Ronald Reagan Presidential Library Digital Library Collections

This is a PDF of a folder from our textual collections.

Collection: Laux, David: Files

Folder Title: China – Foreign Relations –

Reagan Trip – Briefing Materials (6 of 9)

Box: RAC Box 14

To see more digitized collections visit: https://reaganlibrary.gov/archives/digital-library

To see all Ronald Reagan Presidential Library inventories visit: https://reaganlibrary.gov/document-collection

Contact a reference archivist at: reagan.library@nara.gov

Citation Guidelines: https://reaganlibrary.gov/citing

National Archives Catalogue: https://catalog.archives.gov/

Ronald Reagan Library

Collection Name Laux, David: Files

Withdrawer

MJD

1/24/2012

File Folder

CHINA - FOREIGN RELATIONS - REAGAN TRIP -

BRIEFING MATERIALS (6)

FOIA

F00-174/2

Box Number

14

TUCKER

	500		10
ID	Doc Type	Document Description	No of Doc Date Restrictions Pages
128222	CABLE	TAIPEI 00771	2 2/9/1984 B1
128223	CABLE	TAIPEI 00771	2 2/9/1984 B1
128224	CABLE	SHANGAI 0466	4 2/28/1984 B1
128225	CABLE	TAIPEI 01339	4 3/8/1984 B1

The above documents were not referred for declassification review at time of processing

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA] B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

Sept 26, 1983

By Theodore H. White

CHINA: Burnout of a Revolution

Nearly 45 years ago, just out of Harvard and still trying to master the intricacies of Mandarin, Theodore H. White made his way to China and found a land in turmoil. Settling in Chiang Kai-shek's wartime capital of Chongqing (Chungking), then a drowsy Yangtze River port with a population of 250,000, he soon began reporting from there for TIME. One book (Thunder Out of China, 1946), two wars (China against Japan, China against itself) and six eventful years later, he departed, in sharp disagreement with TIME's Editor-in-Chief, Henry R. Luce, about China's future. In the decades since, he has chronicled some of the major events of our time, from Europe's postwar recovery (Fire in the Ashes, 1953) to America's shifting politics (The Making of the President series, 1960 to 1980). This spring, Pulitzer Prizewinner White returned to China for his first extended visit since the mid-1940s (in 1972 he covered Richard Nixon's brief trip). For nearly two months he crisscrossed China, revisiting Chongqing, now a bursting-at-the-seams metropolitan area of 14 million, exploring the crowded alleys and broad boulevards of Peking and interviewing scores of Chinese, from peasants to Politburo members. Once again he found a land in turmoil; this time, however, it was the turmoil not of war but of change. Here is his report:

That first night back in China, my old friend Wang Bingnan drove me out to visit Fragrant Hill. From the hill you can almost see Peking, 25 miles away. In the evening, when the sun purples the range, the passes in the mountains show the way ancient conquerors cut their entry into the capital. That was the way Mao Tse-tung, the last conqueror, came to view Peking in 1949, when he held it in his hand—and Mao still haunts Fragrant Hill, as he haunts Peking, haunts all China, haunts its politics, dreams, nightmares.

The story, even now in 1983, started with him.

Wang Bingnan was telling me of his first night on the hill back then in 1949. He had arrived with Mao and the Zhongyang, the Central Committee that rules the Communist Party of China. They came as a nomad encampment, several thousand men and women who promised to give new government to the China they had conquered. For two years, they had been wandering the arid northlands, pursued by Chiang Kai-shek's divisions. But Mao had raced his own best troops northeast to Manchuria to encircle and wipe out Chiang's forces. Next he deployed his other armies, first to wipe out the last of Chiang's elite divisions south of the Yellow River, then to seize Peking.

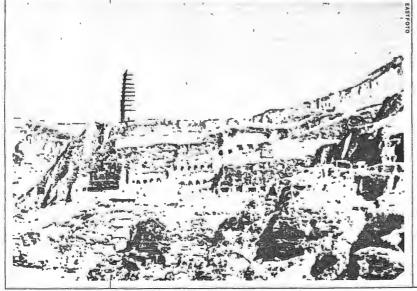
So now, in March 1949, it was over—or just beginning. That last day's trek, Mao had moved the Zhongyang to Fragrant Hill so its fires twinkled above the capital. Mao's troops were still cleaning out the fallen city, and it was not yet safe for him to enter, even though Nationalist dignitaries were about to arrive to sue for peace. Each morning Chou En-lai and Wang Bingnan would drive down to negotiate; each evening they would drive back to report. Mao was inflexible: no terms for surrender. China was his to remake.

Wang Bingnan remembered how Mao, coming in from the march that first evening, had been offered a bed. He was to sleep on a spring mattress, after 15 years of sleeping on a hard board with only a thin peasant's pad between the board and his body. Wang remembered meeting Jiang Qing, Mao's wife, the next morning. The Chairman had slept badly, she scolded. He had finally decided to sleep on the hard floor where he was more comfortable. After that, Mao always slept on boards as peasants do, even in the old imperial grounds of Peking where emperors once slept.

The Zhongyang was all there on the Hill that first night: Mao himself; his wife Jiang Qing; Chou En-lai; Chu Teh: Peng Dehuai; Liu Shaoqi; the band of comrades who had shaken not only China but the world, comrades whose devotion to one another gave victory to their revolution. After which they murdered one another, tortured one another, tried to assassinate one another, imprisoned and humiliated one another.

Mao, of course, was the greatest name; he went on into Peking and became God—but also, with almost

From caves cut into the hills of Yanan, below a classic yellow Song pagoda, Mao Tse-tung guided his army to victory



no doubt, insane. Jiang Qing, a bitch killer and one of the great dragon ladies of Chinese history, now languishes under life sentence in jail. Peng Dehuai, a superlative military leader who had fought side by side with Mao for 20 years, went on to command the front against the Americans in the Korean War and later was named Minister of Defense. But he became the first openly to criticize Mao, and that cost him dearly. He was left to die of cancer in a common hospital ward in Peking, the windows of the ward papered over so he could not see the sun. Liu Shaoqi, named by Mao as President of China, was later dismissed and died in solitary confinement in 1969. Both were posthumously restored to honor in 1981 when they were officially recorded as having been "persecuted to death." They had been brothers in the faith of Mao-Marx-Lenin. But history held truths that overrode Marxism-Leninism as, for example, that suffering is a bond, but power is a drug. And once power was in their hands, the drug addled their minds and together they brought China to the threshold of ruin.

So one must begin the story of China now in 1983 with what happened once the revolutionaries came down from the slope of Fragrant Hill in 1949.

MAOISM: THE BLOODY SPIKE

Their problem was immensely complicated: How does an army make a government? Armies and generals are not particularly good at governing, and the problem of governing China has always been one to numb the mind. But in 1949 the army, its

generals, its tough and cruel party, thought it would be simple.

The key to the problem, as the revolutionary armies and the party saw it in 1949, was Mao's thinking. "Mao Thought" should not be considered simply a dogma, or a slogan, least of all a coherent doctrine. It should be thought of as a spike, driven by the will of one man into the minds of his people, to nail them to his purpose. But in the next 25 years the spike was driven through the living flesh of people until they bled, or hungered, or died at random, until life became chaos. The spike had to be torn out or half China's people would perish. What is going on in China now is a great debate over whether to rip Mao Tse-tung entirely out of history, or whether to let what is left embedded of "Mao Thought" heal over.

Of all this I learned nothing that first night. I learned only later that Wang Bingnan (a hero of the revolution for arranging the Christmas 1936 kidnaping of Chiang Kai-shek, later China's senior diplomat in the West) had himself been purged during the Cultural Revolution, condemned to shoveling out barns on a collective farm. When I asked him how the horrors had come about, he murmured, "I myself don't understand"—and went on to other matters.

Since no outsider can ever really know what goes on in China, I had to content myself for almost two months with assembling fragments of reality, sifting gossip from apparent fact in trying to find out. Of the governing regime in China today, it may be said:

▶ The old soldiers who have recaptured control are engaged in the most delicate of political tasks, transfer of power. This transfer is not only from one generation to another but is cultural, military, academic, a shift from one set of elites to another.

▶ It is in America's interest that the Deng Xiaoping regime continue its reforms and peacefully transfer power. In the long run, the progress of Chinese science, technology and industry may challenge America as much as Japan has. But, in the short run, the

present transition regime works to the world's good.

This regime acknowledges the Communist Party to be guilty of sins against conscience and history. It has published an official confession, a story of terror and error, in an effort to set up reasonable government.

▶ Yet always it must be remembered that the old zealots of this regime are married to the thought of unending revolution and still seek to bring Taiwan back under their flag before they pass on. We have fought one war directly with the Chinese (in Korea) and another by proxy (in Viet Nam); a third confrontation should be avoided at all costs.

GLORY YEARS, NIGHTMARE YEARS

My last previous visit to China was with Nixon in 1972. We knew nothing of what was going on. I tried then to telephone an old friend and was told, "He's not home." When would he be back? "Not certain." This time I found him, and he told me

where he had been when I last called: in solitary confinement in a Peking jail from 1968 to 1973. His wife, too, had been in solitary in the same jail. No charge had been brought against either of them, only that he was "under investigation." Greater horrors were taking place in China at the moment of the Nixon visit—hero leaders killed or forced to suicide; tens of thousands of China's best in jail or enduring savage punishment; scores of thousands killed by fanatics; the army called in to restore order where youthful Red Guards had bloodied the streets in civil war.

But of all this we knew nothing in 1972. Something called the Great Proletarian Cultural Revolution was in full swing. But then, as now, it was as if we were feeling through a membrane: we could sense shapes, forms and fears, almost touch them. But we could not see through the membrane.

Peking now is, to the eye, a far better place. The city's long avenues of young trees, its handsome new architecture, its broad esplanades all promise coming splendor. The people are well dressed. Well-marked buses course their routes—on time. Men and women are healthy; the children are cherubs; the parks are flecked with the colors of young couples courting or families airing babies. The stores are well stocked, from dumplings to ducks. Bookstores are crowded, moviehouses and theaters jammed. Color television has arrived and with it commercial advertising.

Most of all, Mao is gone. It is as if the city had been

GATHE
,COMRADES
GAVE
VICTORY
TO THE
REVOLUTION,
AFTER WHICH
THEY
MURDERED,
TORTURED,
IMPRISONED
AND
HUMILIATED
ONE
ANOTHER®

Three who made a revolution: Mao, flanked by Chou En-lal, left, and Chu Teh at Yanan in 1946, three years before takeover



CHINA



Mao and Wife Jiang Qing at Yanan in 1947

sponged of him and his "personality cult." The giant 40-foot-high portrait still hangs above the vermilion Tiananmen. But he now rests silent under a scarlet coverlet in the colonnaded mausoleum that dominates the great square.

People still talk about him—endlessly—and when they talk something peels off their normal guarded conversation. They talk of his glory years of triumph, the nightmare years of his horror, of the change that happened in this man who changed their lives, whom they both revile and revere to this day. When one talks to those who knew Mao personally, one comes across an exquisite perplexity as they try to untangle the revolution from the man who made it, the hero of the revolution from the villain who brought it to cataclysm. Those who attended him during his glory days and in his madness wonder what caused the devilish change

in him, as well as when it took place.

There is the pathological view. He was, say those who studied the matter, suffering for years from Alzheimer's disease, a brain disorder leading to premature senility. Mao, some say, began to suffer a series of tiny strokes in 1959; others put the date at 1961. Slowly changing in personality, Mao would more and more receive visitors in his bedroom—a sloven's room, the bed strewn with books, leaflets, reports. Cordoned off from the world, he became the prisoner of his palace entourage, of his wife and of the Shanghailanders who, with Jiang Qing, formed the Gang of Four. "In the old days in Yanan," said one friend, "he would listen first, then talk. Now he talked but would not listen." At the end he would mumble and grunt, interpreters had to bend close to Mao's lips to strain sense from the mumbling. But, by then, all those once close to him had been killed or exiled from his inner court. Jiang Qing transmitted his orders.

What remained constant in Mao was his iron will, the invincible conviction of his own righteousness. Political analysts harp on two words: "speed" and "struggle." Mao had acquired the lust for speed in the last year of the revolution. In the fall of 1948 the commander in chief of his Manchurian strike forces, Marshal Lin Biao, had seized the key city of Shenyang (Mukden); but so many of Chiang Kai-shek's combat divisions were still at large in Manchuria that Lin Biao preferred to move with caution. Mao overruled him. Strike for the escape ports of Manchuria, he said, now. Cut them off. Field success vindicated him. Cut Peking off from Tianjin, Mao next commanded. And he was right. Strike next south of the Yellow River. There, in the famous Huai-Hai battle, half a million of Chiang's troops were captured or came over. On Oct. 1, 1949, less than a year from the seizure of Shenyang to the collapse of all resistance, Mao proclaimed the People's Republic of China. Now, more speed!

To the impulse for speed was added the driving force of "struggle." In Yanan (see box), where the clean dry air is intoxicating and the heavens are close enough to touch, "struggle" had become doctrine. Nothing was impossible if his will could drive his peo-

ple to "struggle against the mountains."

But the flatlands of central China, the wet paddyfields of south China were not mountains. They could not be climbed, they had to be governed and remade by changing the minds of the peasants who tilled them in the old ways. So, following the revolution came the Great Leap Forward, which collectivized agriculture. So millions died of starvation as China struggled to collectivize. The real China, where peasants sow and reap by season and by sweat, could not be remade with "Mao Thought." By 1958 Peng Dehuai was protesting that collectivization was not working. So was Liu Shaoqi, the President of China. Both were to die.

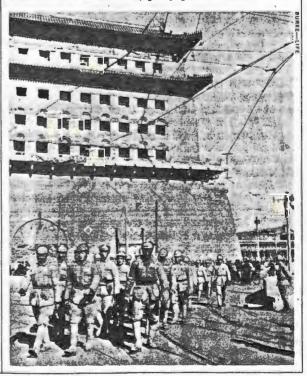
Just as Mao believed in speed and struggle, he also believed in conspiracy. If China was not moving with the speed he required to the socialist millennium he sought, there must be a conspiracy somewhere. Where else, he decided, but in his own party, where "class en-emies" lurked? Yet it was not Mao's enemies who were resisting; it was China itself, and its realities of hunger and hope betrayed. "Mao Thought" could not move people as swiftly as it had moved armies. So, in 1966, Mao speeded the pace. "It was as if the law of inertia took over," said Hu Qiaomu, once Mao's private secretary, today in the Politburo as spokesman of China's intellectuals. "He was speeding the train down the track. The train came to a bend because the terrain of China is different from what Mao thought. The train could not take the turn. It derailed.'

The derailing of China is what is called the Great Proletarian Cultural Revolution. No more ironic title has ever been given to a dogma that tried to erase all culture. China is now recovering at a swifter pace than one could hope. But its people have lost ten, some say 20 years of normal life. The greatest feat of the present regime is that it has had the courage to denounce the disaster, fix blame and reverse course.

COUNTRY **DRIVEN TO** CHAOS

The tormented decade of the Cultural Revolution can be divided into three chapters. The first lasted from the outbreak in mid-1966 to the end of 1967, when roving bands of Red Guard youth ferreted out and purged the supposed enemies of

Mao in the bureaucracy, in factories, in provincial centers. That period ended in an anarchy so sweeping that the army had to seize the cities and re-establish food supplies. But the army was commanded by Lin Biao, who could see that the old man was failing and that power would go to whoever struck first. Lin miscalculated; his plot to kill Mao was exposed; and when he was killed in an airplane crash while trying to escape in September 1971, the army was subordinate to party again, and the third period began. In this period, which lasted until 1976, party politics were twisted



After surrender. **Nationalist troops** leaving Peking in 1949 pass its main gate

44WHAT IS GOING ON NOW IS A DEBATE **OVER** WHETHER TO RIP MAO **ENTIRELY OUT OF** HISTORY OR **TO LET WHAT IS** LEFT EMBEDDED_ HEAL OVER 77

into palace politics, as the Gang of Four sought to ensure the succession for themselves.

So much for history. What was happening was the triumph of fantasy over reality, a dogma so strange that endless blood underlined its absurdities. The theory of the Cultural Revolution was summed up in the word egalitarianism. All people must be re-educated to the peasant way of life. Enemies, said Mao, were buried in every party cell, every government office, every university, and must be burned out—"the capitalists," "the revisionists." And all across China, the youth, the Red Guards, then the careerists and thugs, responded to Mao's call ("Bombard the Headquarters") to join in the crusade against the hidden enemies. And as they searched for those enemies, they broke into factions and began killing each other.

They tell the stories in China now, some shamefacedly, some still burning with indignation at how the country was driven to chaos. There is a onetime Red Guard still horrified by a single memory. He was at high school in Peking and was awakened one night. A "struggle" meeting was going on in the school courtyard, the Red Guards struggling against two teachers and beating them. He crept down to the courtyard at 5 a.m. and there lay the bodies of the two teachers, beaten to pulp, dead. Another onetime student recalls: "My brother was at Peking University; he was beaten to death; then my mother committed suicide." I spoke to a brigade leader in a distant rural commune who had been hung from a stable rafter for days, suspended by his arms tied behind him, while Red Guards beat him with fists, sticks, irons. Finally his own peasants rescued him. In Chongqing, I spoke to the vice mayor, old beyond his years. He was sent down to an iron mine where he worked underground for three years.

Being "sent down," or Xiafang, as the Chinese call it, was very simple punishment. "Stinking intellectuals" were supposed to learn from the peasants what life is like when one must stoop for hours transplanting rice seedlings in the wet muck. Horror stories spurt—not grisly horror like eye gouging (which was reported only in south China), but simpler torment like being interrogated round the clock by Red Guards.



High and low alike, anyone with an education, anyone suspected of murmuring protest, in the bureaucracy, or the universities, or the army, could be sent down. All universities, except for military research centers, were closed, some for three years, some for five, some for a full ten. And, as dogma drove the spike into the flesh of the country, even the revered ancients of the revolution were pushed to death. Li Ta, one of the original founding fathers of the Communist Party of China in 1921, was "struggled" against until he committed suicide. He Long, a Robin Hood peasant bandit who became a marshal of the Red Army and helped conquer south-central China for the revolution, had been a hero. He Long suffered from diabetes, but the hospital denied him water, then injected him with glucose instead of insulin. So he died in 1969.

And then, after the street violence of the Red Guard youngsters had subsided, and Lin Biao had been eliminated, it became worse. All power fell into the hands of the palace court that surrounded Mao. Jiang Qing, of course, wanted to be named Premier to replace Chou En-lai. She named as Minister of Health Liu Xiangping, one of those ruthless women who abound in Chinese history. Liu was not only ignorant of medicine but devoid of decencies. She made the hospitals of the capital hostels of despair. Few could escape her clutch. Old veterans and ranking bureaucrats pleaded not to be sent to the hospitals from which they feared they would never emerge alive. They were told it was the will of the party and off they went. Liu Xiangping was the wife of Xie Fuzhi, chief of the secret police; he fingered victims, she executed.

For sweep of terror, China under the Cultural Revolution was the equivalent of Nazi Germany. Thugs, Red Guard bands and idealists fought in the cities, all rivaling one another to show loyalty to Mao Thought. Stories from the interior convey the sweep of the violence. In Chengdu, capital of Sichuan, the handsome old government palace was blown to bits by Red Guards; in its place they erected a new hall filled only with portraits of Mao. In Chongqing, workers fought each other with machine guns, artillery, armored cars and tanks. In Harbin, the factions used airplanes to bomb each other. In Peking, Red Guards stormed and burned the British embassy. In Wuhan, center of the great iron and steel complex as well as of several universities, steelworkers shaped up in three rival bands, while universities formed rival student bands, all warring within and against one another.

So millions suffered. There is no real count of those who died. The final official record says that 34,800 innocent people were put to death and 729,511 subjected to "unwarranted persecution." This takes no account of how many others died—bystanders at riots, those huddling under bombs or artillery, individuals stoned, beaten or stabbed to death.

Common sense itself revolted. The new dogma had not worked and it could not work. So the aging generals of the Civil War and Liberation had to move in, as they did on the night of Oct. 6, 1976.

FALL OF A DYNASTY

Chou En-lai, the last effective rational member of the inner circle, had died in January 1976. Twelve weeks later came the ceremonies of Qingming at which the Chinese honor their dead. Spontaneously, on April 1, thousands thronged Tiananmen

Square to mourn him. The next day, more. Then again the following day and the day after, hundreds of thousands, in silent protest against the tyranny of the Gang of Four. Somehow Chou had come to be the symbol of



Mao and Chiang Kal-shek at 1945 meeting

As the Civil War nears an end, children assemble at a Shanghal welfare center

44FOR SWEEP OF TERROR. CHINA UNDER THE CULTURAL REVOLUTION **WAS THE EQUIVALENT OF NAZI** GERMANY. THERE IS NOREAL **COUNT OF** THOSE **WHO** DIEDTT



With the Gang of Four still ascendant, Jiang Qing appears at Peking airport in April 1974 the true faith of the original revolution. In July Chu Teh, commander in chief of the revolution's armies, died. Then came the Tangshan earthquake—and in Chinese folklore great earthquakes always foretell the fall of a dynasty. Finally, on Sept. 9, Mao died, and it was time for someone to move. Either the Gang of Four would wipe out the last resistance and Jiang Qing would reign, or the veterans of the revolution would wipe out the Gang of Four. A classic case of "us" or "them," as tight as the events of 9 Thermidor, 1794, when it became a matter of life or death for members of France's revolutionary Convention: Robespierre would get them, or they would get him.

There is as yet no authentic story of the night of the coup and there may never be. Ye Jianying and Li Xiannian, both old marshals, led the coup. But I rest my knowledge only on the slim phrases I squeezed out of the deputy chief of staff of the army at the time—General Wu Xiuquan, now retired and old. "We controlled the garrison," he said. "We moved into Zhongnanhai (the imperial quarters). No bloodshed, no resistance. We arrested the four, one by one, in their homes." The people of China had had enough of the madness and violence. Not until six days later, Oct. 12,

did the people of China learn the madness was over, from BBC out of London, reporting what British intelligence had gathered. In the underground the crab had been the symbol for Jiang Qing. So those who could afford to, ate crabs to celebrate.

This political insanity was put in context during a talk I had with Hu Qiaomu. Slow in speech, broad of nose, gray of hair, Hu had been a Shanghai intellectual in the '30s who trekked north to Yanan and became Mao's private secretary, worked with Deng Xiaoping, rose until 1966 when he, too, was purged.

"They put me through the jet," he said, then abruptly halted. A man put through the jet was forced to crouch motionless for hours or days, his head down and outstretched like the nose of a jet, his arms extended behind him like its wings. While Red Guards changed hourly, the victim crouched and answered questions. Some collapsed, some died. Hu survived but

is a frail and melancholy man.

I wanted to question him on his authorship of the confession of error, the official history of the Communist Party, approved by the Zhongyang in June 1981. The structure and thinking, he insisted, were that of Deng Xiaoping; the document was a party document, not his alone.

"How did Mao make those mistakes?" I asked. After the revolution, Hu replied, it proved more difficult to establish socialism than it had been to overthrow the old regime. Differences between the leadership grew. The old brotherhood began to split with collectivization in 1958—a disaster. "Mao knew he had been wrong in the Great Leap Forward," said Hu Qiaomu. But when Peng Dehuai circulated a critical letter, Hu went on, he "was scraping at a wound which, left to itself, might heal. To scrape a man with a healing wound rouses all his irritations, angers him." So Mao got rid of Peng—first to go of the old guard.

Add to the pressures not only Mao's isolation but his growing distrust of the Soviet Union. "Mao's visits to Russia were not only very short but very unpleasant," said Hu. Mao believed that the Soviets had bureaucratized their revolution, had betrayed Marxism, were traitors to Communism—revisionists! If the Soviets had succumbed to bureaucracy, might not the same thing happen in China? Thus, a growing suspicion that revisionism and class enemies might be infecting even his own party. On went Hu, describing the paranoia growing. Mao had disliked intellectuals ever

YANAN: CRADLE OF THE REVOLUTION.

Camels with tinkling bells no longer shuffle through; nor do mules with their red tufts; nor shepherds with their flocks. Yanan is now a small north China town, its main street traffic controlled by two stop lights. It boasts cigarette factories, woolen mills, an opera house, a modern hotel. Only the yellow Song pagoda marks the village where history once happened.

For ten years this cleft in the hills was the cradle of China's revolution. Now its few visitors (6,000 all last year) come like pilgrims to Jerusalem to see where it began—or to remember. Their route is almost as well marked as the Stations of the Cross. Following it, one traces the explosions that overturned China.

First station: the home of Mao Tse-tung, where he made his headquarters in January 1937, preparing to fight the Japanese as ally of Chiang Kai-shek. The shrine sits in a dusty courtyard, now gardened and grown with new pines. Here was his bed, says the guide, herethe two blue enamel boxes in which he carried his records on the Long March; here is the charcoal pan at which, one day while he was writing, he was 50 a bsorbed his sandals began to burn. Next door is another little house, once shared by Chu Teh (with wife) and Chou En-lai (with wife). One notes: a private house for Mao, for his two closest companions a shared cottage. Here Mao lived until 1938, when the Japanese began to bomb Yanan and he moved three miles north to the cave encampment at Yangjialing.

By 1938, one notes, Mao had two whitewashed rooms in Yangjialing and a private air-raid shelter. On either side, Chu Teh and Chou En-lai each had caves. By now their Red Army had become the Eighth Route Army and was across the Yellow River, fighting Japan. Beneath their hill, by 1942, they had built the yellow brick headquarters of the Central Committee. These three were to remain the power for almost 40 years.

The next stage of pilgrimage comes another mile or two away, the famous Zaoyuan, or Date Garden, to which the leaders moved in 1942. By then, they had broken completely with Chiang. There, on the dominant slope, are the caves of the same three men. Mao's boasted no fewer than five rooms, he slept now in a handsome dark wood sleigh bed, on a

since he had been a \$30-a-month librarian in Peking in his youth. "The more knowledge you give the people," said Mao, "the more you hold back revolutionary thought." Or, "The more books people read, the more foolish they become." So Mao let loose the Cultural Revolution, but, said Hu, "once he let the genie out of the bottle, he could not put it back in."

I tried to bring Hu to personalities. Peng had been too proud and stubborn, he said. Lin Biao had been too ambitious, a careerist, sucking up to Mao, then trying to kill him. Finally he came to Jiang Qing. Here Hu's anger burst. "If you were to write a biography of Mao, she would be the tragedy of his life." Then, an anecdote about Jiang Qing escorting Imelda Marcos, the First Lady of the Philippines, on a visit to Tianjin. The state cavalcade roared through the peasants, ran one down and killed him. Stop, said Imelda. No, said Jiang Qing, drive on! The cavalcade drove on.

Did Mao know of the horrors? Both Peng Dehuai and Liu Shaoqi had lived so close to Mao below the ledge in the Date Garden of Yanan—how could he have let them be put to death? Pathetically, Hu ruminated, then slurred his reply. "No...no... Mao did not know. It was all so secret, you understand. Even the Politburo did not know. They put Peng into a hospital under a false name. Even the doctors did not know his real name." Chou tried to find out what was happening to Peng. "He couldn't. It was a secret even from Chou." Mao trusted nobody in the last days.

Yet Hu also told of how Mao, who did not believe in torment but in "re-education" of his enemies, heard about an old Yanan comrade being imprisoned and tortured. "But this is fascism, not Communism!" cried Mao, and ordered punishment relaxed to house arrest.

I complimented Hu on the official confession. "The problem," he said, "had been how to assign blame yet preserve Mao's merits, though flawed." After three sessions, the Central Committee came up with the compromise that now rules Chinese thinking: there is crime and there is error, and they are different. Mao was not a criminal, said Hu. Mao was guilty of error; he had betrayed Mao Thought, contradicting himself. His merits outweighed his mistakes. Thus, the official history of disaster, the dethronement of a god.

Could terror reign once more? No, said Hu—and he was firm. A modern country needs intellectuals, scientists. This was Deng's view too. How could modernization proceed without thinking people? I persist-



ed: Could it happen again? No, he answered. Not because of the new constitution. Not because of the transfer of power. No—because someone who puts his finger on a hot stove gets burned and will not put his finger there again. The terror, Hu assured me, could not return because the people now would not accept it.

UNTANGLING
It was two years before the old generals could purge and remold the party. By 1978 they had

MESS

It was two years before the old generals could purge and remold the party. By 1978 they had brought back from disgrace Deng Xiaoping, the deftest politician among them. At the end of 1978, the reorganized Central Committee, under Deng, had re-

pudiated the economics of the Cultural Revolution and ordered reforms. It took two more years to bring to trial and convict the Gang of Four; and in 1981 the Central Committee adopted the official confession of Communist error. It was another year before they elected, in 1982, a new Zhongyang and adopted a new constitution, the fourth since Liberation. So there is now a new ruling regime (see box, page 42).

What is going on under this new leadership is a

In a ritual of humiliation, dunce-hatted former officials are driven through Peking by Red Guards

hardwood board with only a thin pad on top. Chu Teh had a fine cave suite to his left, Chou En-lai to his right.

What I remember best is the stone tables, the stone blocks used as chairs when they chose to dine outside; and the little pavilion built for Mao to rest, think, write when the skies were sunny. Beyond the hills his troops had reached the coast of China, fighting on Pacific shores. On this ledge, at such a stone table, Major General Patrick Hurley signed his compact with Mao in November 1944. Both promised, with American aid, to bring to China Roosevelt's Four Freedoms and the Bill of Rights. It required only Chiang Kai-shek's consent, which never came. Nor did Mao follow through on his commitment.

Just below the ledge are two cottages, one for Peng Dehuai, who would become Defense Minister, one for Liu Shaoqi, who would become President. The three cave dwellings above and the two cottages below made the ruling group; they met as neighbors, friends, brothers, as they planned the revolution to come. The lesser two were persecuted to death; the reigning three were all to die of natural causes in a nine-month period of 1976, at least two of them knowing their revolution had misfired, and the largest of them all, Mao, insane.

The Date Garden is now tidied up, a splendid Chinese gar-

den. No sounds echo through it, no bugles sound in the morning. It was all abustle in its glory days, but now the water ripples silently through the irrigation ditch and the pears and apple trees in springtime's pink and white blossoms offer their beauty only to occasional visitors.

On then to the army headquarters at Wangjiaping, a mile or two away. When I had last seen it in 1944, it was a place of excitement. It is now a gray, empty barracks, quite forbidding. Adjacent to it is the last station of the pilgrimage—Mao slept here for several weeks in his last days in Yanan, preparing to flee and reorganize his armies for the final assault on the Nationalists; he and the entire Central Committee were to be on the march for the next two years. Mao, says the guide, left Yanan on March 19, 1947, maneuvering to lure Chiang Kaishek after him while he closed in on Chiang's rear. The guide took us to where a red memorial now stands to Mao's son, killed by the artillery of the enemy in Korea, the enemy unnamed in courtesy to this American visitor.

"Had Mao ever come back to visit?" I asked. No, others had returned to this Valley Forge of the Chinese Revolution—Chou En-lai, Deng Xiaoping, others. But not Mao. He lived n a world of his own and never looked back.

3:



cracking of the bones of Mao's state—which had to follow from the cracking of Mao's theories and ideas.

Let another old-guard Communist tell what he found when he was restored to power. Liao Zhili, 68, now deputy director of the State Commission for Restructuring the Economic System, was sent down from 1968 to 1978. Liao grew animated as he told of China as left by the Cultural Revolution.

"It was," he says, "madness. They believed in public ownership of everything. They wanted to eliminate all private workers. In all China there were only 150,000 private workers. They wanted the barbershops, the bathhouses, the shoemaking shops all to be state enterprises. The poorer the people, was their theory, the more 'revolutionary' they would become. We found we had 26 million people unemployed—and the state was supposed to find jobs for all of them.

"They had two systems for the economy—'line authority' and 'bloc authority.' "Line authority ran from the central-government ministries down to the smallest factories and mines in China, north or south. "We found one factory with 4,000 workers but only one toilet. The workers would line up for hours to get to the toilet. But any building of more than 200 sq. ft. had to be approved by line authority at the top, the State Planning Commission in Peking. Should such a committee have to decide about toilets? We had a factory in Hebei that produced good worsteds that people wanted for suits. But the plan called for the mill to produce coarse woolens." So the mill met its quotas in coarse woolens, and they piled up in the warehouses. All over China, Peking set quotas and ignored what the people, the market, demanded.

"Take bloc authority," Liao went on. "That meant the provincial governments did the trading and marketing. Villages in north Jiangsu, for example, raise tomatoes, so they need bamboo staves to make the wicker tepees that hold tomatoes up. Anhui [just across the border] had surplus bamboo. But tomato farmers in Jiangsu couldn't get any bamboo from Anhui because that crossed a provincial border. That's

bloc authority."

Suddenly, he exploded:"Peanuts! Everybody in China likes to eat peanuts. But peanuts disappeared

entirely; the peasants couldn't ship to the towns. Eggs! You could buy eggs in the city only on holidays. Meat! There was no meat in the cities to buy. Everything was on coupons. Dates! Not even coupons could buy you dates—you needed a doctor's prescription."

On he went with wry amusement as he told how the new regime was untangling "egalitarianism." It would be years before it was all untangled. But much had already been accomplished, particularly where the peasants had been invited into the "responsibility" system and had restored the market system. It was the countryside where I would see reforms working best.

REMOVING THE HANDCUFFS

The countryside means almost anywhere, for 80% of China's people still work in the fields. Start with Sichuan, my home base for six years. The province is so fertile that the old phrase ran, "Anything that grows in China, grows better in Sichuan."

. Sichuan used to feed itself. But then, from the czars of the Cultural Revolution, came the order that two rice crops be grown a year. Rice, however, is a tricky crop. Sichuan had evolved its own two-crop culture—rice in summer and wheat or rapeseed in winter. But Peking had ordered two rice crops a year. So Sichuan tried to meet its quotas. When the climate made that impossible, the government had to send grain into this onetime surplus province, and the peasants hungered.

I found Sichuan enjoying change, as a man does when handcuffs and leg irons are removed. The new reforms were quite simple: the peasants could now decide what to plant and when, and whether to sell any surplus to state markets or free markets. If they met their quotas to the state, the surplus was theirs to eat or to sell. The margin is still precariously thin—just enough for peasants to keep their chins above water. Five years ago, only their nostrils were visible.

A quick six-day tour of the province, for an oldtimer, is a delight. The small towns throb again, their booths full of sweets, cookies, housewares, clothes, textiles, flower pots and flowers. In big cities like Chengdu and Chongqing, the huge food markets overwhelm the eye with food that can be bought without coupons. Hogs come squealing to market in wheelbarrows, on tractors, even lashed to the backs of bicycles, then reappear in the markets as huge slabs of pinkand-white pork. Peasants bring in their wives' squawking chickens, eight to a basket. Down the market lanes peasants sell geese and ducks; eels from the canal ditches; fish from their ponds; fruit; fresh vegetables; herbs, spices, ginger root; delicacies. Canaries are for sale again, along with other caged birds, and cricket boxes. Shoemakers ply their trade; itinerant dentists, with their foot-paddle drills, have reappeared.

The markets are real. So is the astonishing good health, the ruddy vitality of the people, so different from the scrawny peasants I remember 40 years ago. The gurgling babies pleasure the eye—no trachona, no scabies, no rickety limbs, no potbellies of famine

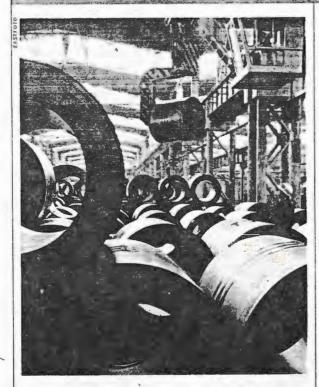
But the eye can deceive. This has been a great year in China: a prospective record harvest, record incomes. Yet peasant prosperity is fragile. Here was Sichuan in green spring, the wheat turning yellow, soon to be golden. But if the rains fell at the wrong time, the wheat would be seaten to the ground and lost, and there would be a slim rice crop in the fall. This huge province lives on the margin of hunger.

The "responsibility system" in Sichuan has demonstrated that peasants work best when they tend their own fields. For Westerners this recognition seems equivalent to the rediscovery of the wheel. But The oldest sprinkler system, a strong farmer, fertilizes a field near city of Guilin

66THE MARGIN IS STILL THIN— JUST **ENOUGH** FOR PEASANTS TO KEEP THEIR CHINS **ABOVE** WATER. **FIVE YEARS** AGO, ONLY THEIR **NOSTRILS** WERE VISIBLE 77



Unloading fresh produce at Wuhan market



with a crucial difference. The state, via the commune, has replaced the old landlord. It owns the fields; the peasant rents an allotted share of land; if he meets the state's quota (once called the landlord's rent), he keeps the rest. This is progress. It is harsh; yet the Great Cultural Revolution was far more cruel.

Days later I visited "a big brigade" in the province of Hubei that was beginning to refer to itself, not as a brigade but, again, as a cun, a village. The brigade chief, a bald-headed veteran Communist, explained once more that peasants could now decide on their own crops and routines. "Responsibility" made them care about the harvest. Then, as an afterthought, he added, "It is not only the attention of the farmer that helps. He now uses his own organic material, also the organic material of the chickens and buffaloes to enrich his fields." I read very precisely what he meant. Now that a peasant is responsible for the land allotted to him, he cultivates it like a garden. His excrement, pig excrement, chicken droppings are all sumped together with urine, then ladled into buckets. The peasant then pours the mixture onto each stalk. Ladling the slime onto the seedlings is smelly, unpleasant duty. But the slime works; production had been rising for three years, and the peasants ate well.

Finally we came to the population problem. Since collectivization in 1958, the brigade's population had risen from 1,300 people to 2,720. So in the reform share-out of 1980, the largest plot was four mu (two-thirds of an acre). Too many people, too little land.

The net impression, after weeks in the countryside: China's farms are on the mend; peasants are eating again; a few are even getting rich with rows of chicken coops, private stalls and little carpenter shops.

THE POETRY OF NUMBERS

Industry, is enjoying a greater boom, and to China's planners, it is the measure of the country's ability to enter the modern world. Chinese industry is the ultimate challenge to tomorrow's system of world trade, and sooner or later, America must adjust

its economy to China's as it tries to adjust to Japan's.

Chinese leaders love to talk of industry, rippling statistics over their stories as satin merchants used to ripple silks over their hands. Probe at a Chinese official and figures immediately begin to flow: the largest cotton industry in the world today, 18 billion sq. yds. annually (6.6 billion in the U.S. in 1981); steel production up from nearly zero 40 years ago to a projected 40 million metric tons this year (1983 projection for the U.S.: 77 million metric tons). Television sets (6 million), washing machines (2.5 million), refrigerators, a precious luxury (only 100,000) trickling out of new factories. None are yet good enough for export, but wait. Already a Shanghai factory ships watches as far away as Singapore, of quality to match the Japanese. A new multiplex cable factory, rising in Chengdu under American direction, will be able in the next few years to meet not only the needs of China's missile systems but also of the urban complexes, where telephone systems are still primitive. On and on goes the poetry of numbers, as planners celebrate the recovery from the dreary years of the Great Leap Forward and the Cultural Revolution.

The theory of the new responsibility system blankets industry too. Industry is "responsible" to make what people need and to make a profit. Follow this theory, however, down to the assembly lines or the rolling mills, as one does, say, in Wuhan, with its famous iron-and-steel works (capacity: 3 million metric tons a year). Questions pucker. The national plan does not provide enough raw materials to keep this Wuhan installation running at full capacity. Later one learns that the steel industry has managed to misdirect its objectives, so that 20 million tons of steel lie rusting in warehouses.

Another question follows—that of "technology transfer." The Wuhan works use Japanese and German mills, and the Chinese have begun to ship steel mills of their own design to more backward countries in Africa. Still another question occurs as one paces the high catwalk above the steaming rolling line. What do these people get paid? Sixty Chinese yuan a month on the average, less than \$8 take home a week per worker. Double that to include hardship bonuses, medical care, low-cost housing, schools. Call it \$20 a week with fringe benefits for a Chinese worker. How can American steelworkers compete, when their wages (plus fringe benefits) run \$22 an hour and they work with old equipment?

Follow the big industrial boom further, to textiles and garments. The largest cotton mill in all China sits in Chengdu, in Sichuan. It makes a profit producing for the China market. Its workers get paid perhaps \$25 a month in take-home pay. The China market absorbs all the flower-printed cloth that comes off the print mills, but the factory management is under considerable pressure to pursue Western markets and make dollar profits, which are the great prize. Can American textile workers possibly compete? Six dollars a week against an average North Carolina wage of \$250 a week less deductions? In Shanghai, the net cost of the labor that goes into making a man's suit is \$2. New York's garment industry—or Philadelphia's, or Chicago's-cannot compete with that. But what share of the American market do the Chinese plan to capture? And do we wish to hasten or slow the Chinese experiment in transition?

No group could be more sensitive to the changes required by the transition to an "enterprise" system than the six old veterans of the Standing Committee. Life hurries them on; age presses them. They need new, younger men in the party, in the provinces, in industry. And they must choose their replacements, managers, engineers, scientists, now.

Gleaming rolls of, steel at the modern Wuhan works, which can produce 3 million metric tons a year

44CHINA'S INDUSTRY IS THE ULTIMATE CHALLENGE. SOONER OR LATER. **AMERICA MUST ADJUST ITS** ECONOMY TO CHINA'S AS IT TRIES TO ADJUST TO JAPAN'S



Men herding pigs across country bridge

CHINA

ly a few inches below the crotch. Jiang Qing would ve condemned them all to stoop labor.

The drive shaft of the rightist threat, however, is t sex but greed. A few Chinese are getting rich. Caplism has been permitted tiny openings to start up terprises, so some will grow richer. Yet the main ame of government remains the dedication of civil rounts who must work for almost nothing. And even the most dedicated can be lured from devotion by the eature comforts. So one hears of corruption now surcing in the party, street crime growing in the cities, a threat to the regime.

HE REATEST ROBLEM

Of all the threats, however—the corrosion of money and prosperity, the corrosion of manners invited by the spectacle of bare thighs and soap opera on television—none is more explosive than the unshaped discontent that pulses from human nature

elf. That threat rises from what is China's overnelming, perhaps insoluble, problem, which is simy: What do you do when you have too many people? China has more than doubled its population in 36 ars, from 455 million people to more than 1 billion. he crunch of people crushes city and country alike. the cities, housing obsesses talk. Since there is no ivate housing, no rental housing, the party unit dedes, according to rank, pull and number of people in e family, who gets how many feet of living space. Peng offers most—an average 45 sq. ft. per individual. uhan averages 40, Shanghai less, an incredibly tiny sq. ft. per person (apart from kitchen and commuty toilet). But high officials are rewarded with huneds of square feet, as are favored foreigners.

The government recognizes, as does the party, that nina holds too many people; the figures are grim, inorable, inescapable. No one knows what can be

ne about it. Is it too late?

The party and government have a policy: to each nily one baby, no more. In the large cities, this is rely enforceable. If a family has more than two bass, some government offices cut the father's salary 10% or 20%. With the third child, all are declared ligible for entrance into the quality schools. After child, patriotic fathers volunteer for vasectomy.

In the countryside, the government is reduced to suasion, propaganda, occasionally coercion. The v "responsibility system," with each peasant garing his little plot on his own, makes children useful in; they grow up to weed, plant, harvest; above all, ake care of their parents in old age. Peasants who begin to prosper do not want just one baby; if the baby is a girl, the matter is very serious indeed—
igo off and get married. Thus, a situation that the nese themselves find appalling and the governit denounces—the killing of infant girls.

The government hopes education can slow popun growth; party units meet with a family expect-second child and "persuade" the family to end pregnancy. But some will not be persuaded. In villages the party requires every woman of childing age to appear every two months for a rabbit Some women run away from home until it is too

for an abortion.

ogic lies on the side of the government; the numpermit no appeal. But love, a formidable counterlies on the side of babies. Even now, China caneed its newly swollen cities; 15 million tons of rted grain were needed last year.

F.F.

here is no internal solution for China except popn control. And no external solution except an in-



dustrialization effort that could flood the world's markets. The axis of this second thrust is simple: to employ enough of China's surplus population at low enough wages to export Chinese manufactures to earn back from the rest of the world—above all, from America—the food, the timber, the cotton, the edible oils, the meat to keep the people above the starvation line.

China's population is thus not only China's problem but the world's. And so one moves inescapably to China's world view and its sour relations with the U.S.

THREE TROUBLE-SOME Ts The American embassy in Peking sums up the Chinese-American confrontation as the three Ts: Taiwan, Technology, Trade. In each of the three there is a different family of interlocking problems; but it is only over the issue of Taiwan that they

could lead to gunpoint confrontation.

Taiwan involves pride, the nation's sense of itself. And in China, after a century and a half of foreign humiliations, pride has ulcerated. Chinese are taught a modern history that runs from humiliation to humiliation, an abused pride that exploded in the Japanese war of 1937-45. For the old soldiers who lead the government only one thing is lacking to fulfill their young dream of liberating all China—the liberation of Taiwan, and over Taiwan, Chinese passion boils.

I went to call on one of the old soldiers I had met in Yanan days-Peng Zhen, who after my visit was elected Chairman of the National People's Congress. Burly, bald, still vigorous at 81, he was abused during the Cultural Revolution, confined under house arrest, rusticated. Now, restored to honor, he is a member of the Politburo again, just a notch below the six-man Standing Committee. In the Great Hall of the People, after he gave me a smiling welcome back, he burst out almost with a roar in an opening statement: "This U.S. Administration says it wants China and the U.S. to be friends, but, as a matter of fact, we are hostile to each other; it says China and Taiwan are both part of the sole legitimate government of China, but they treat us like equal states. How would you feel if we supported California against you? Reagan says Taiwan is an old friend. Does he mean that we are an old enemy? He

Peking cyclists with modern housing, still a scarcity, in the background

CRUNCH OF PEOPLE CRUSHES CITY AND COUNTRY ALIKE. IN THE CITIES, HOUSING OBSESSES TALK!



Construction goes on at huge Gezhou Dam below the gorges of the Yangtze

44 ALL IN 48 **HOURS:** PEASANT **GIRLS WHO** MAKE CIRCUIT BOARDS: YOUNG WOMEN TREATED AS BEASTS: THEN THE **PRIDE OF** CHINESE TECH-NOLOGY !!

thinks Taiwan is an unsinkable aircraft carrier, but we are 100 times as large. If it comes to war, which aircraft carrier will sink first?"

Perhaps because he thought he could speak frankly to an old friend, he was lecturing me. He had just been lectured by a congressional delegation headed by Tip O'Neill and was resentful.

"For a century and a half all the foreign powers except the U.S. invaded China," he thundered. "But now you alone are carrying the burden of hate of our people for that century and a half. We want to negotiate a peaceful reunion with Taiwan but, whatever we do, you encourage Taiwan to say no. We offer to let Taiwan keep its own troops, maintain its own social and cultural contacts abroad, make economic arrangements with other countries, but still you encourage them to say no. If Taiwan does not settle with us peacefully, we will settle the problem in any way we think necessary."

Next he turned to the second T, technology. "I want to emphasize this point: even if you won't help us, it will be impossible to obstruct the flow of technology to China." Peng was working himself into a healthy anger for, on technology, the muddle of U.S. policy baffles Americans as much as the Chinese. The U.S. lets India buy sophisticated computers because India is considered a "friendly" state, although its air force is largely equipped with Soviet MiGs and advised by Soviet technicians. China is denied such shipments because it falls under the official category of "Communist state." The classification of Indira Gandhi's India as friendly and China as hostile defies realism.

Later, his eruption subsiding, he let me push him to the Cultural Revolution. He was as indignant about those Chinese crimes as he was about America—furious at the treachery of Lin Biao, the bitcheries of Jiang Qing, above all at the erasure of law in China. He was the author of the new constitution, and that was what it was all about: law, to govern both party and state.

It is on the third T—trade—that U.S. and Chinese futures may most sharply divide. The bureaucrats who direct Chinese foreign trade are the stiffest, most intractable, toughest bargainers in the Orient. Since the resumption of normal relations, Chinese-American trade has boomed to \$5 billion, but the Ministry's spokesman fixes on another figure. Of all U.S. imports,

only 0.65%* comes from China, and America has run a surplus in trade exchange. I point out that in world trade, surpluses do not balance country by country; we have had a slight surplus with China, a monstrous deficit with Japan. Answer: you import only 0.65% from China. One points out that the National Academy of Engineering has concluded that of America's 2 million textile and garment workers, 1.2 million may be put out of work in the next decade by imports. Answer: you import only 0.65% from China. It is futile to explain that American industry cannot survive in a world where the U.S. remains the only free market. The fate of American workers does not concern him.

Behind his obdurate and inflexible answers lies a reality one cannot dodge: that the Chinese may have finally straightened out their economy. If so, the Japanese challenge to American jobs will be seen as only an opening flare of warning.

JOURNEY THROUGH PARADOX

A journey through China today is a journey through paradox. But no one can understand the paradoxes unless one keeps in mind the history behind them. The men who dominate China were, long ago, students and idealists. They became cruel as they

n

n

ai

CI

Ç1

n

sŀ

ci

D

vi

Т

fi

h

re

tv

p

g

Ъ

C

fc

I

tl

tł

ь

it

tr

tu

Ìя

21

aı

le

le

Z

9

tŀ

aı

tŀ

fought and, as they governed, the logic of Communism drove them to further cruelty—until they learned that absolute cruelty has its limits in absolute madness. What they are doing now is trying to untangle their old dreams from the madness those dreams begot.

The epicenter of the paradox lies in the everlasting clash of constraint (unlimited government control) with freedom (unlimited license to people). China's leadership knows that China cannot go forward without huge grants of initiative to its people. But the clash begins at the very bottom, in the danwei, the lowest-level building block of the party's control, which denies every grace of liberty to its members.

You cannot understand China without understanding the danwel.

Everyone in China must belong to a factory, neighborhood, peasant or office danwei. The danwei controls your life. You introduce yourself on the telephone by identifying the danwei to which you belong. The neighborhood danwei assigns you to a job; then you belong to the factory danwei, which decides when you can have a baby and how large an apartment you live in. It can also transfer you to a danwei in a distant province and your wife to another. And so, up the line, to absolute control.

Since such absolute control did not work, the new leadership is trying to transfer more authority to the provinces, more autonomy to the cities, more responsibility to the peasant villages. But, as reins are let loose, other problems sprint. How does one settle the impending dispute between the provinces of Sichuan and Hubei over how they will share the electric power from the huge dams planned in the throat of the Yangtze gorges? Or deal with the growing resistance of newly autonomous provinces to the army's network of farms, arsenals, production plants? What does the new peasant "responsibility" imply with its grant of freedom to let peasants grow their own crops? If too much enterprise develops in the countryside, can it be denied to city dwellers? Can city youths be denied the right to open shops, restaurants, trading booths?

The contradictions and paradoxes bewilder anyone who tries to chart China's future. Chinese have

^{*}American figures show that goods of Chinese origin totaled 0.9% of all U.S. imports. The Chinese do not include in their figures goods transshipped through Hong Kong for reexport to the U.S.

synthesized insulin, flung satellites into space, made nuclear bombs—yet do not supply their villages with adequate common matches. Baoshan, the huge new steel complex near Shanghai, is a state-of-theart operation. But steel production requires heavy cargo of both coking coal and ore, and the river creek on which the Baoshan plant was built could not take heavy-laden ships. So iron ore must be shipped to the Philippines and then transshipped in small boats to Baoshan.

The paradoxes can be traced in a single two-day trip down the Yangtze from Chongqing to Wuhan. In Chongqing I visit an electronics plant that makes oscilloscopes and instruments for testing TV equipment. Dust-free and climate-controlled, the plant requires visitors to don clean slippers before entering. Inside are young women of 20 to 25 making circuit panels. They are only three or four years out of the paddy

fields, but their product is superior.

Down the Yangtze from Chongqing I see stone hackers carving building blocks out of the riverbed reefs—labor so uselessly expended when concrete is available that it can only be economical if recognized as forced labor. Farther down the river, at Wanxian, a young woman stevedore, of the same age as the oscilloscope workers, bends and stoops; all her muscles quiver as she heaves and finally lifts two huge buckets of pig livers for the third-class passengers. She staggers, makes it, totters up the gangplank. She is followed by other young women, beasts of burden, staggering under the bales, the cartons, the loadings of the vessel. I am pleased to watch them revolt, screaming, shaking fists at the forewoman who commands them. But next morning I am passing through the stark wonder of the gorges themselves and come to Gezhou Ba, the great dam that is the first to harness the Yangtze since nature began melting the snows of the Tibetan highlands to carve a passage to the ocean. All of Gezhou Dam, its machinery, its turbines, locks and spillways, transformers, are of Chinese design and manufacture: advanced technology in any country.

So, all in 48 hours: peasant girls trained to make sophisticated oscilloscopes and circuit boards; forced labor cutting hard rock with mallet and chisel; then young women, treated as beasts; then the pride of Chi-

nese technology.

The journey raises more questions than answers, and the questions plague the Chinese themselves. Why are some young women working in dust-free plants while others slave at muscle work? Who shall be privileged to join at the cutting edge of new enterprise, who left behind? How much relief from suffering can the Zhongyang give its people now, without stealing time and resources from the China of tomorrow?

THE LAST STRUGGLE

When I came to China more than 40 years ago, I came believing it was a land whose pride had been erased. But, watching the Chinese fight Japan, I learned that pride, personal and national, still smoldered. Mao brought it to flame. I watched

him change their thinking to that of eternal "struggle"—better to die than to submit.

The Chinese are still Mao's "struggle" people. They have "struggled" against the Japanese and hate them yet. They have "struggled" against Soviet ideas and repudiated them. They have "struggled" against the barbarities of their own government and leaders, and erased many. Today their struggle is against the realities of their own immense dimensions, the crush-



ing limits of their backwardness. Yet some may find it easier to struggle against an outer enemy to restore national pride. And Americans must recognize that pride as they try to avoid the traps that pride may set. America and China are locked in a narrow, dangerous passage of history. The transition regime in Peking is trying to recapture control of events. But in its own way, by trying to re-establish some system of law rather than seek a liberty that China has never known. To impose American standards on their internal struggle is irrelevant.

So one returns from China, as one first arrived there long ago, hopeful yet fearful. Memory recalls most sharply not the old China of 1939 but the first

night of this 1983 visit.

That first night, when Wang Bingnan offered me his banquet of return, another old friend joined us on Fragrant Hill—Qiao Guanhua. Qiao and I had been friends in our youth, when he was a fiery left-wing journalist. Later, as Foreign Minister of China, he and Henry Kissinger worked out the landmark "Shanghai Communiqué" of 1972, in which America recognized that Taiwan was part of China, but insisted on a "peaceful" solution. Qiao Guanhua had gone on with Mao to the end; he was released from house arrest by the new regime only last year; his wife, suspect because she had been close to Jiang Qing, had been under house arrest with him.

This night Qiao Guanhua would not let himself be cornered on his stewardship of Chinese foreign policy under Mao; nor on his arrest after Mao's death; nor on the Cultural Revolution. I pressed him on what had gone wrong in China since our youth and his triumphant career; he dodged. When I finally pressed, deeply and hard, on the transition, he elegantly replied, "You must remember what Hegel said, that a man reaches an understanding of the history of his own

time step by step-only step by step."

Qiao Guanhua was ill when I met him, a scarf wrapped around his throat. He was in the hospital when I left. I do not think I will ever see him again. But I remember his words, "step by step." Which is the way that both we and the Chinese must go through this passage of history No "ultimate solutions" are possible, either for the Chinese or ourselves; but "step by step" we may get there.

Passers-by eye Mao portrait taken down from façade of Peking's Great Hall of the People

MANY OLD HATREDS, OLD SCORES SPUTTER IN OPPOSITION TO THE NEW COURSE?

Ronald Reagan Library

Collection Name

Withdrawer

Laux, David: Files

MJD 1/24/2012

File Folder

FOIA

CHINA - FOREIGN RELATIONS - REAGAN TRIP - BRIEFING

MATERIALS (6)

F00-174/2

TUCKER

Box Number

14

10

ID	Document Type	No of	Doc Date	Restric-
	Document Description	pages		tions

128222 CABLE

2 2/9/1984

B1

TAIPEI 00771

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Ronald Reagan Library

Collection Name

Withdrawer

Laux, David: Files

MJD 1/24/2012

File Folder

FOIA

CHINA - FOREIGN RELATIONS - REAGAN TRIP - BRIEFING

F00-174/2

MATERIALS (6)

TUCKER

Box Number

14

10

ID	Document Type	No of	Doc Date	Restric-
	Document Description	pages		tions

128223 CABLE

2 2/9/1984

B1

TAIPEI 00771

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Ronald Reagan Library

Collection Name
Laux, David: Files

Withdrawer

MJD 1/24/2012

File Folder

FOIA

CHINA - FOREIGN RELATIONS - REAGAN TRIP - BRIEFING

F00-174/2

MATERIALS (6)

TUCKER

Box Number

14

10

ID	Document Type	No of	Doc Date	Restric-
	Document Description	pages		tions

128224 CABLE

4 2/28/1984 B1

SHANGAI 0466

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]
- C. Closed in accordance with restrictions contained in donor's deed of gift.

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø1 OF Ø2 BEIJING 3558

DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø3Ø6 TOR: Ø66/Ø734Z CSN: EIA44Ø

EOBØ16 ANØØ25Ø8

DISTRIBUTION: CHLD-01 MART-01 <u>FIEA-01</u> SIGU-01 LAUX-01 TYSN-01 VAN-01 /007 A1

WHTS ASSIGNED DISTRIBUTION:

SIT: KIMM ROSE TRIP

ROUTINE DE RUMJPG #3558/01 0660724 R 060634Z MAR 84 FM AMEMBASSY BEIJING

TO SECSTATE WASHDC 7431 WHITEHOUSE WASHDC AMCONSUL SHANGHAI 8909

MN 1/24/12

CONFIDENTIAL

LIMITED OFFICIAL USE SECTION Ø1 OF Ø7 BEIJING Ø3558 DEFT FOR SZCPR. CHRIS HATHAWAY; AZEX, JEANNIE BULL; WHITEHOUSE FOR MICHAEL MCMANUS, BILL HENKEL, JAMES ROSEBUSH: SHANGHAI FOR GIFTS OFFICER MCNEAL

E. O. 12356: N/A
TAGS: OVIP (REAGAN, RONALD)

SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS

- THIS MESSAGE IDENTIFIES IN IVIDUALS TO WHOM GIFTS SHOULD BE GIVEN AND OCCASIONS WHICH MIGHT BE MARKED WITH GIFTS DURING THE PRESIDENT'S VISIT TO CHINA. FOR DISCUSSION PURPOSES, THE GIFTS ARE DIVIDED INTO FOUR CATEGORIES: PRINCIPAL (OR OFFICIAL) GIFTS, N REAGAN S GIFTS. HOST GIFTS. AND COUNTERPART GIFTS FOR THE FIRST THREE CATEGORIES, TIMES AND PLACES FOR PRESENTATION ARE ERCPOSED: FOR COUNTERPART GIFTS. TAND PLACE OF PRESENTATION ARE LEFT FOR THE AMERICAN COUNTERPARTS TO DECIDE. THE FINAL PARAGRAPHS OF THE MESSAGE ARE GIFT SUMMARIES ORGANIZED BY DATE AND TIME. BY DONOR, BY DONEE AND BY TYPE OF GIFT.
- 2. PRE-ADVANCE TEAM MEMBER JEANNIE BULL REQUESTED THAT WE ASK MEA PROTOCOL TO SUGGEST WHO SHOULD RECEIVE GIFTS. WE DID SO, BUT THE CHINESE DECLINED TO MAKE ANY SUGGESTIONS, APPARENTLY FEELING IT INAPPROPRIATE FOR A HOST TO DO SO. IN DETERMINING HOW WIDELY GIFTS SHOULD BE DISTRIBUTED HERE, WE WOULD LI E TO KNOW WHAT THE CHINESE PRACTICE WAS IN THE U.S. DURING THE ZHAO VISIT. (THE PRE-ADVANCE TEAM BROUGHT INFORMATION ONLY ON THE PRESIDENT AND MRS. REAGAN'S GIFTS TO ZHAO AND MME. LIANG BOOI, NOT ON CHINESE GIFTS TO U.S. OFFI-CIALS.) THE FOLLOWING RECOMMENDATIONS WHICH ARE BASED ON PREVIOUS EXPERIENCE AND GENERAL ETIQUETTE IN CHINA COULD BE 4DJUSTED TO REFLECT RECIPROCITY IF THE CHINESE LEVEL OF GIFT-GIVING IN THE U.S. WAS MARKEDLY DIFFERENT.
- 3. PRINCIPAL GIFTS.
- A. PRESIDENT LI XIANNIAN
- PREMIER ZHAO ZIYANG
- SECRETARY HU YAOBANG
- D. CHAIRMAN DENG XIAOPING

NOTE: A, B, AND D SHOULD BE OF APPROXIMATELY THE SAME LEVEL. C COULD BE SOMEWHAT LESS IMPRESSIVE. ALL SHOULD BE EXTREMELY ATTRACTIVE BUT OF MODERATE COST. GIFTSCCEOFFICER GAVE MS. BULL INFORMATION ON PERSONAL TASTES

AND INTERESTS WHICH MAY BE OF USE IN SELECTING GIFTS.

2

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø2 OF Ø2 BEIJING 3558 DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø3Ø6 PRINCIPAL GIFTS - TIME AND PLACE OF PRESENTATION, 4. SCHEDULE OPTION I. PROPOSED TIME: CONCLUSION OF PRIVATE MEETING, THURSDAY APRIL 26, 3:15-3:45 PM. GREAT HALL, HEBEI ROOM. ALTERNATE: SHORT PRIVATE MEETING, THURSDAY APRIL 26, 7:00-7:15 PM BEFORE SMALL DINNER. YANG YUAN HALL, SITTING ROOM. (ZHAO WILL BE PRESENT.) NOTE: IF GIFT IS GIVEN AT FROM STATE TIME, IT MUST BE BROUGHT ON PLANE WITH OFFICIAL PARTY OR ELSE TAKEN TO AIRPORT AND MADE AVAILABLE TO THE OFFICIAL PARTY BEFORE THEY LEAVE THE AIRPORT FOR THE OFFICIAL WELCOME AT THE GREAT HALL OF THE PEOPLE. В. ZHAO. PROPOSED TIME: CONCLUSION OF PRIVATE MEETING, FRIDAY APRIL 27, 2:30-3:30 PM. GREAT HALL, ---- ROOM. ALTERNATE: PRIVATE MEETING, FRIDAY APRIL 27, 9:30-11:00 AM. GREAT HALL, ---- ROOM. SECOND ALTERNATE: IF THE LI GIFT IS PRESENTED AT THE ALTERNATE TIME GIVEN IN A. ABOVE (I.E. AT SHORT PRIVATE MEET-

вт

NATIONAL SECURITY COUNCIL SECRETARIAT

```
PAGE Ø1 OF Ø2 BEIJING 3558
EOBØ17 ANØØ25Ø7
                                                     DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø3Ø8
                                                     TOR: Ø66/Ø737Z CSN: EIA441
EOBØ17
DISTRIBUTION: CHLD-01 MART-01 <u>FIEA-01</u> SIGU-01 LAUX-01 TYSN-01 VAN-01 /007 A1
WHTS ASSIGNED DISTRIBUTION:
SIT: KIMM
FOR:
ROUTINE
DE RUMJPG #3558/02 0660726
R Ø6Ø634Z MAR 84
FM AMEMBASSY BEIJING
TO SECSTATE WASHDC 7432
WHITEHOUSE WASHDC
                                     M7/124/12
AMCONSUL SHANGHAI 8910
CONFIDENTIAL
LIMITED OFFICIAL USE SECTION 02 OF 07 BEIJING 03558
DEPT FOR S/CPR, CHRIS HATHAWAY; A/EX, JEANNIE BULL;
WHITEHOUSE FOR MICHAEL MCMANUS, BILL HENKEL, JAMES
ROSEBUSH: SHANGHAI FOR GIFTS OFFICER MCNEAL
E. O. 12356: N/A
TAGS: OVIP (REAGAN, RONALD)
SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS
                   ING, APRIL 26, 7:00-7:15 PM PRIOR TO SMALL DINNER). ZHAO'S GIFT COULD ALSO BE PRESENTED AT THE SAME TIME.
                  PROPOSED TIME: CONCLUSION OF PRIVATE
                   MEETING, FRIDAY APRIL 27, 4:00-5:00 PM.
                                   ---- ROOM.
                   GREAT HALL,
                  NO ALTERNATE.
         DENG. PROPOSED TIME: CONCLUSION OF PRIVATE
                  MEETING, SATURDAY APRIL 28. 10:30 AM-
12:00 NOON. GREAT HALL, FUJIAN ROOM.
NO ALTERNATE.
5.
     FRINCIPAL GIFTS - TIME AND PLACE OF PRESENTATION,
     SCHEDULE OPTION II.
                 PROPOSED TIME: SAME AS OPTION I.
     A. LI.
                  ALTERNATE: SAME AS OPTION I.
                 PROPOSED TIME: SAME AS OFTION I. (NOTE: MEETING BEGINS AT SAME TIME AS IN OPTION
                  I, BUT LASTS ONE-HALF HOUR LONGER.)
                  ALTERNATE: SAME AS OPTION I.
SECOND ALTERNATE: SAME AS OPTION I.
                  PROPOSED TIME: CONCLUSION OF PRIVATE MEETING, SATURDAY APRIL 28, 9:00-10:30
     C.
        HU.
                  AM. GREAT HALL, ---- ROOM. M
                  NO ALTERNATE.
     D. DENG. PROPOSED TIME: CONCLUSION OF PRIVATE
                  MEETING, SATURDAY APRIL 28, 11:00 AM-
                  12:30 PM. GREAT HALL, ..... ROOM.
                  NO ALTERNATE.
     MRS. REAGAN'S GIFTS.
6.
     A. EMBASSY CONTROL OFFICER F R MRS. REAGAN BE-
          LIEVES SHE WILL BE ACCOMPANIED BY A HIGH
          RANKING CHINESE HOSTESS ON HER SEPARATE
          ACTIVITIES. THIS MAY BE ONE PERSON THROUGH~
         OUT THE VISIT, ONE PERSON THROUGHOUT THE BEIJING STAY, OR PERHAPS TWO DIFFERENT PEOPLE FOR DIFFERENT PARTS OF THE BEIJING STAY.
          MRS. REAGAN SHOULD BE PREPARED TO GIVE ATTRAC-
```

TIVE GIFTS OF MODERATE VALUE TO AT LEAST TWO,

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø2 OF Ø2 BEIJING 3558

DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø3Ø8

POSSIBLY THREE, HOSTESS/GUIDES. AS MRS.
 REAGAN'S SCHEDULE CLARIFIES, WE WILL FOLLOW
 UP ON NUMBER AND IDENTITIES OF HOSTESS/GUIDES
 WHO SHOULD RECEIVE GIFTS.

- B. MRS. REAGAN'S TENTATIVE SCHEDULE INCLUDES A
VISIT TO THE CHINA WOMEN'S FEDERATION FRIDAY
APRIL 27 IN THE AFTERNOON. HER HOSTESS WILL
BE THE FEDERATION'S CHAIRWOMAN, KANG KEQING
(WIDOW OF MARSHAL ZHU DE (CHU TEH)). AN
ATTRACTIVE HOSTESS GIFT OF VERY MODERATE VALUE
WOULD BE APPROPRIATE.

C. TENTATIVE SCHEDULE ALSO INCLUDES A VISIT TO A KINDERGARTEN RUN BY A NEIGHBORHOOD COMMITTEE ON SATURDAY APRIL 28 IN THE MORNING. A MODERATE GIFT WOULD BE APPROPRIATE, PERHAPS SOMETHING WHICH WOULD BENEFIT THE CHILDREN.

7. HOST GIFTS - SCHEDULE OPTIONS I AND II.
- A. UNDER SCHEDULE OPTION I, LI QIANGWEI, GOVERNOR
- OF XI'AN, HOST AT OFFICIAL BANQUET, SUNDAY
- APRIL 29, 1: 15-2: 15 PM.

B. UNDER SCHEDULE OPTION II, POSSIBLE HOST GIFT
TO OFFICIAL GUIDE FOR THE PALACE MUSEUM VISIT,
SUNDAY APRIL 29 IN THE MORNING. THE QUESTION
OF WHO WILL GUIDE THE OFFICIAL PARTY HAS NOT
BEEN SETTLED YET, BUT EITHER A HIGH CULTURAL
OFFICIAL OR A SENIOR CURATOR IS A POSSIBILITY.
A MODERATE HOST GIFT WOULD BE APPROPRIATE.
BT

CONFIDENTIAL

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø1 OF Ø2 BEIJING 3558 EOBØ18 ANØØ25Ø6

DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø312 TOR: Ø66/Ø739Z CSN: EIA442

DISTRIBUTION: CHLD-Ø1 MART-Ø1 <u>FIEA-Ø1</u> SIGU-Ø1 LAUX-Ø1 TYSN-Ø1 VAN-Ø1 /Ø07 A1

WHTS ASSIGNED DISTRIBUTION:

SIT: KIMM

E OB:

ROUTINE DE RUMJPG #3558/Ø3 Ø66Ø729 R 060634Z M R 84 FM AMEMBASSY BEIJING

TO SECSTATE WASHDC 7433 WHITEHOUSE WASHDC AMCONSUL SHANGHAI 8911

MP 1/24/12

GONFIDENTIAL

LIMITED OFFICIAL USE SECTION 03 OF 07 BEIJING 03558 DEPT FOR 5/CPR. CHRIS HATHAWAY; A/EX, JEANNIE BULL; WHITEHOUSE FOR MICHAEL MCMANUS, BILL HENKEL, JAMES ROSEBUSH: SHANGHAI FOR GIFTS OFFICER MCNEAL E.O. 12356: N/A TAGS: OVIP (REAGAN, RONALD) SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS

- HOST GIFTS SCHEDULE END OPTIONS. 8.
 - A. HOST, SHANGHAI FCXBORO COMPANX VISIT, MONDAY APRIL 30, 12:55-1:35 PM.

 B. PRESIDENT, FUDAN UNIVERSITY, VISIT MONDAY APRIL
 - 3Ø, 3: Ø5-4: 45 PM.
- WANG DAOHAN, MAYOR OF SHANGHAI AND HOST OF OFFICIAL BANQUET, MONDAY APRIL 30, 7:00-8:30 PM, SHANGHAI EXHIBITION HALL. HE LEVEL OF THIS GIFT SHOULD BE GREATER THAN THE AVERAGE HOST GIFT BUT BELOW THAT OF THE PRINCIPAL GIFTS.
- D. HOST, RAINBOW BRIDGE TOWNSHIP VISIT, TUESDAY MAY 1, 9: 15-10: 15 AM. NOTE: THIS VISIT IN-CLUDES STOPS AT A CHILD CARE CENTER, A KINDER-GARTEN, CROP VIEWING. AND A PRIVATE RESIDENCE. ~ THROWAWAY GIFTS SHOULD BE AVAILABLE FOR EACH
- STOP.
- COUNTERPART GIFTS. THE FOLLOWING IS A LIST OF THE MAJOR. HIGH LEVEL COUNTERPART RELATIONSHIPS WHICH SHOULD BE RECOGNIZED BY PRE-PLANNED GIFTS. THE FIRST, SECRETARY SHULTZ TO FOREIGN MINISTER WU SHOULD BE AN ATTRACTIVE GIFT OF MODERATE VALUE. THE REST SHOULD BE SOME NICE TOKEN, SUCH AS A GOOD QUALITY PEN AND PENCIL SET. BELOW THIS LEVEL, QUALITY PEN AND PENCIL SET. OTHER COUNTERPART GIFTS CAN DEFINITELY COME FROM NORMAL THROWAWAY STOCKS WITHOUT PRIOR PLANNING. GIFTS SHOULD BE GIVEN DISCRETELY IN PRIVATE OR SEMI-PRIVATE.
- TO FOREIGN MINISTER WU XUEQIAN FROM SECRE-TARY SHULTZ
- TO ASSISTANT FOREIGN MINISTER ZHU QIZHEN FROM MR. HENKEL/MR. DEAVER.
- TO ACTING CHIEF OF PROTOCOL CAO YUANXIN FROM PREMER/BULL.
- TO MEA DEPARTMENT OF AMERICAN AND OCEANIC AFFAIRS DEPUTY DIRECTOR ZHANG WENPU FROM SIGUFIRA.
- E. TO MFA INFORMATION DEPARTMENT COUNSELLOR SHI CHÉNGXUN FROM BAKALEY.

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø2 OF Ø2 BEIJING 3558 DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø312

- TO MINISTRY OF PUBLIC SECURITY DEPUTY DIRECTOR CHEN ZHONGYI FROM DEPROSPERO. TO DIRECTOR OF BEIJING HOSPITAL DR. ZHOU
- GUANGYU FROM THE PRESIDENT'S DOCTOR.
- TO GENERAL ADMINISTRATION OF TELECOMMUNI-
- CATION DIVISION CHIEF ZHANG CHONGYI FROM LTC. BRUCE GORDON.
- TO GUO LIANGKUAN, DEPUTY DIRECTOR, DISPATCH OFFICE, GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA (CAAC) FROM COL. LUBACH. TO DIAOYUTAI GUEST HOUSE DEPUTY DIRECTOR
- LI MAOLAI FROM AHEARN.
- TO GENERAL COMPANY OF HOTEL SERVICES DEPUTY DIRECTOR BIAN KUIXING FROM AHEARN.
- 1 Ø. GIFT GIVING SCHEDULE - DAY AND TIME. THURSDAY APRIL 26:
- 3: 15-3: 45 PM PRINCIPAL GIFT TO PRESIDENT LI
- GREAT HALL, HEBEI ROOM
- (SCHEDULE OPTION II SAME)
- FRIDAY APRIL 27:
- 2: 30-3: 30 PM PRINCIPAL GIFT TO PREMIER ZHAO
- GREAT HALL, ---- ROOM

вт

di

NATIONAL SECURITY COUNCIL SECRETARIAT

```
PAGE Ø1 OF Ø2 BEIJING 3558
                                               DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø316
                                      DTG: 0606342 MAR 07 12...2
TOR: 066/0742Z CSN: EIA443
EOBØ19
                 ANØØ25Ø5
DISTRIBUTION: CHLD-01 MART-01 <u>FIEA-01</u> SIGU-01 LAUX-01 TYSN-01 VAN-01 /007 AI
WHTS ASSIGNED DISTRIBUTION:
SIT: KIMM
FOB.
 ROUTINE
DE RUMJPG #3558/04 0660731
R Ø60634Z MAR 84
FM AMEMBASSY BEIJING
TO SECSTATE WASHDC 7434
WHITEHOUSE WASHDC
AMCONSUL SHANGHAI 8912
                             M 1/24/12
CONFIDENTIAL
LIMI<u>ted official USE</u> SECTION 04 OF 07 BEIJING 03558
DEPT FOR S/CPR, CHRIS HATHAWAY; A/EX. JEANNIE BULL; WHITEHOUSE FOR MICHAEL MCMANUS, BILL HENKEL, JAMES ROSEBUSH; SHANGHAI FOR GIFTS OFFICER MCNEAL
E.O. 12356: N/A
TAGS: OVIP (REAGAN, RONALD)
SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS
    (SCHEDULE OPTION II SAME)
    4:00-5:00 PM - PRINCIPAL GIFT TO SECRETARY
    GREAT HALL,
                  .... ROOM
     (SCHEDULE OPTION II: M
    SATURDAY APRIL 28,
    9: ØØ-10: 30 AM)
    AFTERNOON MRS. REAGAN HOST GIFT TO CHINA WOMEN'S FEDER-ATION HEADQUARTERS WOMAN OF WOMEN'S FEDERATION (AND WIDOW OF ZHU DE)
SATURDAY APRIL 28:
-P" MORNING
                             MRS. REAGAN HOST GIFT TO
    KINDERGARTEN VISIT
                             NEIGHBORHOOD COMMITTEE
                             KINDERGARTEN
    10:30 AM - 12:00 NOON PRINCIPAL GIFT TO CHAIRMAN
    GREAT HALL, FUJIAN
                            DENG
    ROOM
     ( Q ULE OPTION II:
    SATURDAY APRIL 28,
    11: 00 AM - 12: 30 PM)
SUNDAY APRIL 29:
    MORNING
                             HOST GIFT TO OFFICIAL GUIDE
     (SCHEDULE OPTION II)
                             FG VA$T
                              FG VA$T 3 1:
HOST GIFT TO HOST FOR
    9: 15-10: 15 AM
                              RAI FOW BRIDGE TOWNSHIP
                               VISIT.
                               ALSO THROWAWAY GIFTS FOR
                               CHILD CARE CENTER STOP,
                               KINDERGARTEN STOP, CROP
                              FIELD STOP. AND PRIVATE
                              RESIDENCE STOP.
HOST GIFT TO WANG DAOHAN,
    7: ØØ-8: 3Ø PM
                              MAJOR OF SHANGHAI, HOST
                               OF OFFICIAL BANQUET.
     TIME UNDETERMINED
                               OFFICIAL HOSTESS/GUIDES
                               (1, 2 OR 3 GIFTS)
11 GIFT GIVING SCHEDULE - BY DONOR
     A. THE PRESIDENT AND MRS. REAGAN
```

CONFIDENTIAL

THURSDAY APRIL 26

(1) PRESIDENT HI PRINCIPAL GIFT

CONFIDENTIAL ___

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE	Ø 2	OF Ø2	BEIJING 3558	DTG: Ø60634Z MAR 84 PSN: 020316
		(2)	PREMIER ZHAO	FRIDAY APRIL 27 2:30-3:30 PM (OPTION II: 'AME)
- - - - - - BT	Ø		SECRETARY GENERAL HU	GREAT HALL, ROOM PRINCIPAL GIFT FRIDAY APRIL 27 4: ØØ-5: ØØ PM (OPTION II: SATURDAY APRIL 28, 9: ØØ-10: 3Ø AM)

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE 01 OF 02 BEIJING 3558 DTG: 060634Z MAR 84 PSN: 020328 EOB022 TOR: 066/0750Z CSN: EIA446 EOBØ22 ______ DISTRIBUTION: CHLD-01 MART-01 <u>FIEA-01</u> SIGU-01 LAUX-01 TYSN-01 VAN-01 /007 A1 WHTS ASSIGNED DISTRIBUTION: SIT: KIMM ROUTINE DE RUMJPG #3558/Ø5 Ø660733 R Ø6Ø634Z MAR 84 FM AMEMBASSY BEIJING TO SECSTATE WASHDC 7435 WHITEHOUSE WASHDC AMCONSUL SHANGHAI 8913 Mr, 14/12 CONFIDENTIAL

LIMITED OFFICIAL WSE SECTION 05 OF 07 BEIJING 03558 DEPT FOR S/CPR, CHRIS HATHAWAY; A/EX, J Y 45XO Y X 5YR EHOUSE FOR MI Chael McManus, Bill Henkel, James ROSEBUSH: SHANGHAI FOR GIFTS OFFICER MCNEAL E.O. 12356: N/A TAGS: OVIP (REAGAN, RONALD) SUBJ: FRESIDGNTIAL VISIT TO PRESIDGNTIAL VISIT TO CHINA - GIFTS GREAT HALL, ---- ROOM (4) CHAIRMAN DENG PRINCIPAL GIFT SATURDAY APRIL 28 10:30-12:00 NOON (OPTION II: SATURDAY APRIL 28, 11:00-12:30 PM)
GREAT HALL, FUJIAN POOM (5) OFFICIAL GUIDE HOST GIFT PALACE MUSEUM SUNDAY APRIL 29, MORNING SCHEDULE OP- PALACE MUSEUM VISIT TION II) (6) LI QIANGWEI HOST GIFT
GOVERNOR OF SUNDAY APRIL 29
XI'AN 1:15-2:15 PM 'SCHEDULE OP- HOST OF OFFICIAL BANQUET, TION I) XI AN HOST GIFT (7) HOST SHANGHAI FOX- MONDAY APRIL 30 EORO CO. 12:55-1:35 PM

(8) PRESIDENT, HOST GIFT
FUDAN UNIV. MONDAY APRIL 3 MONDAY APRIL 30 3. Ø5-4: 45 PM FUDAN UNIVERSITY VISIT ()) WANG DAOHAN HOST GIFT MAYOR OF Shanghai MONDAY APRIL 30 7: ØØ-8: 3Ø PM HOST OF OFFICIAL BANQUET, SHANGHAI (10) HOST HOST GIFT RAINBOW BRIDGE TUESDAY MAY 1 9: 15-10: 15 AM TOWNSHIP RAINBOW BRIDGE TOWNSHIP VISIT MRS. REAGAN ALONE (1) OFFICIAL HOST- HOST GIFTS (2) ESS/GUIDES TIMES AND EXACT NUMBER UNDETERMINED. SHOULD BE (3) PREPARED FOR AT LEAST TWO, POSSIBLY THREE SUCH

CONFIDENTIAL

GIFTS.

GONF I DENTIAL

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE	Ø2	OF Ø	BEIJING 355	8	DTG: Ø6Ø634Z	MAR	8 4	PSN: Ø2Ø328
_		(4)	MME. KANG	HOST GIFT				
-			KEQING,	FRIDAY APRIL	27			
~			CHAIRWOMAN,	AFTERNOÓN				
-			WOMEN'S FED-		•			
_			ERATION					
-		(5)	HOSTESS	HOST GIF T				
-			KINDERGARTEN	SATURDAY APRI	L 28			
-				MORNING				
-				NE I GHBORHOOD	COMMITTEE			
-				KINLESGARTEN				
-	C.	COU	NTERPART GIFTS					
/		(1)	SECRETARY SHUL	TZ TO FOREIGN	MINISTER			
-			WU XUEQIAN					
-		(2)	MR HENKEL/MR D	EAVER TO ASSIS	STANT			
~			FOREIGN MINIS	TER ZHU QIZHEN	1			
-		(3)	KREMER/BULL TO	ACTING CHIEF	OF PROTO-			
-			COL CAO YUANXI					
-		(4)	SIGUEIRA TO DE	PUTY DIRECTOR	ZHANG			
-		!	WENPU (MFA DEP	ARTMENT OF AME	RICAN			
~			AND OCEANIC AF					
-		(5)	BAKALEY TO COU		IENGXUN			
-			(MFA INFORMATI	ON DEPARTMENT)				
вт				•				

GONF I DENTIAL

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø1 OF Ø2 BEIJING 3558 DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø323 EOBØ2Ø ANØØ25Ø3 TOR: Ø66/Ø749Z CSN: EIA444 ______ DISTRIBUTION: CHLD-01 MART-01 <u>FIEA-01</u> SIGU-01 LAUX-01 TYSN-01 VAN-01 /007 A1 WHTS ASSIGNED DISTRIBUTION: SIT: KIMM EOB E OB: ROUTINE DE RUMJPG #3558/06 0660735 R 060634Z MAR 84 FM AMEMBASSY BEIJING TO SECSTATE WASHDC 7436 WHITEHOUSE WASHDC CONFIDENTIAL MY 112411 AMCONSUL SHANGHAI 8914 LIMITED OFFICIAL USE SECTION 06 OF 07 BEIJING 03558 DEPT FOR SZCPR, CHRIS HATHAWAY; AZEX, JEANNIE BULL; WHITEHOUSE FOR MICHAEL MCMANUS, BILL HENKEL, JAMES ROSEBUSH; SHANGHAI FOR GIFTS OFFICER MCNEAL E. O. 12356: N/A
TAGS: OVIP (REAGAN, RONALD)
SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS
- (6) THE PRESIDENT'S DOCTOR TO DR. ZHOU GUANGYU (DIRECTOR OF BEIJING HOSPITAL) (7) LTC BRUCE GORDON TO DIVISION CHIEF ZHANG CHONGYI (GENERAL ADMINISTRATION OF TELECOMMUNICATION) (8) COLONEL LUBACH TO DEPUTY DIRECTOR GUO LIANGYUAN (DISPATCH OFFICE, GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA XCAAC)) (9) AHEARN TO DEPUVY DIRECTOR LI MAOLAI (DIAOYUTAI GUEST HOUSE) (10) AHEARN TO DEPUTY DIREC NR BIAN KU XHN E ; IFT FRIDAY APRIL 27 2:30-3:30 PM (3) SECRETARY GENERAL PRINCIPAL GIFT HU YAOBANG FRIDAY PRIL 27 4: 00-5: 00 PM (OPTION II: SATURDAY APRIL 28 9: 00-10: 30 AM) (4) MME, RANG KEQING HOST GIFT FROM MRS. REAGAN FRIDAY APRIL 27 AFTERNOON HOST, NEIGHBORHOOD Committee kinder-(5) HOST GIFT FROM MRS. REAGAN GARTEN SATURDAY APRIL 28 MORNING (6) CHAIRMAN DENG PRINCIPAL GIFT SATURDAY APRIL 28 10:30 AM - 12:00 NOON (OPTION II: SATURDAY APRIL 28 11:00 AM - 12:30 PM) HOST GIFT (CPTION II) (7) OFFICIAL GUIDE PALACE MUSEUM SUNDAY APRIL 29 MORNING (8) LI QIANGWEI HOST GIFT (OPTION I) MAYOR OF XI'AN SUNDAY APRIL 29

1: 15-2: 15 PM

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE	Ø2 C	F Ø2 BEIJING 3558	DTG: Ø6Ø634Z MAR 84 PSN; Ø2Ø323
- -	(9)	HOST, SHANGHAI FOXBORO CO.	HOST GIFT Monday april 30 12:55-1:35 pm
, - , -	(1 Ø)	MME. XIE XIDE PRESIDENT, FUDAN UNIVERSITY	HOST GIFT Monday april 3u 3: 05-4: 45 Pm
- - -	(11)	HOST RAINBOW BRIDGE TOWN~ SHIP	HOST GIFT TUESDAY MAY 1 9: 15-10: 15 AM
-		OFFICIAL HOSTESS/ Guides	HOST GIFTS FROM MRS. REAGAN
_	(14)	**	0 11
- - ВТ	(15)	WU XUEQIAN FOREIGN MINISTER	COUNTERPART GIFT FROM SECRETARY SHULTZ

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE 01 OF 02 BEIJING 3558

EOB026

DTG: 060634Z MAR 84 PSN: 020332

TOR: 0666/0751Z

CSN: EIA447

DISTRIBUTION: CHLD-01 MART-01 FIEA-01 SIGU-01 LAUX-01 TYSN-01

VAN-01 /007 A1

WHTS ASSIGNED DISTRIBUTION:

SIT: KIMM

FOR:

E OD:

ROUTINE
DE RUMJPG #3558/07 0660738
R 060634Z MAR 84
FM AMEMBASSY BEIJING

TO SECSTATE WASHDC 7437 WHITEHOUSE WASHDC AMCONSUL SHANGHAI 8915

CONFIBENTIAL MP 112411

COUNTERPART GIFT

LIMITED OFFICIAL USE SECTION Ø7 OF Ø7 BEIJING Ø3558
DEPT FOR S/CPR. CHRIS HATHAWAY: A/EX, JEANNIE BULL;
WHITEHOUSE FOR MICHAEL MCMANUS. BILL HENKEL, JAMES
ROSEBUSH; SHANGHAI FOR GIFTS OFFICER MCNEAL
. O. 12356: N/A
TAGS: OVIP (REAGAN. RONALD)
SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS

SUBJ: PRESIDENTIAL VISIT TO CHINA - GIFTS
- (16) ZHU QIZHEN COUNTERPART GIFT
- ASSISTANT FOREIGN FROM MR. DEAVER/
MINISTER MR. HENNEL
- (17) CAO YUANXIN COUNTERPART GIFT
- ACTING CHIEF OF FROM PREMER/BULL
- PROTOCOL

- (18) ZHANG WENPU COUNTERPART GIFT
- DEPUTY DIRECTOR FROM SIGUEIRA
- MFA DEPARTMENT OF
- AMERICAN AND CEANIC

- AMERICAN AND CEANIC - AFFAIRS - (19) SHI CHENGXUN

COUNSELLOR FROM BAKALEY

MEA INFORMATION DEPT.

(20) CHEN ZHONGYI COUNTERPART GIFT

DEPUTY DIRECTOR FROM DEPROSPERO

- DEPUTY DIRECTOR FROM DEPPOS - MINISTRY OF PUBLIC - SECURITY

- (21) "DR ZHOU GUANGYU COUNTERPART GIFT
- DIRECTOR, BEIJING PROM THE PRESIDENT'S
- HOSPITAL DOCTOR
- (22) ZHANG CHONGYI COUNTERPART GIFT
- DIVISION CHIEF FROM LTC. BRUCE
- GENERAL ADMINISTRA— GORDON

- GENERAL ADMINISTRA-- TION OF TELECOMMUNICA-- TION

- (23) GUO LIANGKUAN COUNTERPART GIFT - DEPUTY DIRECTOR FROM COLONEL LUBACH - DISPATCH OFFICE

- GENERAL ADMINISTRATION
- OF CIVIL AVIAITON OF
- CHINA

- (24) LI MAOLAI COUNTERPART GIFT - DEPUTY DIRECTOR FROM AHEARN - DIAOYUTAI GUEST HOUSE

- (25) BIAN KUIXING COUNTERPART GIFT
- DEPUTY DIRECTOR GEN- FROM AHEARN
- ERAL, COMPANY OF
- HOTEL SERVICES

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø2 OF Ø2 BEIJING 3558

DTG: Ø6Ø634Z MAR 84 PSN: Ø2Ø332

13. AMCONSUL SHANGHAI GIFTS OFFICER REPORTS THAT MRS. REAGAN WILL ALMOST CERTAINLY HAVE AN ACTIVE SEPARATE SCHEDULE IN SHANGHAI AND WILL NEED AS MANY AS FOUR OR FIVE HOST GIFTS. HE WILL FURNISH MORE DEFINITE INFORMATION DIRECTLY AS HER SHANGHAI SCHEDULE CLARIFIES.

Ronald Reagan Library

Collection Name
Laux, David: Files

Withdrawer

MJD 1/24/2012

File Folder

FOIA

CHINA - FOREIGN RELATIONS - REAGAN TRIP - BRIEFING

F00-174/2

MATERIALS (6)

TUCKER

Box Number

14

10

ID	Document Type
	Document Description

No of Doc Date pages

Restrictions

128225 CABLE

4 3/8/1984

B1

TAIPEI 01339

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Peking promotes China-US ties as vital to Asia peace

Success for China's new long march toward a prosperous and more open society depends partly on mature and sympathetic ties to the West, chiefly the United States

By Takashi Oka

Staff writer of The Christian Science Monitor

Peking

INO-AMERICAN relations have come of age.

Twelve years after Richard Nixon's first visit to Peking, and four years after Deng Xiaoping's triumphal tour of the United States, the Chinese American relationship is characterized neither by hostility

Instead, poin sides have a sober appreciation of the funlamental importance of this relationship in a turbulent and incertain world. They know the things that unite them as well as the nature and limits of their continuing

disagreements.

"Promotion of Sino-United States friendship is the common desire of the two peoples and thus has deep roots," State Councilor Ji Pengfei wrote recently in the fortnightly magazine World Affairs.

"It is also in the interest of peace and stability in Asia

and the rest of the world."

Mr. Ji, a former vice-premier and foreign minister, is the Communist Party's top official in the foreign affairs field.

His sentiments will probably be echoed by Chairman Deng, General Secretary Hu Yaobang, and Premier Zhao Ziyang when Ronald Reagan sits down one by one with the Chinese leadership during his April visit to Peking.

and obstacles. Mr. of cites. The principal obstacle is, of course, laiwan, with which Peking seeks reunification wille Washington continues to give laiwan the means to

detending in the river

The Chinese leaders are well aware of President Reagan's feelings toward Taiwan. He has acknowledged the various communiqués signed by his predecessors, whereby the US recognizes but one China, the People's Republic, and also recognizes that Taiwan is a part of China. But the President continues to express friendship for "the people in Taiwan" and says he is not about to abandon an old friend (Taiwan) to make a new one (Peking).

At the same time, the framework for containing the Chinese-American disagreement over Taiwan has been care-

From this viewpoint, Peking is well satisfied with Mr. Zhao's visit. The purpose was not to reach new understandings and agreements but, in the words of one Western diplomat, to "fill in the framework already established."

President Reagan's visit in April will have much the same purpose. Of course, it is bound to be a news media event. From the standpoint of domestic American politics, it will spotlight one of the few genuine foreign policy successes of the Reagan administration and will enable Republican candidate Ronald Reagan to look presidential while his Democratic opponents squabble with each other in their struggle to win the nomination of their party.

The Chinese know this. They know the importance of Mr. Reagan's visit at the start of his reelection campaign, and they will not try to score Brownie points off him.

"We know President Reagan cannot say anything very different about Taiwan from what he has been saying in

The Great Wall is a reminder of China's longstanding concern





he Chinese leaders will be trank about the "difficulties obstacles" Mr. Ji cites. The principal obstacle is, of rse, Taiwan, with which Peking seeks reunification le Washington continues to give Taiwan the means to and itself militarily.

The Chinese leaders are well aware of President gan's feelings toward Taiwan. He has acknowledged various communiqués signed by his predecessors, reby the US recognizes but one China, the People's Relic, and also recognizes that Taiwan is a part of China, the President continues to express friendship for "the the in Taiwan" and says he is not about to abandon an friend (Taiwan) to make a new one (Peking).

At the same time, the framework for containing the Chie-American disagreement over Taiwan has been care, y worked out and is embodied not only in the Shanghan amunique signed by President Nixon in 1972 and the element on diplomatic relations negotiated by Presidentter at the end of 1978 but also in the communique of

17, 1982, on American arms sales to Taiwan.

his last agreement, reached after protracted, difficult obtations, is open-ended but provides for the gradual inution of such arms sales. The Chinese appear of the epited that they cannot push Washington any buther of they have in the Aug. 17 communique. They have ten their emphasis to developing Chinese-American recons in other areas, notably the economic.

This was the main thrust of Premier Zhao's very sucsful visit to the US in January. He did not sidestep the

wan problem but never highlighted it.

chis purpose, as a Chinese source expressed it, was not change American views on Taiwan. Rather it was to a American understanding for what China is trying to dieve in the way of modernization and economic growth, reaffirm China's open-door policy toward cooperation to Western countries, and to convey a sense of confince in China's political stability and in its ability to the goals it has set.

was not
was to
rying to
growth,
peration
of confibility to



the past," says a Chinese source well qualified in the for-

eign policy field.

Rather, the Chinese see the visit as symbolizing a kind of maturity in Chinese-American relations. This is no longer the season for Mr. Deng to be photographed wearing a cowboy hat in Texas, but rather for Mr. Zhao to be probing the secrets of California's Silicon Valley.

The Chinese leadership is reliably reported to be extremely interested in futurologist Alvin Toffler's work "The Third Wave." They see that in the 1960s and early '70s, when newly industrializing countries like South Korea and Taiwan successfully caught and rode the wave of world economic growth, China, mired in the trauma of the Cultural Revolution, missed the wave.

They seem to be convinced that the Western world is about to experience a new industrial revolution, and this time they want to position their country so it can catch and ride this new wave. Otherwise, they fear, China will fall even further behind the industrialized countries of the

West than it is today.

They note with envy that Taiwan, for instance, no longer relies on textiles as its principal export item, but rather on a whole array of sophisticated components for the electronics and computer industries. All this is a far cry from classical Marxism's claim that the capitalist world is bound to sink under the weight of its own contradictions.

HINESE propaganda does hold high the banner of "scientific socialism," and in political and social terms China remains a rigidly authoritarian, paternalistic, bureaucratic, Communist state. As regards the economy, the Chinese leadership comes close to recognizing that, within the framework of overall control by the Communist party, "scientific socialism" is what-

True, industrial innovation and economic experimentation are often hobbled by the political and social constraints of the Confucian-Communist state and society that China is today. The leadership warns of the dangers of ultraleftism, meaning in economic terms, conservative Marxist thinking opposed to the innovation associated with people such as Premier Zhao or General

Secretary Hu. It warns equally of "rightism," thinking vulnerable to the "sugarcoated bullets" of bourgeois liberalism.

Every year that passes since the death of Mao Tse-tung and the overthrow of the "gang of four" headed by his widow Jiang Qing helps to solidify the rule of the present pragmatic leadership headed by Deng Xiaoping. More than seven years have gone by since Mao's passing and more than five years since the Deng line triumphed at the third plenum of the Central Committee in December 1978.

But the leadership must remain vigilant, knowing how often China's political line has changed in the past and conscious that the Chinese people are asking the same questions about the stability and permanence of the present line as do foreign businessmen and

politicians.

A few months ago the leadership raised a hue and cry about mental pollution — a dilution of Communist values by borgeois liberal thinking imported from the West. Now it is once again emphasizing rectification - a rejuvenation and purification of party ranks by eliminating pockets of opposition to the Deng line.

Meanwhile, the Soviet Union remains a formidable foe and threat to China's security.

China's leaders emphasize they pursue an independent foreign policy and seek better relations with both the US and the Soviet Union. In his World Affairs article, Mr. Ji spoke of the "traditional friendship between the Chinese and Soviet peoples" and said it was "China's consistent stand that the two countries should normalize their relations on the basis of the five principles of peaceful coexistence.'

This week China and the Soviet Union are holding the fourth round of talks aimed at improving their relations. Mr. Ji said he hoped for "substantive progress" in removing three obstacles to better relations often cited by Peking: Soviet troops in Afghanistan, Soviet support for Vietnam's occupation of Kampuchea, and the Soviet military buildup



on the Si Chine the first i Two-v

lion. Mos factories May, So here to c mats her Chinesesions lon the Sovi about re even abo



na's rela fact that viet rela be noth relation

China policy d and Wa places 1 America Kampu

But viewpoi our bor tionship In C leadership raised a allution — a dilution rgeois liberal thinkst. Now it is once tion — a rejuvenaty ranks by elimito the Deng line. nion remains a forina's security.

ze they pursue an

and seek better relations with Jnion. In his World Affairs artraditional friendship between les" and said it was "China's to countries should normalize the five principles of peaceful

Soviet Union are holding the lat improving their relations. bstantive progress" in removelations often cited by Peking: , Soviet support for Vietnam's and the Soviet military buildup



Putting a gold edge on porcelain plates in Changsha

on the Sino-Soviet border and in Mongolia.

Chinese-Soviet relations have gradually improved since the first round of talks was held here in October 1982.

Two-way trade this year is expected to reach \$1.2 billion. Moscow has offered to help modernize some Chinese factories originally built with Soviet equipment, and in May, Soviet Deputy Premier Ivan Arkhipov is expected here to discuss the offer in greater detail. Western diplomats here point out that it is in Washington's interest that Chinese-Soviet relations should be stabilized, that the tensions long prevailing along the frontier between China and the Soviet Union should be eased. Peking is not talking about renewing its alliance of the 1950s with Moscow, nor even about normalizing party-to-party relations.

HE five principles of peaceful coexistence that Mr. Ji talks about were originally formulated by Indian Premier Jawaharlal Nehru and Chinese Premier Chou En-lai. They are the basis for China's relations with its noncommunist neighbors, and the fact that they are invoked in connection with Chinese-Soviet relations shows how determined Peking is that there be nothing special about its ties with Moscow even after relations are normalized.

China's leaders emphasize that an independent foreign policy does not mean an equidistant policy toward Moscow and Washington. They vigorously criticize US policy in places like the Middle East, South Africa, or Central America, just as they do Soviet actions in Afghanistan or Kampuchea.

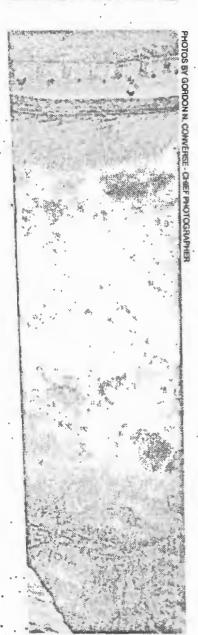
But as a Chinese source recently said, "From our viewpoint, it is Soviet military and political actions around our borders that threatens China. In this sense, our relationship with the Soviet Union is not a friendly one."

In Chinese-American relations, the same source noted, there was no security threat to China posed by the US and the only real obstacle to better relations was Taiwan, "which is a problem left over from history."

Moscow may help China to modernize a few of its factories. This is a drop in the bucket compared with the technological and industrial cooperation the West as a whole, and especially the US, can provide China in its drive to achieve economic modernization. China has more than 10,000 students in the US alone — most of them in science and technology. China's leaders have already made their choice as to how they are to achieve modernization, and for all their attempts to stem the ideological and social sideeffects of their opening to the West, they insist that the door, once opened, is not going to be closed again.

Whether Toffler's prophecy about the Third Wave is or is not fulfilled, China's billion people and their leaders face a huge and daunting task.

In the long run, the most significant aspect of the Chinese-American relationship will not be actions and attitudes toward the Soviet security threat, but the way in which the Chinese and American peoples interact in the course of China's new long march toward economic modernization and a more abundant and at least somewhat more open society.



2295

THE WHITE HOUSE

WASHINGTON

INFORMATION

March 22, 1984

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT C. MCFARLANE

SUBJECT:

The Book, "My China Years" by Edgar Snow's Wife,

Helen Foster Snow

This book, just published and sent to you by the author, is not something I would recommend you read. It does have some anecdotal commentary on the history of the time, but there are much better things to read by better authors. I will be forwarding you some recommended material on China over the next few weeks. However, the book is probably worth retaining in your library.

cc Vice President (w/o book)

NATIONAL SECURITY COUNCIL

ACTION

March 22, 1984

MEMORANDUM FOR ROBERT C. MCFARLANE

FROM: DAVID LAUX

SUBJECT: The Book, "My China Years" by Edgar Snow's Wife,

Helen Foster Snow - Sent to the President

Attached is a short memo from you to the President, containing Gaston and my assessment of Helen Snow's book.

Gaston Sigur concurs.

RECOMMENDATION:

That you sign the memo to the President at Tab I.

Approve _____ Disapprove ____

Attachment:

Tab I Memo to the President

National Security Council The White House

	The White Hou		
		System #	
		Package #	
	All the		
-	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin			
Bob Kimmitt		<u> </u>	
John Poindexter			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt			•
NSC Secretariat			A
Situation Room			
Tom Shull			
I = Information A = Action	n R=Retain D	D = Dispatch N =	No further Action
cc: VP Meese Bak	er Deaver Othe	r	
COMMENTS	Should be see	en by:	
		((Date/Time)
Stoff to Lo	r		
	mt Sigur		
Dond:	Mesident	wonts to	linew
whether 4	i wood in	, worth,	reading,
and retour	ing in his	library.	Need
d never b	7 3/22. 6	364	

•

•

.

UNCLASSIFIED

NATIONAL SECURITY COUNCIL SECRETARIAT

PAGE Ø1 E OB 5 7 9 BEIJING 1329 AN002330

DTG: 031353Z JUL 84 PSN: 001383

TOR: 185/1356Z CSN: HCE2Ø4

DISTRIBUTION: CHLD-Ø1 SIGU-Ø1 KRAM-Ø1 <u>LAUX-Ø1</u> /004 A2

WHTS ASSIGNED DISTRIBUTION:

SIT: KRMR

EOB:

PRIORITY STU5463 DE RUEHBJ #1329 1851354 P Ø31353Z JUL 84 FM AMEMBASSY BEIJING

TO SECSTATE WASHDC PRIORITY 3074 WHITEHOUSE WASHDC PRIORITY

UNCLAS BEIJING 11329

STATE FOR A/EX JEANNIE BULL AND EAP/C WHITE HOUSE FOR KREMER E.O. 12356: N/A TAGS: OVIP (PRESIDENT REAGAN) CH SUBJECT: PRESIDENT REAGANS VISIT TO CHINA

1. IN FOLLOWING UP OF REQUEST REFTEL B, MFA HAS REQUESTED EMBASSY OBTAIN A PICTURE OF MRS. REAGAN IN HER CHEOGNSAM FOR LIN JIAMEI, PRESIDENT LI XIANNIAN'S WIFE.
IN ADDITION, RICK AHEARN PROMISED TO SEND THE ARTIST MR.
HUANG ZHOU A PICTURE OF THE PRESIDENT WITH MR. HUANG'S PICTURE IN THE BACKGROUND.

PLEASE FORWARD THESE PHOTO'S TO THE ATTENTION OF DAVID A. ROBERTS. THANKS. HUMMEL BT

Actions