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PERS. OFFICE, WASHDC

PRESIDENT FORD'S VISIT TO PEKING
DECEMBER 1 to 5, 1975

BILATERAL ISSUES

~~TOP SECRET/NODIS~~

THE PRESIDENT

CLASSIFIED BY: [illegible]

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E.O. 12958 (as amended) SEC 3.3

State Dept Guidelines

By [signature] NARA, Date 6/27/10





DEPARTMENT OF STATE

Washington, D.C. 20520

THE PRESIDENT'S TRIP TO PEKING
December 1-5, 1975

BILATERAL RELATIONS

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THE PRESIDENT HAS SEEN.....

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BACKGROUND PAPERS







TAIWAN/NORMALIZATION

I. OCTOBER 1975 TALKS

Chinese Position in October 1975 (Mao + Teng)

- (Mao) The U. S. comes to China to gain Taiwan. Because the U. S. now has Taiwan. Actually it is better for Taiwan to be in the U. S. 's hands. If the U. S. were to send it back now, China would not want it, because it is not wantable. There are a huge bunch of counter-revolutionaries there. A hundred years hence China will want it -- and China is going to fight for it. It is hard to say: Five years, 10, 20, a hundred years. And when I go to heaven to see God, I'll tell him it's better to have Taiwan under the care of the U. S. now.
- (Mao) The small issue is Taiwan; the big issue is the world.
- On the whole, Sino-U. S. relations have moved forward in the last few years. So long as our two sides earnestly observe in actual practice the principles established in the Shanghai Communique, there is reason to believe that Sino- U. S. relations will continue to move ahead. This is the common desire of the Chinese and American peoples. On the Chinese side, we will do our part to promote Sino-U. S. relations in the spirit of the Shanghai Communique, as we have done all along. (Ch'iao's Banquet Toast)
- The language in the U. S. draft Communique [based on the November 1973 Communique] is not essentially new. It is slightly new; on the other hand, it is not entirely new. There is no change in meaning, and what is more, there is a contradiction in logic.
- Chairman Mao stated very thoroughly what China's views are on the Taiwan issue. The U. S. owes China a debt. This is the U. S. 's responsibility, not China's.

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E.O. 12958 (as amended) SEC 3.3

NSC Memo, 3/30/06, State Dept. Guidelines; state rev. enr 9/17/03

By NARA, Date 6/21/10



U.S. Position in October 1975: 1975

- (To Mao) It will not take 100 years for Taiwan to go back to China.
- We have made clear our continuing commitment to the principles of the Shanghai Communique, and we will suggest some formulations for the Communique that suggest some progress in that direction.
- What we have attempted to do in the draft Communique, with respect to both hegemony and normalization, is to go some steps beyond the Shanghai Communique. To state the principle of one China twice, and affirmatively, was a serious attempt on our part to indicate movement on an issue that is leading to inevitable consequences over a measureable period of time.



BILATERAL RELATIONS

I. OCTOBER 1975 TALKS

Chinese Position in October 1975 (Mao + Teng)

- (Mao:) Dr. Kissinger said that the U.S. asked nothing of China and China asked nothing of the U.S. This is partially wrong. The small issue is Taiwan, the big issue is the world. If neither side had anything to ask, why would you want to come to Peking, and why would we want to receive you and the President?
- (Mao:) We welcome President Ford's visit.
- Some of the concrete matters [on bilateral relations] in the U.S. draft of the Communique are not realistic. Because, generally speaking, when relations between states have not been normalized, it is not the normal practice to sign certain agreements between states, such as commercial or navigational or air traffic agreements.
- It should be mainly the political aspect that should be able to manifest the significance of the President's visit.
- There are certain issues like, for instance, claims and assets, which might be settled. But apparently each side is still at its original position on these issues. But this is not something China is so concerned about. As China has said, it won't matter if it is not settled in a hundred years. If it is possible to settle it on the President's visit, China wouldn't oppose that.
- As for Most-Favored-Nation status, Mao has said China does not need these things as long as the U.S. doesn't give it to "that bastard" [theUSSR]. And there always exists the possibility that one-hundred years might be cut down to one-and-a-half months.

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E.O. 12958 amended) SEC 3.3

NSC Memo, 3/30/06, State Dept. Guidelines; *State Review 9/11/03*
By 16 NARA, Date 6/21/10

(Chinese Position in October 1975, continued)

- China does not think a few dollars more or less is of any importance, and does not think it necessary to get involved with legal terms to express a settlement. If one cannot settle issues such as MFN without getting involved in legal terms, China is willing to give them up. China believes it is not necessary to get entangled in the legal status of MFN. We can just say both of us agreed to settle it in one stroke, to cancel the claims in one stroke. To just let it go with the wind. But it cannot be stated anywhere in any settlement that Chinese are required to observe American laws.

- Our cooperation with Ambassador Bush is quite good. Sometimes there are a few small quarrels, but that doesn't matter very much.

- As for what we will say to each other after the President comes, we can say whatever we want to say to each other. For instance, I have said before to visiting American friends that it will be all right if we have discussions; also all right if we do not. It will be all right if our minds meet, or if they do not. We will welcome him.

- In our opinion, a Communique is not important. Who invented this Communique form? If we have a communique we don't object. If there is no communique, that is not of much significance.

- We don't think it beneficial to cover up our differences. This will lead people astray. Indeed, as everyone knows, we really have great differences, but we have common points as well. We cannot agree not to state our differences. Of course, you have your problems and you cannot say we do not understand it fully.

- We are used to calling a spade a spade. Since 1972 there has been no basic change in our relations, The communique should reflect this. As for concrete wording, we can discuss this.



(Chinese Position in October 1975 continued)

- There must be something practical in our bilateral relations. If there are only things of symbolic nature, there is no reason for these things.
- The importance of the document should not be weighed by the number of words.

U.S. Position in October 1975:

- It is important to show some vitality and forward movement in our bilateral relationship, not because we particularly care about the level of trade between us -- and we believe also that China, having survived 2000 years of its history without extensive contact with the U.S., may manage to stagger on for many more years without extensive exchange between our various cultural troupes. The issue is how to be in the best position to resist hegemonial aspirations in the West or East. It is difficult to gain public support for what may have to be done if China is not an important element in American consciousness, and that cannot be unless there is some improvement in our bilateral relationship. This is entirely up to China; we have nothing very material to gain from it. But if there is an inequality in American public consciousness between relations with China and the Soviet Union, it is because nothing very substantial is happening in the US-PRC relationship.
- The differences between us are apparent. Our task is not to intensify those differences. Our task is to advance our relationship on the basis of our mutual interests. Such a relationship would strengthen each of us. It would threaten no one and it would contribute to the well-being of all peoples. It is a relationship which we intend to be a durable feature of the world scene. (HAK Banquet Toast)
- We are bound to have our differences in ideology and in specific countries, but we have some important common interests which have brought me to China for more extensive visits than I have made to any other country.
- The U.S. attaches great significance to US-PRC relations. The U.S. is prepared to coordinate. We think China is serious, and we are equally serious. On that basis we can have a useful relationship.

(U. S. Position in October 1975 continued)

- The U.S. does not consider China a fifth priority, and we know our priorities best. If we want to give our public a stake in this relationship, then there has to be some concrete expression of it at sometime.
- On the claims/assets problem, there are some legal complications, but the sums themselves are trivial. It is not a commercial problem with us. The only obstacle is the claims problem. That Chinese shouldn't be subject to American laws is a very reasonable proposition, which, however, is not self-evident to our Congress.
- All the problems we have discussed -- about the balance in our international relationships and about whether we do certain things to gain favor somewhere [in Moscow] or for tactical reasons -- can be solved, at least on one level, by showing some progress in Sino-American relations. We did not ask for this visit, particularly.
- We have dealt openly with China and you have always known what we did--especially regarding the Soviets, because we thought we had a parallel conception on world affairs. But if that is misunderstood, we cannot be in a position of being supplicants, and of giving the impression that we need this relationship more than you.
- We do not agree that just coming to China can be the purpose of a political move. There must be some [substantive] reason for it.
- The private discussions with the President, should be a very frank review of the world situation and our bilateral relations. In our public discussions it would serve the interests of neither side if it appears that we were quarrel-
ing. We should reserve that for the UN and not for a Presidential visit. This is a matter partly of the communique and partly of what our news papers will be writing.
- It is not possible, unfortunately, for us to have no communique. It is not important to the essence of our relationship, but for our public. Unless there is some progress in tone we cannot rely on it to give impetus to the essence of the relationship, which is the hegemony problem.

(U.S. Position in October 1975 continued)

There are certain hegemonic moves which may now appear quite improbably; but if they ever arise it is necessary to prepare a psychological framework. Apart from this purpose, the U.S. interest in bilateral matters ends. I never raise them with you. But they will be used by our public to judge the degree of our relationship and they give us the possibility to enlist support for political issues rather than economic and technical issues.

Given our situation, if we have to spend the next two months defending ourselves on why we went to China, it will be of no help to China or the policy we are attempting to pursue, and will be totally counterproductive. And it will liberate all those forces [in the U.S.] that have been contained since 1971.



TAIWAN/NORMALIZATION

I. NOVEMBER 1974 TALKS

Chinese Position in November 1974 (TENG)

- China agrees that Sino-U.S. relations are proceeding in the direction laid down by the Shanghai Communiqué. Both sides agree that the progress of our relations has been normal.
- But it is only natural that there be speculation and talk and some cannon firing when the U.S. sends an Ambassador to Taiwan and they increase the number of their consulates in the United States.
- The Chinese position on normalization is to do it the Japan way. The U.S. ideas cannot be considered as in accord with the Japan model. They are actually a variation of one-China-one-Taiwan.
- As Mao and Chou have said, China would like normalization to come more quickly. But secondly, China is not so much in a hurry. That is, if we are able to reach a point acceptable to both sides in a relatively quicker period of time, China would welcome it. But Mao has also told Secretary Kissinger that China pays special attention to international issues.
- There are three principles which China cannot barter away:
 - China insists on the Shanghai Communiqué and refuses any method which will lead to "two Chinas," or "one-China-one-Taiwan," or "one-and-a-half-Chinas," or any variation of these. The Chinese cannot accept the idea of setting up an Embassy in Peking and a liaison office in Taiwan. If the U.S. just reverses the position of liaison offices, people will come to the conclusion that it is actually a variation of one-China-one-Taiwan.
 - Mao made it clear that the solution of the Taiwan question is an internal issue of the Chinese people. After the U.S. abolishes the defense treaty with Chiang Kai-shek, the Taiwan problem should be left for the Chinese people themselves to solve. If we are to achieve normalization and abide by the course set in the Shanghai Communiqué, then the U.S. treaty with Taiwan must be done away with.

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E.O. 12958 (as amended) SEC 3.3

NSC Memo, 3/30/06, State Dept. Guidelines; State views 9/17/03
By NARA Date 4/21/12



(Chinese Position in November 1974, continued)

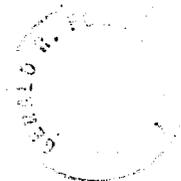
- . China does not admit that there can be another country involved in the Taiwan solution. Any kind of reviewing or guarantee or any kind of involvement in the process, China will not accept. Whether China uses peaceful methods or nonpeaceful methods should be left for the Chinese people to decide.
- For the establishment of diplomatic relations China has expressed it clearly: severing diplomatic relations with Taiwan, withdrawal of troops, and abolishing the treaty.
- China cannot undertake any commitments or make any promises with regard to its internal affairs, like when and how it will do or establish things that pertain to its own affairs.
- It appears that time is not yet ripe to solve this question, because it would not be possible for China to accept the U.S. formula.
- It looks as if the U.S. still needs Taiwan. If so, China can wait until the time is more ripe for solution. This in no way means China does not want to solve this as early as possible. It does not mean that from a moral and political viewpoint China has no right to demand or ask for an early solution. There is a Chinese saying that it is for the one who has tied the knot to unfasten it. But China can wait, say, for a few years.
- Whether the U.S. cuts down its forces [on Taiwan] by a little bit or increases them by a bit, or if when the U.S. does it, it raises them by a bit -- that isn't important. And since the U.S. already sent an Ambassador there, whether or not it is necessary to lower the seniority is not a very important issue either. So if the solution is not to be brisk, what is the reason to drag the Taiwan issue along like Vietnam or Cambodia into such an untidy mess? A so-called transitional period is too complicated. So we can wait until time is ripe and then solve the problem in one gulp, like with Japan.
- The reason why the problem can't be solved as China visualizes it should is that on the U.S. side the U.S. has difficulties. It is not that China does not wish to solve it. Actually the Taiwan lobby is much stronger in Japan than in the U.S. But still, if the U.S. has domestic difficulties, China can wait.

U.S. Position in November 1974

- We are prepared to discuss this seriously and in an attempt to meet the time limit we previously discussed in Secretary Kissinger's past meetings with Premier Chou En-lai.
- To complete the process of normalization there are several parts: (1) The diplomatic status of Taiwan, and the diplomatic relations between the U.S. and PRC; (2) U.S. military forces on Taiwan; and (3) the U.S. defense commitment to Taiwan.
- The U.S. situation is different from that of any other country which has normalized relations with the PRC because of the formal defense relationship and the rather substantial pro-Taiwan group in the U.S. By proceeding step-by-step we have been able to neutralize the pro-Taiwan element in the U.S. But we must prevent, in our common interest, Sino-American relations from becoming a contentious issue. It is not in our interest to have emerge a Senatorial group which does to Sino-American relations what Jackson has attempted to do to Soviet-American relations.
- The U.S. does not need Taiwan. The problem we have is the impact internationally of a sudden total reversal of an American position on other friendly countries, and even perhaps on countries that are not friendly to either of us.
- The U.S. can accept the basic principle of the Japan way, but the U.S. has a number of special circumstances which the Japanese do not have. At various stages of our relationship we have both found means, which were consistent with China's principles, which also took into account our necessities. It is perhaps not proper to ask China to make a specific proposal on an issue of such profound principle to China. Within the framework of the Japanese model, the two sides should have a frank talk of some of our necessities consistent with Chinese principles and then find some way to reach the goal. After this we can put forward specific proposals.
- On the issue of diplomatic status, the U.S. is prepared to solve this substantially on the Japanese model, with the variation that it would be easiest for the U.S. to maintain a liaison office in Taiwan and an Embassy in Peking.

(U.S. Position in November 1974, continued)

- Over the next 18 months the U.S. will bring about a reduction in the size and status, or at least seniority, of its diplomatic representation on Taiwan. The military and diplomatic reductions are independent of whatever we agree on the three points. These are unilateral steps.
- As for U.S. troops on Taiwan, the U.S. has reduced its forces from over 10,000 to about 3,200. We are prepared to remove all troops from Taiwan. The U.S. would like to agree with China on a timetable to reduce the U.S. forces by half by Summer 1976, with the remainder to be removed by the end of 1977. This would not be announced until the end of 1975, even if we agree to it in November 1974. The U.S. will give the precise figures to PRCLC before the end of the year.
- As for the U.S. defense relationship with Taiwan, the U.S. has not come up with a good answer. It is absurd to maintain a defense relationship with part of a country. And we have no interest in a strategic base in Taiwan after we have recognized Peking. But we need a formula that enables us to say that, at least for some period of time, there are assurances of peaceful reintegration which can be reviewed after some interval in order to avoid these difficulties. We want to avoid a situation where the U.S. signs a document which leads to a military solution shortly after normalization. But we do not want a commitment which maintains the separation. The political and psychological effect of breaking relations is that the defense relationship will be eroded by the act of recognition. But we need a transition period for our public opinion in which this process can be accomplished without an excessive domestic strain. If we agree on the principles, we can then see what formula can be worked out.
- Theoretically, China could make a general statement of its unilateral intentions. Not to the U.S., but just as a general statement.
- To us the question of the defense commitment is primarily a question of how it can be presented politically. It is not a question of maintaining it for an indefinite period of time.
- After normalization, any attributes of sovereignty in the relationship between Taiwan and the U.S. have to be eliminated. We do not want to participate in the process of reintegration, or in the process of realization of reintegration.



(U.S. Position in November 1974, continued)

- There are two basic choices: We can continue to gradually withdraw our forces from Taiwan -- which will continue, in any event -- and increase our relationship with you and wait for the opportune time to complete the process with one decision. Or, we can complete the political part of our relationship quickly and make it clear we are solving the issues of sovereignty at once, and find a formula in which the symbolic thought of Mao is expressed. An effort of peaceful reintegration over a reasonable period of time. Chairman Mao said China could wait 100 years -- though we realize this figure was only symbolic.
- China says the precondition for normalization is for the U.S. to break diplomatic relations with Taiwan. That the U.S. is prepared to do, and we believe we can find a mutually satisfactory formula for this. But we also infer from Mao's statement that he believes diplomatic relations could be established and after that there might be a time interval until the real integration is complete -- in his perspective of history. The question is how to express that in practical terms.
- The U.S. feels the Vice Premier's three principles for normalization are not insurmountable obstacles. The U.S. does have one problem, which is that the U.S. does not ask to be a guaranteeing power but does prefer the reintegration to be peaceful.
- The U.S. will study China's views carefully. We will think about specific proposals with respect to the three points and submit them for Chinese consideration. The three principles are accepted. In all of them, the only practical problem we have is how to implement them.



TRADE AND EXCHANGES.

I. NOVEMBER 1974 TALKS

Chinese Position in November 1974 (TENG)

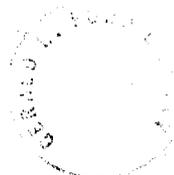
- People are saying in the world that now relations between the US and China are chilling a bit. This is HAK's seventh visit and the third exchange of views this year. So this opinion circulating in some places cannot be taken as accurate.
- China agrees that our relations are proceeding in the direction laid down by the Shanghai Communique. Both sides agree that the progress of our relations has been normal.
- In the claims/assets discussions of Lin and Habib, Habib placed great emphasis on matters of US law. How can US laws govern China? That is not logical. But this is an issue of which 100 years lack of a solution will not be of great consequence.
- China understands that the various views of members of Congressional delegations represent their own opinions, not those of the US government. China won't sign any agreements with them!
- It seems HAK is very concerned about cannon fire and their frequency and accuracy. Cannons must be fired; it cannot afford to cease. There might be a necessity to study whether the cannon fire is reasonable, and China raises this point to HAK's attention. That is, on many issues now, the US is in the forefront -- on energy, food, Cyprus, the Middle East and on many important issues.
- In order to show that our relations are not cooling, China wishes to extend a formal invitation to Defense Secretary Schlesinger. This would be a good answer to all these opinions which are going around in the world. China wishes the US to continue to consider this invitation.



US Position in November 1974

- Our relations are proceeding in the direction laid down in the Shanghai communique. There is no change on our side.
- Such issues as bilateral exchanges and cultural agreements are essentially a symbolic aspect of our political relations, and we will deal with them in this context. Frankly, the US is indifferent whether there is a million dollars more or less in settling blocked accounts, or whether one group more or less goes back and forth. We should use these as a symbol of our overall relationship. When China wants to settle the claims/assets problem, let us know, and we will find a way of settling them.
- We believe that conditions are favorable to show some advance in our relationship. We think this would be a fulfillment of the principles of the Shanghai Communique. We think it is desirable in terms of the overall international situation, so that there is no misunderstanding about the evolution of our relationship in the eyes of other countries.
- The US understands the principal Chinese concern over claims/assets and will see whether Washington lawyers can come up with a definition compatible with Chinese principles. The US accepts the principle that American law does not apply to China.
- For us this issue is a political and symbolic matter. So we do not want an acrimonious negotiation.
- We are prepared. On the other hand, we won't press China. So China should let us know at what speed it is prepared to proceed on these technical bilateral issues. The advantage of discussing them on HAK's trip is that HAK and the Foreign Minister can cut through the complexities somewhat more rapidly.
- Regarding exchanges and CODELS: The US suggests changing the pattern so every year is not like the last, and so as not to expose our relationship to unnecessary domestic speculation over whether progress has been made. So if our experts could find some slight variation in the pattern, that could be quite helpful.

- The US would like to increase the Liaison Office by a few spaces, so we could transfer some of our functions from Hong Kong to Peking.
- The problem with a visit of Defense Secretary Schlesinger to Peking is that the Soviets have repeatedly sought an exchange of visits by Defense Ministers and also meetings of military commanders in Europe. We have turned these down. If we begin using our SecDef for diplomatic travels, he will begin going to places that are not desirable.
- But we would welcome invitations to any other Cabinet members, and of course we welcome an invitation to the President.
- Perhaps after President Ford visits China we can arrange a visit by the Secretary of Defense. If we can both determine the right moment to do it, we will certainly do it.



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~~TOP SECRET/SENSITIVE~~
EXCLUSIVELY EYES ONLY

TRADE AND BILATERAL RELATIONS

I. NOVEMBER 1973 TALKS

Chinese Position in November 1973 (MAO + CHOU)

- Why is the US so concerned with the nonsensical Watergate issue? The incident itself is very meager, yet now such chaos is being kicked up because of it. Anyway China is not happy about it. (Mao)
- People say that Americans can keep no secrets, but in the Cuban incident and in recent dealings with the Soviet Union secrets were kept quite well. (Mao)
- China has diplomatic relations with the Soviet Union and India, but they are not so good. China's relations with the US are better. So the issue of diplomatic relations is not an important one. The issue of the overall international situation is an important one. (Mao)
- So long as the Soviet Union doesn't get MFN, that is enough for China! (Mao)
- China is quite suspicious that if the Democratic Party comes into office, they will adopt the policy of isolationism. This is manifested in their advocacy of troop withdrawal from Europe. (Mao)
- [On the Marine Guard issue:] We think that at the early stage of having established Liaison Offices, our goal is to work in a harmonious way and not create trouble for each other.
- US press people expressed a desire for their representation to be stationed in Peking. There will be no difficulty on the Chinese part, because there are many correspondents there from many countries. The difficulty lies in the Washington part, where PRC correspondents may meet with situations where they meet with Chiang Kai-shek correspondents, at clubs and press conferences. In Japan, Taiwan correspondents are not recognized and are excluded from formal occasions.
- China does not want MFN for China to be discussed in the Congress at the same time as MFN for the Soviet Union. China would like to increase its exports to the US but is not in a hurry. China is not in a hurry.



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NSC Memo, 3/30/06, State Dept. Guidelines; state review 9/17/03

By WA NARA, Date 6/22/10

~~TOP SECRET/SENSITIVE~~
EXCLUSIVELY EYES ONLY

(Chinese Position in November 1973)

- It was through a kindness on President Nixon's and Dr. Kissinger's part, the idea that the assets question should be settled from a political viewpoint. The US terminology was adopted during the period of hostility to the PRC, and if China adopts it, it would mean the US was right. Why should the US not adopt the Chinese term?
- Our judgment is that US courts would not support private claims on bonds issued before diplomatic relations, if the USG does not approve these claims.
- Since the PRC began restoring diplomatic relations with other countries, the PRC issued orders to banks for the return of money blocked by the US. Some of them began to give this money back. It amounts to only \$17 million. China is ready to give the money back to the US, preferably directly, rather than through the banks.
- China has carried on an investigation for US MIA's in the areas involved, and has not found any bodies or information. The investigation is still going on. China will inform the US if any information is found. Dr. Kissinger can say this publicly.

US Position in November 1973

- Watergate has not affected the conduct of US foreign policy. We will continue in the present course and in our capacity to take actions in crises as we've shown. (to Mao)
- Everything important has been done against the opposition of the intellectuals in the US. (to Mao)
- As long as we keep the information in the White House, China can be sure that nothing will ever leak out of our discussions. (to Mao)
- The Liaison Offices perform very usefully, on the technical level. So the only question is whether at some point either or both of us think it is useful to demonstrate symbolically that our relationship is now normal in every respect. In that case we should find a formula to make it possible, but it is not a necessity. (to Mao)
- There may be trends now among the intellectuals and some Democrats in the direction of isolationism. But objective realities would force them to understand that there is no alternative to our present policy.

(US Position in November 1973)

This is why we believe we should use this period, when all of us are still in office and understand the situation, to so solidify this policy that no alternative will be possible any more. (To Mao)

- Our bilateral relations have a substantive aspect and a symbolic aspect. They symbolize that our relationship is growing closer, beyond the technical side.
- In the meantime until full normalization, we need to be prepared to expand the status of the Liaison Offices so that they become more and more similar to full diplomatic recognition. We would be prepared to establish trade offices and other institutional links that the PRC would consider appropriate.
- We believe Congress would not accept a settlement of the blocked assets if it excluded blocked assets belonging to third-country banks.
- We are in principle prepared to grant MFN to the PRC, once the claims/assets issue is settled. We are prepared to grant the PRC the same economic status that we grant the Soviet Union. The major use of such an agreement is to show major progress in our relationship. There is no economic need for it.
- The US will not give legal support to claims connected with bonds issued when the US and PRC had no diplomatic relations. But we cannot prevent US citizens from making such claims in the courts.
- We will not discuss MFN for the PRC with the Congress in the same context as MFN for the PRC with the Congress in the same context as MFN for the Soviet Union. We will not discuss it with the Congress until Prime Minister Chou personally tells us he wants us to do so.
- The US would have difficulty excluding Taiwan correspondents from press groups and press conferences because they are out of our control. We would of course be prepared to have PRC correspondents in Washington.
- As a personal and not a governmental request, Dr. Kissinger asks if the PRC can ask Sihanouk about the fate of foreign journalists missing in Cambodia.



(US Position in November 1973)

- Senator Jackson will be quite an experience. He is a friend of Dr. Kissinger. He agrees with China completely about the Soviet Union, but has enemies in the US who are more pro-Soviet but are not against China. So he should be handled in such a way that he doesn't come back with an extreme position alienating men like Senator Fulbright, whom we need and who is his enemy. It is a complex situation. But Jackson should come.



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By NARA, Date 6/22/10 9/17/00

TAIWAN

I. FEBRUARY TALKS 1973

Chinese Position in February (Mao + Chou)

- The countries seeking hegemony toward Taiwan and the Asian-Pacific region may also get their satellites to cooperate.
- It doesn't matter whether the U.S. carries out its precise schedule of reductions on Taiwan sooner or later, because we have already fixed our principles in our discussion.
- Chou's questions about Taiwan MAP are for PRC planning purposes only. They do not mean that the PRC seeks to liberate Taiwan by armed forces. China has no such plan at the moment.
- The PRC can leave Chiang Kai-shek as he is at the moment because this question is bound to be settled finally, because in principle the U.S. and China know each other well. So China won't be very put out about whether the U.S. withdraws its troops early or later.
- Now when the ceasefire has been enforced in Vietnam and tension in the Far East has been relaxed to a certain extent, this is very appropriate timing for HAK's visit. As long as the goals in the Shanghai Communique are firmly abided by, normalization of our relations will be attained.

U.S. Position in February

- Between us right now there is only essentially a juridical problem -- which we will solve in the next years. (to Mao)
- It is important, at the beginning of the second term and the end of the Vietnam War, to reaffirm our understandings in a very formal way:
 - We acknowledge that all sides recognize there is only one China.
 - We will not support or encourage a Taiwan independence movement.
 - We will use our influence to discourage any other country from

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(U.S. Position - continued)

moving into Taiwan or supporting independence.

- We will support any peaceful resolution of the issue and will give no support whatsoever to an attack from Taiwan against the mainland.
- With the end of the Vietnam war we will reduce our forces on Taiwan. We can now give a precise schedule of our reduction for this year, and it will be substantial. It can't begin until our withdrawal from Vietnam is completed in April. Our plan is to start in July.
- We have refused to give Phantom F-4's to Taiwan. We are giving them the capacity to assemble from U.S. parts some short-range fighters that cannot reach the mainland, to replace planes we borrowed for some other purpose. We are aware of our understanding not to augment their capability.
- Our intention in some of these measures is to make it easier to disengage from the direct military supply relationship. We are prepared to discuss future steps. The steps envisioned in February 1972 will be completed during the present term of the President.
- We will withdraw five squadrons of C-130 transports this year, totalling at least 4500 men. This will cut our formal strength there by over half. We will reduce next year by at least two squadrons of Phantom F-4's. We are studying reducing other units next year. The first two years will thus see a substantial reduction in U.S. forces on Taiwan.
- In the next two years we would be prepared to move to something like the Japanese solution but we have not worked this out. After 1974 we want to work toward full normalization and full diplomatic relations before mid-1976.
- We would like to keep some form of representation on Taiwan but haven't figured out a formula that will be mutually acceptable. We would like to discuss some understanding that the final solution will be a peaceful one. In that context we will exercise great restraint in our military supply policy.



BILATERAL RELATIONS

I. FEBRUARY 1973 TALKS

Chinese Position in February (MAO + CHOU)

- Now we call the relationship between ourselves a friendship. We don't engage in false words, small tricks, or big maneuvering with each other. Nevertheless, it would not do not to criticize each other sometimes. (Mao)
- US-PRC trade at present is very pitiful. It is gradually increasing, but China is a very poor country and doesn't have much. (Mao)
- China doesn't understand very much about US domestic affairs. There are also many things about US foreign policy that China doesn't understand either. (Mao)
- China should let more foreigners in and expand the number of English-speaking Chinese. (Mao)
- The PRC had envisaged either a trade or liaison office. The US office in Peking could be unofficial in name and official in reality, while the PRC office in Washington would have to be unofficial.
- China is prepared to establish the Liaison Offices in May.
- Formal diplomatic business can go through Paris; most bilateral exchanges would go through the Liaison Offices; and extremely confidential exchanges should still go through Huang Hua.
- The Sino-US trade situation is the opposite of the Sino-Japanese situation, because US imports from China are much less than Chinese imports from the US and US imports from Japan.
- The US list of claims is longer than the list of blocked assets. Many people may now make more claims. But we can settle this question.
- China has imported some US grain through third countries. China



(Chinese Position in February)

didn't mean to cancel the first purchase (a million tons), but felt it had to because of propaganda in the press which equated the PRC and USSR. In the future, there will be no need to go through a third country; China can do it directly.

- China needs more grain reserves. Because of Soviet purchases, the price of wheat is going up. Even so, China has to have such preparations. If not, how could it be prepared against a war?
- Through exchanges, the US and PRC have learned more of each other and begun to understand each other's strong points and weak points. This tempers the people against chauvinism.
- With increased contacts and exchanges, more people will gradually understand that China is a peaceloving nation and that China must be prepared for the possibility of a surprise attack.
- There are some American friends to whom it is easy to convey this; there are some who are more naive.
- China will release the two US pilots during the period of the prisoner releases in Vietnam. Downey will have to wait until the latter part of the year. If his mother's situation becomes critical, the US should inform the Premier through Huang Hua.

U. S. Position in February

- Both sides must be true to our principles. (to Mao)
- We are proposing a Trade Bill in such general language that we can remove discrimination towards the PRC. (to Mao)
- Our interest in US-PRC trade is not commercial but is to establish a relationship that is necessary for the political relations we both have. (to Mao)
- The US sometimes has to use complicated methods because of our domestic situation. But on our fundamental objectives we will act decisively and without regard to public opinion. (to Mao)



(U. S. Position in February)

- It is very important that we and China understand and coordinate each other's actions. Therefore we always tell China what our plans are in various parts of the world so China can understand the individual moves when they are made. (to Mao)
- We will be prepared to establish exchange programs whereby China can send students to America. (to Mao)
- We want to speed up our normalization -- trade, exchanges, etc. -- not because existing channels are inadequate but to stress the symbolic nature of the relationship in the 2-3 years we have available.
- Our commercial relationship has developed quite well.
- Over the coming two years, we are prepared to establish some more visible forms of US-PRC contact, such as liaison office or a trade office, for the Taiwan reason and for the Soviet reason. We would prefer a liaison office because we could send better personnel.
- With no country have we been able to deal so openly, and no country had dealt with us more honestly than the PRC. We have learned that when the Premier and his associates say something we can count on it, and we like to behave in exactly the same manner.
- We will settle the claims/assets problem comprehensively and politically, not as a commercial matter, in order to create the basis for progress in trade and other areas.
- We think it constructive to stick to the policy of inviting US politicians only in bipartisan groups.
- Chinese clemency towards Downey and the US pilots held in China are gestures that are very important to the American public and are greatly appreciated.



TAIWAN

II. JUNE TALKS 1972

PM Chou's Position

-- There could be no question of US-Japanese responsibility for the defense of Taiwan.

-- The US should not keep referring to the "Republic of China.", especially in close proximity to the "PRC".

US Position

-- The US will not encourage in any way the "2-China" solution. But it is often unavoidable to make statements pledging that we have not abandoned our friends. We will take special care on this in the future.

-- The US has shown great restraint in arms supplies to the ROC, and has resisted many pressures.

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EO. 12958 (as amended) SEC 3.3

NSC Memo, 3/30/06, State Dept. Guidelines; State review 9/17/03

By WJ NARA, Date 6/22/10



BILATERAL RELATIONS

II. JUNE TALKS 1972

PM Chou's Position

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By MA NARA, Date 6/22/10 *9/17/03*

- The PRC too wants steady movement, but it would have to be gradual at first because of limits in experience and competent personnel.
- Remaining political problems prevent use of certain mechanisms during the present stage of transition.
- Some exchanges will take longer to develop than others. Sports are easy. Medical generalists and other scientists are a possibility. Cancer research, as the President had proposed, is of particular interest. There are possibilities also in environment, meteorology, agriculture, marine science, and chemistry.
- The PRC too wants to avoid "accidents." Therefore, short initial visits are a good idea.
- We should also keep each other informed of significant visits. The "people-to-people" framework is still preferred, but government-approved facilitating organizations and the Paris Channel are a good idea.



-- Under present circumstances, before the US election, there is unlikely to be anything urgent which would require Ambassador Huang Hua to go to Washington. The New York channel is sufficient for now.

HAK's Position

-- It is in both sides' interest to step up US-PRC contacts in order to show the Soviets the increasing mutual stakes in our bilateral relationship and to lessen the PRC's isolation.

-- The US is flexible on mechanisms but thought visibility was important, because the American people have to become conditioned to dealings with the PRC for us to be able to take more fundamental steps at some future time.

-- The US suggests such mechanisms as joint commissions, for more efficient coordination and management and to simplify the problem of giving it political direction.

-- The US is not interested in US-PRC trade for commercial reasons (because the scale is so small), but to use it as a symbol of the PRC's equality vis-a-vis other countries we are prepared to trade with.



-- Chinese scholars could come to the US for brief visits, to start with, and we could see how it works out before starting long-term exchanges.



TAIWAN

I. FEBRUARY TALKS 1972

PM Chou's Position

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-- (In response to US five principles) China has waited 25 years and can wait a few years more.

-- When Taiwan returns to motherland, PRC will not use it for nuclear bases, or any bases against Japan.

-- While US forces are on Taiwan, PRC forces will not engage in military confrontation with them.

-- It is PRC's hope, but only a hope, that liberation of Taiwan can be achieved in President's second term. Ten years (once mentioned by HAK) is too long.

-- PRC doesn't ask US to remove Chiang. "We will take care of that ourselves," and peacefully. PRC has "self-confidence."

-- If one has profound understanding one can see there is common ground on this question. Only because of spirit of Mao, and people's trust in him, can PRC dare to solve problems this way.

The President's Position

-- US agrees to five principles: 1) There is one China, and Taiwan is part of China; 2) US will not support any Taiwan



independence movement; 3) We will use our influence to discourage Japan from moving into Taiwan or supporting Taiwanese independence; 4) We will support any peaceful resolution of the issue that can be worked out, and will not support a military return to the mainland; and 5) We seek normalization of US-PRC relations.

-- Two-thirds of US forces on Taiwan are Vietnam-related and will be removed as SEA situation is resolved. Reduction of remainder will go forward as progress is made on peaceful resolution of Taiwan problem -- gradually but inevitably. Has to be over period of four years.

-- It is important to whole US-PRC relationship that public positions on Taiwan not give ammunition to enemies of the relationship. Goal is to find language that meets PRC needs but doesn't stir up opponents at home. We don't want to be forced into stronger pro-Taiwan statements when we return.

-- President needs to be able to say "no secret deals" on Taiwan.

-- A permanent American military presence on Taiwan is not necessary to American security.



AMERICAN PRISONERS

II. JUNE TALKS 1972

PM Chou's Position

- The PRC has taken note of the President's and HAK's plea on behalf of Downey.
- Downey is in good health and in good spirits. He has no chronic illness.

HAK's Position

- We don't contest the justice of the sentence but we would appreciate an act of clemency for Downey in view of his mother's age.

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U. S. PRISONERS IN CHINA

I. February Talks 1972

Prime Minister Chou's Position

-- Downey has behaved rather well. Therefore it is possible to take further measures when there is opportunity. That will take some time. Complicated process because no diplomatic relations and no legal precedent.

The President's Position

-- Downey was guilty, and PRC has shown compassion in commuting his sentence. Downey's mother is now old. Chou must make judgment, but release would make enormously good impression in U. S. as did Fecteau's and Harbert's release.

-- U. S. hopes two flyers in China will be treated well until POW matter is settled with North Vietnam.

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