PRC policy toward Laos.

Chinese Position

The Chinese do not appear ready for a completely frank dialogue on our respective approaches to the region. They will stop short of explicitly agreeing that the PRC and the US have a strong mutuality of interest regarding Viet-Nam, and they would be embarrassed by too strong a US pitch on the commonality of our interests in the area. At the same time, they would welcome indications that the US approach is compatible with China's own objectives.

In general, the Chinese have restricted themselves to suggesting that we "learn our lesson" from the past in dealing with Indochina. They appear confident that the force of local nationalism, which has fired thirty years of Vietnamese armed struggle, will prevent outside powers--and specifically the USSR--from gaining more than a temporary foothold in the area. The furthest they have gone is Ch'iao Kuan-hua's admission to Secretary Kissinger in New York that Hanoi may have certain hegemonic aspirations with regard to Laos and Cambodia "as a result of the influence of outside forces"--i.e., the USSR. They criticized our action on the Mayaguez, which Ch'iao called "totally unnecessary." They have encouraged us to reestablish contact with Cambodia despite the intensity of Khmer feelings against the US.

US Position

We are prepared to look to the future in our relations with the Indochina countries. But we are not going to move precipitously and will want to have reason to believe that there is some foundation for constructive

~~SECRET/NODIS~~

~~SECRET/NODIS~~

- 6 -

relationships and that these countries will exercise restraint in their policy toward the region. We have taken into account such recent Vietnamese gestures as the presence of nine Americans on October 30, the acceptance of the Vietnamese repatriates, and the reestablishment of postal service. We have approved licenses for the American Friends Service Committee to send additional items to Viet-Nam and have indicated that we have no objection to Congressional contacts with the Vietnamese.

We have taken Chinese advice in initiating contacts with the Cambodians. We had hoped that Cambodia would moderate its public attitude toward us, but Prince Sihanouk gave a very harsh speech at the United Nations. The Pathet Lao also continue to harass us in Vientiane despite professions of wanting better relations with us. We have noted a very sizeable increase in the Soviet presence there.

We no longer have a major role in the three Indochina countries. However, we are opposed to efforts by any country to establish a position of hegemony in the area, and are concerned that Hanoi, perhaps with outside encouragement, may have some hegemonic hopes. We think this should be discouraged and that the various nations of the area should retain their independence.

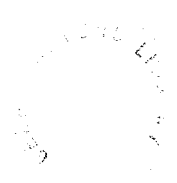
Department of State
November 1975

~~SECRET/NODIS~~

SOUTHEAST ASIA



ISSUES PAPER



BRIEFING PAPER

SOUTHEAST ASIA

The Problem

We wish to reinforce Peking's estimate of our value as a counterbalancing factor in Southeast Asia while encouraging the PRC to pursue policies that are compatible with our own objectives in the area. We believe that our common interest in preventing the expansion of Soviet influence, and our mutual concern over Vietnamese ambitions in the area, provide a basis for us to pursue separate but parallel policies in the region that will avoid major conflicts of interest. You should seek to convey the impression that we have significant assets and interests in the area, that we are opposed to the hegemonic aspirations of others, and that a principal US goal is the preservation of the independence of the Southeast Asian nations.

Background

Despite China's deep historical involvement with Southeast Asia, the PRC has been largely excluded from the area until recent years by our efforts and the anti-communist orientation of most of the local governments. With the sole exception of Burma, until 1974 Peking did not have diplomatic relations with any government in Southeast Asia (as distinct from Indochina) following the break in relations with Indonesia that was precipitated by the abortive communist-backed coup there in 1965. The PRC indulged itself in scathing attacks on US allies and defense pacts in the area and threw its support to local Peking-oriented insurgent groups, a course whose practical drawbacks far outweighed whatever ideological satisfactions Peking may have derived.

~~CONFIDENTIAL~~

XGDS-3

DECLASSIFIED

E.O. 12958 (as amended) SEC 3.3

State Dept Guidelines ; State review 9/18/03

By WJA NARA, Date 6/23/10

~~CONFIDENTIAL~~

-2-

Since 1972, however, when a degree of Sino-US rapprochement converged with growing Chinese concern about Soviet ambitions in Asia, this picture has sharply changed. As the Soviet Union has replaced the United States as the main danger in Chinese eyes, Peking has moved to a relatively benign view of the US presence, in large measure because it fears that the Soviets are trying to move into the vacuum left by the rapid drawdown of US power in Indochina. The Chinese suspect that the nations of Southeast Asia will be tempted to use better relations with the USSR as a balance to Chinese influence, a trend already evident in Viet-Nam. Peking regards any expansion of Moscow's presence in the region as a highly dangerous element of Moscow's "encirclement" policy aimed at the PRC.

Peking has reacted on a variety of fronts to strengthen its position in the area:

-- It has sought to upgrade its government-to-government relations with Southeast Asian states. It established diplomatic relations with Malaysia in 1974 and followed suit with the Philippines and Thailand this summer. The joint communiques negotiated with all three countries included anti-hegemony clauses clearly directed at the Soviet Union.

-- The PRC has moderated its attitude toward regional groupings, such as the Association of Southeast Asian Nations (ASEAN), which it now publicly supports. It implicitly accepts the ASEAN concept of establishing a zone of peace and neutrality in the region.

-- Peking has dropped criticism of US bilateral defense pacts and US naval activities in the area (with the important exception of the Mayaguez incident), while continuing to denounce Moscow's Asian collective security scheme in virulent terms.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-3-

The PRC has made substantial progress in expanding its influence in the area, but there are problems for Peking. Some of the Southeast Asian governments are trying to balance their new Chinese connection with improved relations with Moscow. Moreover, most of them, and particularly their internal security authorities, worry that improved relations with the PRC, especially where an official PRC presence is established in the capital, will lead to enhanced Chinese efforts to manipulate overseas Chinese communities against the interest of the host government. These fears have caused Singapore and Indonesia to hold back from establishing formal diplomatic ties with Peking.

An added complication derives from the Chinese ideological commitment to support indigenous revolutionary movements. Although Peking has reduced material support to such movements in Southeast Asia and is pursuing good state relations as its main policy line, it has not foreclosed the option of reverting to a destabilizing "revolutionary" policy. Rivalry among Peking, Hanoi, and Moscow for control of these movements could prove troublesome over time, especially if the established governments are ineffective in dealing with their domestic problems.

Over the longer term, Peking probably hopes to encourage developments in Southeast Asia that will make it a buffer zone, free of other great power influences and with the independence of action of governments in the region constrained by the proximity of Chinese power. Peking recognizes, however, that present day realities limit its ability to attain this goal, and as a minimum it accepts the utility of a US presence for short-term tactical purposes.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-4-

Bilateral Relations

Thailand -- Bangkok established diplomatic relations with the PRC in July 1975. With the reduction in the US regional presence, a prime consideration in Bangkok's approach to Peking is hope that the PRC will restrain or offset threats from Viet-Nam. As was the pattern with Malaysia and the Philippines earlier, the Chinese in private meetings downplayed the importance of their support for communist insurgents, said nothing critical of the US military presence, implied they might even assist Thailand militarily if it were attacked by the Vietnamese, and publicly pledged non-interference in Thailand internal affairs. In Bangkok as elsewhere, there is considerable skepticism about the Chinese pledge, though North Viet-Nam is mainly responsible for material support to the Northeastern Thai insurgency, and the Northern insurgency which Peking has backed in the past is currently simmering at a relatively low level.

Peking's propaganda line on Thailand has varied with the tactical situation; since Kukrit began to move toward normalized relations with Peking early this year, the PRC media have not criticized Thai leaders by name. However, they continue to support the clandestine Voice of the People of Thailand, which maintains harsh invective against the Bangkok authorities.

During the period of active US involvement in the Viet-Nam war, Thailand came under heavy verbal attack from Peking for allowing US bases to remain. Following the US withdrawal from Indochina, the Chinese have continued to replay reports of Thai demonstrations against US military bases, most recently in connection with the Mayaguez incident. But speaking for themselves, the Chinese have shifted the focus to warning the Thai to guard against Soviet political and economic penetration, and they have applauded Thai public rejection of the Soviet collective security proposal.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-5-

Malaysia -- Peking's establishment of diplomatic relations with Malaysia in May 1974 was the first such breakthrough in Southeast Asia in almost two decades, and set the stage for parallel developments with the Philippines and Thailand later. The relationship also illustrates, however, the pitfalls inherent in Peking's dual-track approach. While PRC leaders disclaimed interest in Malaysia's huge Chinese minority and endeavored initially to reassure the Malaysians about Chinese intentions toward the small but simmering pro-Peking Malayan insurgency, NCNA in April 1975 gave banner treatment to the Chinese Communist Party message congratulating the Malayan Communist Party on its 45th Anniversary, provoking a sharp Malaysian private reaction and casting a pall over state relations which were just getting started. The Malaysian authorities are also concerned about the intensive proselytizing being conducted among Overseas Chinese organizations in Malaysia by the newly-established PRC Embassy. And finally, Peking continues to support the clandestine Voice of the Malaysian Revolution, which broadcasts acerbic attacks on Malaysia's leadership, especially Prime Minister Razak.

Philippines -- Soon after the fall of Indochina, President Marcos moved rapidly to establish ties with Peking, motivated by his perception of the changed balance of power in the area and by a "third world-ish" desire not to be left standing as the bandwagon moves on. Peking was prepared to reciprocate for different reasons: to balance any increase in Philippine-Soviet relations, to erode Taiwan's international position, and to enhance the PRC's diplomatic standing.

Relations were established in June 1975. The Chinese have tried hard to downplay their support for Communist insurgents in the Philippines; in fact the Philippine insurgency has never received much attention from Peking, although the PRC media have

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-6-

occasionally given favorable coverage to statements by insurgent leaders. Nevertheless, Marcos appears to have some realistic doubts about Chinese sincerity on this point.

The Chinese reportedly made no mention of US bases in the Philippines during Marcos's visit but did express, in general terms, support for a continued US presence in Southeast Asia. By contrast, the Chinese were sharply critical of Soviet hegemonic ambitions, and the decision to postpone Marcos's planned 1975 visit to Moscow may have been influenced at least in part by concern over the PRC's reaction to such a step.

Burma -- After a series of difficulties during the 1960's, Burma and the PRC again normalized their relations in August 1971, and Peking extended \$57 million in aid to its southern neighbor. Since then Peking has generally characterized its relations with Burma as "warm and friendly," even while continuing to provide significant rhetorical and material support to the Burmese Communist Party insurgents. Burmese President Ne Win again visited the PRC in November this year, and while he referred to the existence of differences between the two countries, the general tone of the visit was cordial. Teng Hsiao-p'ing somewhat disingenuously stressed that "in state relations" with Burma the PRC had always strictly observed such principles as non-interference in internal affairs.

In fact, Peking's support for the Burmese insurgents is the most extensive which Peking currently provides to any Southeast Asian rebel group, and includes extensive training and supply efforts across the Sino-Burmese border. Although some analysts believe that the Burmese insurgency would effectively fold without Chinese support, the Rangoon authorities seem unwilling to press very hard for Peking to relent. The USSR, however, has scathingly denounced the Chinese for interfering in Burma's internal affairs "under cover of official statements of friendship."

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-7-

Singapore -- Despite a March 1975 visit to the PRC by its Foreign Minister, Singapore remains wary of Chinese intentions and is in no apparent hurry to establish formal ties. Prime Minister Lee Kuan Yew is known to be particularly concerned about the impact that an official Chinese presence could have on his predominantly Chinese citizenry. While he reportedly views eventual normalization with Peking as inevitable, he is obviously not anxious to accelerate the process.

Indonesia -- Similar considerations motivate Jakarta's reluctance to respond to Peking's advances. Bitterness towards the PRC is still widespread in Indonesia (especially in the dominant military circles) because of Peking's former close ties with the Indonesian Communist Party (PKI) and alleged Chinese complicity in the abortive 1965 coup. In the aftermath of that coup, thousands of Indonesians of Chinese descent were slaughtered, the pro-Peking PKI was banned and relations with the PRC were suspended in 1967.

Peking's hostility toward the Suharto government has gradually abated as Peking has moved to improve its relations with the GOI, largely because it sees Indonesia (with its potentially predominant role within ASEAN) as a counterweight to Soviet influence in the area. Peking has adopted a gradualist approach to Indonesia to allay lingering suspicions. It has dropped unfavorable coverage of Indonesian internal affairs in recent years and has approvingly reported Indonesian diplomatic initiatives in ASEAN and various international fora.

Indonesia for its part can be expected eventually to resume diplomatic relations with the PRC, but there is reportedly considerable difference of opinion within the government on how fast to move toward normalization with Peking (Foreign Minister Malik favors a more rapid resumption of ties while several of President Suharto's key military advisors

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-8-

remain opposed.) The Chinese Communist Party's anniversary greetings to the PKI last May has been cited by opponents of rapprochement as evidence that extreme caution is warranted.

Chinese Position

The Chinese favor the retention of a residual US presence in Southeast Asia as a deterrent to Soviet adventurism. However, on ideologically troublesome issues such as US bases in the area, Peking prefers to leave its position unstated, although it has made clear by indirection that it is relaxed on the matter. Chinese leaders have repeatedly warned visiting Southeast Asian dignitaries that in the wake of the US withdrawal from Indochina, they must guard against "letting the tiger (i.e. the USSR) in through the back door, while repelling the wolf (i.e. the US) through the front gate." To reassure Southeast Asian apprehensions about their large Chinese communities, Peking has adopted a policy of encouraging overseas Chinese to accept the nationality of their country of residence. It has unconvincingly sought to disclaim responsibility for its reduced but continuing rhetorical and material support for local communist-led insurgencies by arguing that government and party matters are completely separate.

US Position

We are conscious of the ideological and historical differences that shape our two approaches to the region, but we do not believe that either the United States or the PRC would benefit from developments that would heighten feelings of insecurity on the part of regional governments. For this reason, we should do what we can to ensure that our respective policies do not work at cross purposes in the area, which would play into Soviet hands.

~~CONFIDENTIAL~~

CONFIDENTIAL

-9-

The nations of Southeast Asia are going through a period of transition toward greater self-reliance and lessened dependence on outside powers. Our own role in Southeast Asia is also changing, but we will continue to work in close cooperation with the local governments. We have and will continue to have important interests in Southeast Asia for the indefinite future.


We remain opposed to efforts by any country to establish a position of hegemony in that region and are impressed by the determination of local governments to preserve their independence. We strongly support this objective.

Over the last few years there has been a trend toward regional cooperation, as expressed in the formation and continued vitality of the Association of Southeast Asian Nations (ASEAN). We consider this a positive development, since local rivalries and domestic instabilities could give the Soviets opportunities to exploit.

We are opposed to the Soviet scheme for an Asian collective security system and have said so both publicly and privately. None of the SEA countries appears interested in this idea.

Department of State
November 1975

CONFIDENTIAL



JAPAN



DEPARTMENT OF STATE

BRIEFING PAPER

JAPANThe Problem

Japan is not now an issue between us and the PRC, and there is no need for extensive discussion of Japan during the talks in Peking. However, since Japan is of importance to both countries, it should be covered in the discussion of our Asian policies. Because of the impasse regarding the inclusion of an anti-hegemony clause in the treaty negotiations between Japan and the PRC, Japan will be watching what is said about hegemony in any joint statement at the end of your visit.

Background

Although strong doubts and suspicions remain below the surface, Chinese policy toward Japan has softened markedly in recent years. In our early discussions with the Chinese during the Nixon administration, the Chinese argued that Japan would revert to militarism and criticized our own security links with Japan. We pointed out the inconsistency of the position, noting that our security treaty with Japan and the nuclear umbrella which we provide constitute the best guarantee against a resurgence of Japanese militarism. In 1972, the Chinese attitude towards Japan began changing, in large part because of Japanese eagerness to normalize relations with Peking as a result of our opening to China. Our reasoning may also have had some effect, and other factors were at work. The Chinese probably recognized that an antagonistic relationship with Japan played into Soviet hands. Although there was already considerable trade between the two countries, the Chinese presumably desired the benefits of an expansion of trade and economic relations. Their ties with the Japanese Communist Party were cool, and they probably foresaw no early alternative to a conservative government in Japan. They had been

~~SECRET/NODIS~~
GDS

DECLASSIFIED

E.O. 12958 (sec 1.4) SEC 3.3

State Dept Guidelines

By

NARA, Date

State review 9/16/03

6/23/10

~~SECRET~~/NODIS

-2-

strongly critical of Prime Minister Sato, and when he was replaced by Tanaka, they decided to respond to Japan's obvious interest in normalizing relations. They may have hoped to utilize normalization of relations with Japan to further isolate Taiwan. Diplomatic relations between the PRC and Japan were established in September 1972.

Rather patronizingly, Mao, Chou and Teng have all emphasized in our recent visits to Peking the importance of close US-Japan ties and the need for us to pay more attention to Japan. In 1973, for example, Mao scolded Secretary Kissinger for not visiting Tokyo enough. Our ties with Japan have greatly improved in the last few years, and Peking recognizes and welcomes this.

Peking sees close US/Japan ties as a means of limiting Soviet political opportunities in Northeast Asia, lending steadiness to Japan's foreign policy and defense orientation, and facilitating the continued presence of strong US naval and air forces in the Northwest Pacific as a counterweight to the Soviets. Indeed, PRC leaders repeatedly stress to Japanese politicians and journalists that Japan's relations with the US are even more important than Sino-Japanese relations. Since 1972 the Chinese have rarely criticized our security relationship with Japan; in fact they have quietly supported it.

Since the establishment of diplomatic relations, both countries have wanted to maintain a momentum in the relationship. In 1974 bilateral trade reached \$3.1 billion, making Japan by far China's largest trading partner. China will export 8 million tons of oil to Japan this year. This constitutes only 2 1/2 percent of Japan's oil agreement projecting oil imports from China of 30-50 million tons annually by 1980. Japan looks on oil imports from China not only as an increasingly important factor in Japan-PRC relations, but also as a means of diversifying its sources of oil, which is crucial to Japan's economy, and perhaps neutralizing the political impact on China of its gradually expanding role in the development of Siberian resources. For its part,

~~SECRET~~/NODIS

SECRET/NODIS

-3-

China sees oil exports to Japan not only as a means of earning foreign exchange, but also as a way to reduce Japanese interest in Siberian energy resources.

In mid-August, the PRC and Japan concluded a fisheries agreement and authorized a new consulate in each country. Earlier, there were civil air and shipping agreements. The PRC has not pressed its claim to the Senkakus, small uninhabited islands near Okinawa significant primarily because there may be oil in the area. Travel between the two countries is extensive, and growing. In short, Japan has a web of relationships with China not matched by any other country.

There has been no significant friction between Japan and China over Asian political or economic questions, and the discussions between Foreign Ministers Miyazawa and Ch'iao last September in New York were the most extensive political exchanges to date. Japan recently established diplomatic relations with Hanoi and granted recognition to Phnom Penh, and the PRC apparently welcomes Japanese involvement there as a potential counter to Soviet influence. Differences exist over Korea, but these have not created a strain in the relationship. There has been no public reaction by the Chinese in recent months to Tokyo's deliberations over the NPT and the more open debate in Japan on security issues. China does not now express concern about Japan's economic role in Asia, perhaps because the Japanese have not tried to translate their economic power into correspondingly significant political influence. The single discordant note the Chinese have struck in the past couple of years was Chairman Mao's remark to Secretary Kissinger on this last trip (which he did not elaborate) that "Japan is seeking hegemony."

Despite Peking's currently benign public attitude toward Japan and US-Japanese relations, Chinese leaders are still cautioned by the history of Japan's aggression against China. They are not confident they understand Japan, and they continue

SECRET/NODIS

SECRET/NODIS

-4-

to harbor uncertainties over Japan's long-term course. At present, they have some doubts about Prime Minister Miki's will and/or capacity to follow through on steps subsequent to the normalization agreement in 1972. Their apprehensions of a more manipulative and bold Japanese role are surely fueled by Japanese responsiveness, however cautious, to current Soviet efforts to carve out a wider regional role, including the development of wider economic and political links with Japan. And the Chinese probably fear that Japanese uncertainties about future American intentions in the Far East may precipitate unexpected shifts in Japanese attitudes, including the possibility of a more active regional policy or large-scale rearmament. Such developments would deeply disturb the Chinese and would complicate their position in Asia.

The PRC's hope of creating a strain in Japan-Soviet relations is apparent in its insistence on including an "anti-hegemony" clause in the Peace and Friendship Treaty which Japan and China have been negotiating. Prime Minister Miki would like to conclude the Treaty as soon as possible, but is not prepared to accept an outcome on this issue that could be portrayed by his opponents as "capitulation" to the Chinese. He also wants to minimize the impact on Japan-Soviet relations, and preserve maximum freedom of action for Japan's diplomacy in the future. For some months, this issue has created an impasse in the formal Treaty negotiations. However, there were lengthy discussions on the subject between the two Foreign Ministers when they were in New York for the UNGA session, and in a recent statement to the Diet, Foreign Minister Miyazawa pointed the way to a possible compromise: inclusion of the clause in the treaty, but with a unilateral Japanese statement primarily designed to interpret "anti-hegemony" as a universal principle not directed specifically at any third country, and not implying any joint Sino-Japanese action against any attempt to gain hegemony.

SECRET/NODIS

~~SECRET/NODIS~~

-5-

The Soviets of course know that the Chinese are insisting on the anti-hegemony clause because of its anti-Soviet connotation, and they have warned the Japanese publicly and privately that inclusion of the clause in the Treaty could affect Soviet-Japan relations adversely. However, despite its proclaimed policy of "equidistance" in its relations with China and the Soviet Union, Japan is clearly more interested at this point in filling out its relations with Peking than in upgrading its ties with Moscow, not least because Japanese officials hope Soviet fears of growing Sino-Japanese collaboration may eventually produce more flexible Soviet attitudes on the key bilateral issues between them. But for the moment, the chronic impasse over the Northern Territories, the relatively slow pace of negotiations on joint economic projects for Siberian resource development projects, persistent Soviet diplomatic heavy-handedness with Tokyo, and a basic Japanese distrust of the Soviet Union combine to limit prospects for early significant improvement in Soviet-Japanese relations.

Just as there is at present no Japan issue in US-PRC relations, there is no China issue in US-Japan relations. The Japanese were upset by what they called the "Nixon shock"--the failure to inform them in advance of the announcement that President Nixon would visit China. But that is now past history, and we have kept the Japanese meticulously informed of our dealings with China. (Secretary Kissinger has been continually stopping in Tokyo to brief them on his annual Peking trips.) Nevertheless, their only major concern regarding the US-PRC relationship is that they not be caught again by surprise by some major development. More immediately, the Japanese probably hope that any joint statement issued at the end of your visit will reaffirm opposition to hegemonism, as this might help to counter domestic and Soviet pressures against inclusion of the anti-hegemony clause in the Treaty.

~~SECRET/NODIS~~

~~SECRET/NODIS~~

-6-

Chinese Position

There was no significant discussion of Japan in Secretary Kissinger's talk with Foreign Minister Ch'iao Kuan-hua in New York in September or in his recent discussions in Peking.

The Chinese may reiterate the importance they attach to US-Japan relations, noting they do not criticize the security relationship. They will probably express satisfaction about their own relationship with Japan and minimize the significance of the anti-hegemony issue by saying that they are in no hurry and are prepared to wait until the matter is resolved to their satisfaction.

US Position

We welcome the PRC's support for close US-Japan ties and have no problem with the good relations which have developed between the PRC and Japan. In effect, the currently smooth triangular relationship serves as a tacit check on Soviet ambitions in Asia. And it is clearly in our interest that Peking not try to play us off against the Japanese.

Regarding the anti-hegemony issue, the Chinese know that we have told the Japanese that we could not object to inclusion of such a clause in the PRC-Japan Treaty so long as it is not directed at us, particularly since the concept was included in the Shanghai Communique.

We will want to assure the Chinese that our relations with Japan have very greatly strengthened and have never been better, and that we will continue to give high priority to maintaining close relations with Japan. There are no contentious bilateral issues between us. Opposition in Japan to the Security Treaty has abated, partly because it is no longer a domestic issue linked to Japan-PRC relations. Your trip to Japan and the Emperor's visit to the U.S. were highly successful in symbolizing the excellent relations which we enjoy.

~~SECRET/NODIS~~

~~SECRET/NODIS~~

-7-

Increased Soviet ability to project its military power into the Pacific, the collapse of Indochina and Japanese anxieties about rising tensions in Korea have led to some reexamination of the premises underlying Japan's defense thinking. Japan feels a greater vulnerability now that the focus of tension in Asia has shifted from Southeast Asia to Northeast Asia, and public acceptance of closer US-Japan defense cooperation has increased. There may be some qualitative improvement in Japan's defense posture, particularly in air and maritime defense, but we foresee no basic shifts in that posture. We hope the PRC will recognize that these developments are compatible with its interests.

The Japanese are concerned that increased instability in the Korean peninsula will impact on their own security, and we should impress this point upon the Chinese.

If asked for our views on the internal situation in Japan, we should indicate our expectation that the balance of forces within the Liberal Democratic Party on which Miki's position depends may endure for some time and that even if there should be early elections, these are not likely to alter the complexion of Japanese policy in any fundamental way.

Department of State
November 1975

~~SECRET/NODIS~~

KOREA



ISSUES PAPER

12

SECRET/NODIS

KOREA

The Problem

The PRC clearly does not want the resumption of hostilities on the Korean Peninsula and would probably act to restrain North Korea from major military adventures threatening a US military reaction. Moreover, the PRC is not pressing us in more than a rhetorical way to withdraw our forces from Korea. At the same time, however, the PRC has been unwilling to take much responsibility for the Korean question on such key matters as how to terminate the UN Command without jeopardizing the armistice agreement. It also seems to be locked into firm support of North Korea's tough diplomatic policies which are aimed at isolation of the ROK and international acceptance of North Korea as the legitimate government of the Korean people. These contrast sharply with our desire to reduce tensions between North and South Korea and to stabilize the situation in and around the Korean Peninsula.

It is important that we continue to impress upon the PRC that while we will be flexible in our approach our commitment to the Republic of Korea is firm, that our search for easing of tensions in Korea does not mean that we will yield to pressure tactics, and that we believe it is in the PRC's interest to help us reduce tensions in Korea.

Background

After playing a constructive role in handling the Korean question at the UN in 1973, the Chinese position with regard to Korea has steadily toughened in tone. The Chinese have given no indication that they are willing (or able) to induce the North Koreans to a more flexible stance. Sino-Soviet rivalry and the

SECRET/NODIS
XGDS-3

DECLASSIFIED

EO 12958 (as amended) SEC 3.3

State Dept Guidelines; State rev. cw 9/18/03

By MM NARA, Date 6/23/10

~~SECRET/NODIS~~

- 2 -

consequent Chinese interest in preventing Russian inroads in Pyongyang exclude any early prospect of their support for any arrangements which are stridently opposed by North Korea (e.g., dual membership of the two Koreas in the UN, indefinite US troop presence on the Peninsula, recognition of the ROK).

While there is a discernible element of prudence and caution in their private position, the Chinese public stance on Korea and the US force presence has become consistently harder. The Chinese have publicly supported Pyongyang's extremist contention that it is the sole legal sovereign government on the Peninsula. Chinese public statements on Korea in this year's UNGA were tough and at times gratuitously vitriolic. To be sure, they have been rather careful in our private meetings to let us know they are convinced North Korea is not planning aggressive military moves. This assurance presumably reflects their own discussions with North Korea on the need to exercise restraint and avoid provocative behavior. However, the Chinese have shown no give in substantive support for North Korea and have made clear that they do not intend to play a behind-the-scenes role other than to communicate the standard North Korean proposals (i.e., direct meeting contact between US and North Korea.)

Since the Chinese do not view the security situation on the Korean Peninsula as threatening their own interest, they apparently do not see the need to--or wish to pay the costs of--pressing North Korea to respond more flexibly to our proposals. An additional factor inhibiting Chinese influence on North Korea is the string of international successes North Korea has scored over the past years. This year Pyongyang has gained admittance to the non-aligned conference and has successfully allied itself with the radical non-aligned leadership, particularly Algeria, Yugoslavia and the more

~~SECRET/NODIS~~

~~SECRET/NODIS~~

- 3 -

radical African states. In this year's General Assembly, North Korea was able for the first time to secure passage of a resolution embodying their basic objectives, i.e., dissolution of the UN Command, withdrawal of foreign troops, inclusion of a peace treaty between the "real parties" to the armistice, defined by North Korea as itself and the US.

The UN result was a standoff because we also secured passage of our contradictory resolution embodying our position, calling for continuation of the South-North dialogue; linkage of UN Command termination to the preservation of the Armistice Agreement; and negotiations on arrangements to replace the Armistice Agreement, reduce tensions and assure a lasting peace. However, in political terms this was the first time that North Korea, condemned in 1950 for its invasion of the ROK, secured a majority vote for their position--at least a qualified victory.

In his address to the General Assembly, Secretary Kissinger proposed convening of a conference of the parties to the Armistice (US, ROK, PRC, North Korea) to discuss the Armistice Agreement. He further indicated that at such a meeting we would also be prepared to explore other measures to reduce tension on the Korean Peninsula, including the possibility of a larger conference to negotiate a more fundamental arrangement. Our proposal has been rejected by both the North Koreans and the Chinese who have reiterated North Korean demands that the US and North Korea alone should negotiate the peace treaty. We cannot accept this proposal since it would exclude ROK from negotiations vitally affecting its own future. Moreover, the North Korean proposal is patently designed to establish it as the only legitimate government on the Korean Peninsula and to drive a wedge in our relations with Seoul.

We have publicly stated our willingness to take reciprocal gestures towards North Korea if North Korea and its allies would move to improve their relations

SECRET/NODIS

~~SECRET/NODIS~~

- 4 -

with the ROK. Reflecting North Korean pressure, neither the PRC nor any other Communist power has accepted this proposal. To date there have been neither significant contacts nor trade between the PRC and ROK and there is no evidence that the Chinese would contemplate a change in their position on this in the absence of North Korean prior agreement.

President Park has written to you asking that we make clear to the Chinese that we will not accept any negotiations on Korea's future which exclude the ROK. He has also requested that we reiterate our position linking UNC termination to preservation of the Armistice Agreement. Park's letter reflects the ROKG preoccupation that Korea might be a major subject of discussion during your Peking visit. We have told the ROK we do not expect that the Chinese will wish to engage in any extensive discussions on Korea. Although Park knows that we do not rule out all direct contact with the North Koreans, we have assured him we will make clear to the Chinese that we cannot accept the exclusion of the ROKG from negotiations on Korea and that the UN Command termination is linked to preservation of the Armistice

Chinese Position

Korea was covered briefly during Secretary Kissinger's talks with Foreign Minister Ch'iao Kuan-hua in New York in September. At that time, Ch'iao said that Korea is a "small problem", urged us to withdraw our troops and initiate talks with North Korea, and commented that while the Korea issue would have to be settled some time, it need not be settled in the UNGA this year.

During the Secretary's recent visit to Peking, Korea was again briefly discussed. Teng, who exhibited little sense of urgency, said we should talk to the North

~~SECRET/NODIS~~

SECRET/NODIS

- 5 -

Koreans, and that the Armistice Agreement should be replaced by a peace treaty (presumably between the US and North Korea.) He suggested that this would solve the problem of finding a way to maintain the Armistice Agreement when the UN Command is dissolved. Mao made a brief--and puzzling--allusion to the US-sponsored resolution in the UN in 1950 branding China as the aggressor in Korea. He said that he enjoyed the honor of being so labeled and that we should not worry about changing that resolution.

In your talks in Peking, the Chinese will probably suggest that the Korean security situation does not warrant the degree of concern which we manifest. They will probably once again urge that we meet directly with the North Koreans. They may say, as they charge publicly, that our policy tends to perpetuate the division of Korea and that we should not insist on retention of the UN Command or on indefinite presence of American forces on the Peninsula. However, they will not express their views intemperately.

U.S. Position

Our primary objective is to find ways to reduce tensions in Korea, in order to reduce the risk of hostilities and to encourage North and South Korea to resume the dialogue which was started in 1972 but which has now stalled. We are willing to talk directly with North Korea, but not in a forum which excludes South Korea. Just as Peking thinks we should have some contact with North Korea, we believe North Korea's friends should have some contact with South Korea. We consider the presence of our troops in South Korea to be a bilateral matter between the US and South Korea, and their presence is linked to the maintenance of peace and stability on the Korean Peninsula. We are willing to terminate the UN Command if a way can be found to keep the Armistice Agreement in force. (The original UN Commander

SECRET/NODIS

~~SECRET/NODIS~~

- 6 -

was the only signatory to the Armistice Agreement on our side, and terminating the US Command, in the absence of prior arrangements, could have the effect of ending the Armistice Agreement.)

Our proposal for a meeting between North and South Korea, the US and the PRC was a serious one; it still stands, and we continue to hope there will be a constructive response. However, we want North Korea to recognize that its current pressure tactics, in the UN and elsewhere, will not be successful. We will not accept the exclusion of the ROK from negotiations relating to the future of the Korean Peninsula.

We recognize that on many aspects of the Korean situation, the PRC view differs from ours. However, we believe it is in the PRC's interest as well as ours to search for more durable arrangements to assure lasting peace on the Peninsula.

SECRET/NODIS