# Message Text

## CONFIDENTIAL

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INFO OCT-01 SS-14 ISO-00 EA-06 NSC-06 /028 W

-----102358 120834Z /10

P R 110715Z JUL 78 FM USLO PEKING TO SECSTATE WASHDC PRIORITY 1317 INFO AMCONSUL HONG KONG

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LIMDIS

CORRECTED COPY (TEXT)

HONG KONG PLEASE PASS CODEL WOLFF

E.O. 11652: GDS

TAGS: PEPR OREP CH US

SUBJ: MEETING OF CODEL WOLFF WITH HAO TE-CHING

- 1. CODEL WOLFF MET WITH HAO TE-CHING, THE PRESIDENT OF THE CHINESE PEOPLE'S INSTITUTE OF FOREIGN AFFAIRS, FOR APPROXIMATELY TWO HOURS ON JULY 7 AT 4 PM. THE TRANSSCRIPT OF HIS CONVERSATIONFOLLOWS.
- 2. HAO: WE MET BEFORE IN THE US. DO YOU REMEMBER THE QUESTION YOU ASKED ME AT THAT TIME?
- 3. WOLFF: IF YOU REMEMBER, THEN YOU HAVE A VERY GOOD MEMORY. THANK YOU FOR INVITING US TO CHINA. THERE HAVE BEEN MANY CHANGES SINCE MY LAST VISIT. MY QUESTION TO YOU DURING YOUR VISIT TO THE US WAS RELATED TO THIS. THE PURPOSE OF OUR VISIT IS TO FIND WAYS AND MEANS NOT TO NEGOTIATE (WE ARE NOT NEGOTIATORS), BUT TO MAKE PROGRESS IN NORMALIZATION BASED ON OUR COMMITTEE'S SHARED RESPONSIBILITY WITH THE EXECUTIVE FOR MATTERS CONFIDENTIAL

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DEALING WITH NORMALIZATION.

4. HAO: WE CAN EXCHANGE OPINIONS. YOU ARE THE REPRESENTATIVES OF THE PEOPLE AND THEREFORE, LIKE ME, A COMMONER. CHINESE COMMUNISTS ARE ALL INTERESTED IN POLITICAS AND DISCUSSION OF POLICIES. LET US DISCUSS QUESTIONS OF MUTUAL INTEREST. I HAVE A QUESTION

FOR YOU. IS THERE ARROGANCE OF THE POLAR BEAR IN CARRYING OUT EXPANSION BECOMING MORE RESTRAINED OR MORE RAMPANT? WHY IS HE SO AGGRESSIVE, CARRYING OUT EXPANSION FROM THE RED SEA TO THE HORN OF AFRICA, FROM NORTH AFRICA TO SOUTH AFRICA, FROM EUROPE TO ASIA - EVERYWHERE BECOMING MORE RAMPANT. WHAT DO YOU THINK?

5. WOLFF: I WILL RESPOND FIRST AND THEN TURN TO MY COLLEAGUES. THIS HAS BEEN A PLAN OF THE RUSSIANS FOR A LONG TIME. THEIR DESIRE IS TO SEEK DOMINATION OVER THE ENTIRE WORLD AT THE EXPENSE OF OUR NATION AND OF OURS. I THINK HOWEVER, IT IS A MOSCONCEPTION SPREAD BY THE PRESS TO SAY THAT THE US IS NO REMAINING STRONG IN ITS DETERMINATION TO STOP SOVIET EXPANSION. SOMETIMES THERE ARE PRESS STORIES RELATED TO INDIVIDUAL WEAPONS SYSTEMS THAT SOME MEMBERS OF CONGRESS HAVE OPPOSED, BUT OUR DETERMINATION TO CONTINUE TO REMAIN STRONG AGAINST OUR ADVERSARY IS EVIDENCED BY THE FACT THA WE HAVE HERE MEMBERS OF BOTH THE LIBERAL AND CONSERVATIVE ELEMENTS OF CONGRESS. AS A RESULT OF OUR DIFFICULTIES WITH VIETNAM, THE US TAKES THE POSITION OF NOT WANTING TO INTERFERE IN THE INTERNAL AFFAIRS OF OTHER NATIONS. JUST LIKE THE POSITION CHINA HAS TAKEN FOR A LONG TIME. WE ARE WELL AWARE THAT THE SOVIETS ARE NOW MOVING INTO NEW AREAS. THEY HAVE BEEN IN THE MIDDLE EAST FOR A LONG TIME. NOW THEY ARE IN AFGHANISTAN AND SOUTH YEMEN CONFIDENTIAL.

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OPENLY. THEY ARE ALSO IN ANGOLA, WHERE THEY USE THE CUBANS AS SURROGATES.

6. HAO: ALSO ETHIOPIA.

7. WOLFF: AND VIETNAM.

8. HAO: YOU ARE RIGHT.

9. WOLFF: SO THEY ARE MOVING ALL OVER THE WORLD AND WE NOW FACE A COMMON ADVERSARY. I WOULD LIKE TO ASK THE OTHER MEMBERS TO COMMENT.

10. DE LA GARZA: I HAVE MY OWN OPIINON WHY THE RUSSIANS ARE IN SO MANY PLACES, BUT I WONDER IF THE PRESIDENT WOULD GIVE HIS OPINION TO SEE IF THEY MATCH.

11. HAO: ABOUT THE RUSSIANS?

12. DE LA GARZA: YES.

13. HAO: THE POLAR BEAR HAS A WILD AMBITION TO EXPAND OUTWARD AND DOMINATE THE WORLD. THIS WAS DECIDED A LONG TIME AGO AND WILL NOT CHANGE. WE HAVE KNOWN THIS FOR A LONG TIME. HE HAS A BIG APPETITE BUT LACKS STRENGTH SO HE INVARIABLY DISPLAYS ONE CHARACTERISTIC: HE BULLIES THE WEAK BUT FEARS THE TOUGH. IF YOU WAGE STRUGGLE WITH HIM HE IS RESTRAINED BUT IF YOU CONNIVE WITH HIM HIS ARROGANCE SOARS. NOW HE USES WESTERN EUROPE AS A FOCUS AND CARRIES ON UNBRIDLED EXPANSION THROUGHOUT THE WORLD. RECENTLY, AFTER SUCCEEDING IN ETHIOPIA, THE SOVIET UNION HAS CONTINUED ITS INTERFERENCE IN THE ARAB PENINSULA. WHERE NEXT? PERHAPS THE PERSINA GULF, THE RED SEA AREA AND SOUTHERN AFRICA ARE THE MOST DANGEROUS. IT HAS ALSO STEPPED UP EXPANSION IN CONFIDENTIAL

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ASIA. THIS WAS MANIVESTED MOST RECENTLY IN VIETNAM. VIETNAM WANTS TO BE A SMALL SUPERPOWER. FIRST IT WANTS TO DOMINATE INDOCHINA, THEN ALL OF SOUTHEAST ASIA. A SMALL SUPERPOWER NEEDS TO FIND ITS SUPPORTER. THE SUPERPOWER AND THE SMALL SUPERPOWER SHARE THE SAME DESIGN SO THEY WORK TOGETHER TO SEIZE SOUTHEAST ASIA. IN THIS WAY THEY CAN BLOCK THE SEA LANES IN THE WESTERN PACIFIC AND ENCIRCLE CHINA FROM SOUTH TO NORTH.

14. WOLFF: INCLUDING THE INDIAN OCEAN.

15. HAO: OF COURSE. JUST NOW I MENTIONED THE ESSENCE OF THE MATTER. ITS MANIFESTATION IS IN THE PERSECUTION AND OSTRACISM OF THE CHINESE RESIDENTS (OF VIETNAM). IN THIS WAY VIETNAM WISHES TO CURRY FAVOR WITH THE SUPERPOWER. SO RECENTLY, SOME FRIENDS HAVE SAID THAT VIETNAM IS THE CUBA OF ASIA. NOW THERE ARE SO MANY CUBAS. ONE IS IN LATIN AMERICA, ONE IN ASIA. NOW I AM AFRAID

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P R 110715Z JUL 78 FM USLO PEKING TO SECSTATE WASHDC PRIORITY 1318 INFO AMCONSUL HONG KONG

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LIMDIS

CORRECTED COPY (TEXT)

THERE MAY BE ONE IN THE ARAB PENINSULA - SOUTH YEMEN. SO I SAY THE PRESENT INTERNATIONAL SITUATION IS VERY TENSE. SOME PEOPLE TALK OF DETENTE. I DON'T SEE EVEN ITS SHADOW. I SAY GET RID OF "DETENTE\*"

16. WOLFF: WE NO LONGER USE THE WORD.

17. HAO: JUST NOW YOU SAID SOME OF THE PRESS UNDERRATE YOUR STRENGTH. WE SAY THE US HAS POWERFUL ECONOMIC AND MILITARY STRENGTH. IN THE PRESENT WORLD THER ARE ONLY TWO COUNTRIES CAPABLE OF FIGHTING A WORLD WAR. HOW CAN CHINA FIGHT A WORLD WAR? ONLY YOU AND RUSSIA CAN. SO WE DON'T UNDERRATE YOUR STRENGTH, PLEASE DO NOT HAVE ANY MISCONCEPTION ON THAT. BUT WITH YOUR POWERFUL STRENGTH YOU CAN ONLY PLAY YOUR PROPER ROLE WHEN GUIDED BY A CORRECT POLICY AND CORRECT PRINCIPLES. OTHERWISE YOUR STRENGTH CANNOT PLAY ITS PROPER ROLE. I MEAN THAT IN DECIDING ON A POLICY TOWARD THE POLAR BEAR YOU SHOULD NOT BE AFRAID. IF YOU ARE NOT AFRAID YOU WILL NOT ADOPT PPLICIES WHICH SHOW FEAR OF IT. IF YOU ARE AFRAID, UNREALLISTIC DELUSIONS MAY CROP UP IN YOUR MIND. I MEAN WHEN YO ADOPT AN APPROACH IN WHICH YOU FIRST OF CONFIDENTIAL

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ALL TRY NOT TO IRRITATE THEPOLAR BEAR. SECONDLY, THE POLAR BEAR IS FOND OF CHOCOLATES. YOU SUPPLY IT WITH ADVANCED TECHNOLOGY AND TRADE TO PACIFY IT. ALSO YOU TRY TO GET CONCESSIONS FROM IT BY MAKING BIG CONCESSIONS. IN THE FINAL ANALYSIS FEAR WILL MAKE YOU ADOPT AN APPEASEMENT POLICY WHICH WILL LEAD TO SERIOUS CONSEQUENCES, AND YOUR POWERFUL STRENGTH WILL PLAY NO ROLE. THAT IS MY OPINION.

18. WOLFF: WE ARE NOT DEALING ON THE BASIS OF FEAR. MAKE NO MISTAKE ABOUT THAT. IT MAY SOMETIMES APPEAR THAT WAY BECAUSE WE USE METHODSWHICH TRY TO AVOID WAR BUT IT IS NOT BASED ON FEAR.

19. DE LA GARZA: THANKS. OUR IDEAS BASICALLY COINCIDE.

I AGREE WITH THE CHAIRMAN. I AM SURE YOU ARE AWARE OF PRESIDENT CARTER'S RECEN SPEECH IN ANNAPOLIS.

20. FOUNTAIN: I'D LIKE TO ECHO CONGRESSMAN WOLFF'S REMARKS, I THINK YOUR COMMENTS REFLECT SOME OF YOUR CONCERNS ABOUT WHAT WE HAVE SAID AND WHAT OUR PRESIDENT HAS DONE. ABOUT TWO YEARS AGO I SAT IN THE SHAH OF IRAN'S OFFICE FOR ABOUT ONE AND A HALF HOURS. HE EX-PRESSED CONCERNS SIMILAR TO YOURS. HE SAID THAT THE US IS THE LAST BASTION OF FREEDOM LEFT ON THE EARTH, THE ONLY ONE STRONG ENOUGH TO DEFEND THE FREE WORLD BY TAKING STRONG POSITIONS AGAINST TH POLAR BEAR, NOT NECESSARILY BY FIGHTING. I AGREE WITH HIM. I CAME FROM A SECTION OF THE US WHICH PRODUCED OUR PRESIDENT. HE IS A SOFT-SPOKEN SOUTHERN GENTLEMAN WHO IS ATTEMPTING TO HANDLE BOTH DOMESTIC AND INTERNATIONAL PROBLEMS. SOME OF HIS STATEMENTS AND SOME OF THE POSITIONS TAKEN IN SALT NEGOTIATIONS MAY HAVE LEFT THE IMPRESSION THAT CONFIDENTIAL

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WE IN THE US ARE NOT CONCERNED ABOUT THE POLAR BEAR. BUT THE MAJORITY OF AMERICANS AND A MAJORITY IN THE CONGRESS UNDERSTAND SOVIET EXPANSIONISM. I ASSURE YOU THAT WE ARE DETERMINED TO KEEP OURSELVES MILITARILY STRONG ENOUGH TO PREVENT THE POLAR BEAR FROM TAKING OVER THE WORLD, EVEN IF WE SOMETIMES SPEAK SOFTLY. NOTWITHSTANDING THESE APPEARANCES, THERE IS A RECOGNITION THAT RUSSIA AN D THE US HAVE ENOUGH NUCLEAR POWER TOL DESTROY EACH OTHER, AND WE HAVE A DESIRE TO PREVENT THE OUTBREAK OF WAR. WHEN THE PRESIDENT SAID TO THE RUSSIANS THAT IT IS EITHER COOPERATION OR CONFRONTATION, HE SPOKE FOR THE AMERICAN PEOPLE, AND HE MEANT WHAT HE SAID.

- 21. HAO: WITHRESPECT TO THE CONCERN ABOUT US ATTITUDES TOWARDS THE SOVIET UNION, THE SHAH'S CONCERN IS NOT ACCIDENTAL OR UNIQUE. MANY WESTERN EUROPEAN CONTRIES SHARE THAT CONCERN. YOU KNOW THIS BETTER THAN I. ONE SHOULD JUDGE WHETHER OR NOT A POLICY IS CORRECT NOT BY WORDS BUT BY ACTIONS.
- 22. WOLF:: WE KNOW THE POLAR BEAR'S EMBRRACE CAN SOMETIMES LOVE YOU TO DEATH.
- 23. RANGEL: IF IN THE COURSE OF AMERICAN EFFORTS TO TOP RUSSIAN EXPANSION THIS LEADS TO MILITARY CONFRONTATION, TO WHAT EXTENT COULD WE COUNT ON THE HELP OF OUR FRIENDS IN THE PRC?
- 24. HAO: I THINK THAT SURELY YOU WOULD NOT BE ISOLATED. THE POLAR BEAR IS NOT ONLY THE MOST DANGEROUS ENEMY OF

THE US BUT IS ALSO THE MOSTDANGEROUS ENEMY OF CHINA, WESTERN EUROPE, JAPAN AND THE ENTIRE THIRD WORLD. THIS IS NOT THE TIME FOR US TO ANTICIPATE HOW TO ACT IN THE TIME OF WAR. WE SHOULD TAKE EFFECTIVE MEASURES SO THE POLAR BEAR WILL BE AFRAID TO LAUNCH A WORLD WAR AND WILL NOT LAUNCH IT. WE MUST POSTPONE SUCH A WAR. CONFIDENTIAL

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THER ARE THREE METHODS. FIRST, MAKE CONCRETE PRE-PARATIONS AGAINST WAR. ONE SHOULD NOT HAVE UNREALISTIC ILLUSIONS. SECOND, WHEREVER THEPOLAR BEAR IS ENGAGED IN STRATEGIC DEPLOYMENTS YOU MUST FIND EVERY MEANS TO UPSET IT. THIRD, DON'T ADOPT AN APPEASEMENT POLICY IN THE FACE OF YOUR PEOPLE OR OF THE PEOPLE OF THE WORLD. THEN THE PEOPLE OF YOUR COUNTRY AND THE WHOLE WORLD WILL BE MENTALLY PREPARED, ONLY BY ADOPTING THESE THREE METHODS (CAN WE ENSURE THT) THE POLAR BEAR WON'T TREAT YOU LIGHTLY AND LAUNCH A WORLD WAR. IF IT LAUNCHES ONE, THE PEOPLE OF THE WORLD WILL DEFEAT IT QUICKLY. IF WE DO NOT ADOPT THESE THREE METHODS THE DANGER OF WAR WILL APPROACH. WE CHINESE ADOPT THESE THREE METHODS. OF COURSE, YOU KNOW WE ARE A DEVELOPING COUNTRY, THAT IS, WE ARE A POOR COUNTRY. BUT ALTHOUGH WE ARE POOR WE ARE NOT AFRAID BECAUSE WE ADOPT THESE THREE METHODS.

25. WOLFF: I SERVED AT THE UN AND YOU HAVE BEEN AN AMBASSADOR. DURING THE COURSE OF YOUR UNSESSIONS, CHINA HAS MANY TIMES JOINED THE THIRD WORLD COUNTRIES, OFTEN LED BY CUBA, IN OPPOSING US BASES IN MANY PARTS OF THE WORLD. THIS GOES AGAINST OUR JOINT INTEREST. YOU SAID THAT WE SHOULD USE ACTIONS TOOPPOSE THE SOVIET

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## INFO AMCONSUL HONG KONG

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#### LIMDIS

UNION. I WANT TO GIVE YOU AN EXAMPLE. THERE ARE QUESTIONS ON, FOR EXAMPLE, DIEGO GARCIA AND OUR BASES ON GUAM, AS WELL AS OUR TROOP DEPLOYMENTS IN ASIA. IF CHINA SUPPORTS OUR EFFORTS IN MAINTINING STRONG POSITIONS THROUGHOUT THE WORLD, THEN THESE UN ACTIONS ARE OPPOSED TO YOUR POSITION. AS AN EXAMPLE, THERE IS THE GUAM RESOLUTION. EVEN THOUGH THE PEOPLE OF GUAM WANT THE US TO REMAIN, THE RESOLUTION SAYS THAT THE US SHOULD WITHDRAW ITS TROOPS, AND THIS RESOLUTION WAS PROPOSED BY CUBA. IN VIEW OF SOVIET EFFORTS TO MOVE INTO VARIOUS AREAS OF THE WORLD SUCH AS THE INDIAN OCEAN, THE PACIFIC AND KOREA, HAS THERE BEEN ANY CHANGE IN CHINESE POLICY OR IS THERE A POSSIBILITY OF WORKING TOGETHER ON THESE MATTERS?

26. HAO: I WOULD CITE YOUR RELATIONS WITH JAPAN AS AN EXAMPLE. YOU HAVE A SECURITY TREATY AND YOU HAVE MILITARY BASES. SINCE THE JAPANESE ARE WILLING TO LET YOU STAY AND SINCE YOU WISH TO STAY, WE DO NOT WISH TO COMMENT. ANOTHER EXAMPLE: YOU HAVE 300,000 TROOPS IN WESTERN EUROPE, AND YOU HAVE MILITARY BASES THERE. YOU HAVE ORGANIZED NATO. SINCE YOU ARE WILLING AND THEY ARE WILLING, WE DON'T WANT TO COMMENT. CONCERNING YOUR TROOPS IN SOUTH KOREA, THE PEOPLE OF NORTH KOREA DO NOT CONFIDENTIAL

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AGREE TO THEIR PRESENCE THERE. IN SOUTH KOREA ONLY PRESIDENT PARK CHUNG HEE AGREES, NOT THE PEOPLE. SO WE SUPPORT NORTH KOREA. THE US SHOULD WITHDRAW ALL ITS TROOPS AND EQUIPMENT FROM KOREA AND LET THE PEOPLE OF KOREA DECIDE.

27. WOLFF: YOU SAY THE PEOPLE OF SOUTH KOREA DON'T WANT US. THAT IS NOT TRUE. THAT IS NOT WHAT THEY TELL US. THE NORTH KOREAN PEOPLE MAY NOT WANT US, BUT NORTH KROREA WAS BROUGHT INTO THE WAR BY THE RUSSIANS.

28. HAO: YOU SAY THE SOUTH KOREANS WANT YOU TO BE THERE. YOUR INFORMATION COMES FROM PARK CHUNG HEE. OUR INFORMATION COMES FROM THE PEOPLE. OUR SOURCES ARE DIFFERENT SO OUR VIEWS ARE DIFFERENT.

29. WOLFF: THAT DOESN'T COVER GUAM. AND WHAT ABOUT

VIETNAM? WE WERE THERE; NOW THE RUSSIANS USE VIETNAM TO THREATEN THE PEACE OF SOUTHEAST ASIA.

30. HAO: IT IS TRUE THAT IT THREATENS THE PEACE OF SOUTHEAST ASIA. THERE ARE THREE ELEMENTS THERE: SOUTHEAST ASIA, THE US AND CHINA. IS IT FRIGHTENING? IT IS NOT.

- 31. WOLFF: IT IS BAD BUT NOT FRIGHTENING.
- 32. HAO: IT IS NOT SO SERIOUS BUT WE MUST DEAL WITH IT.
- 33. WOLFF: WE HAVE TALKED ABOUT OUR DIFFERENCES. LET'S TALK ABOUT HOW WE CAN WORK TOEGTHER AGAINST THE COMMON ENEMY. HOW CAN WE GET TODGTHER ON SUCH MATTER S AS TRADE, ECONOMICS AND MILITARY AFFAIRS? CONFIDENTIAL

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34. HAO: THE SHANGHAI COMMUNIQUE OPENED A NEW CHAPTER IN THE RELATIONSHIP BETWEEN OUR TWO COUNTRIES. IT HAS EXPANDED CONTACTS BETWEEN OUR PEOPLES. FOR EXAMPLE, YOU ARE NOW IN CHINA. COULD YOU HAVE COME SIX YEARS AGO? YOU WOULDN'T HAVE GOTTEN VISAS. NOW YOU WANT TO COME, WE WANT YOU, AND YOU AREHERE. THERE ARE ALSO TRADE RELAIONS BETWEEN OUR TWO COUNTRIES. ALSO CULTURAL RELATIONS, SIIENTIFIC AND TECHNOLOGICAL CONTACTS. THE PROBLEM IS THAT AFTER SIX YEARS OUR RELATIONS ARE STILL NOT NORMALIZED. IF NORMALIZATION HAD BEEN ACHIEVED, RELATIONS WOULD DEVELOP EVEN FASTER. SINCE THERE IS NO NORMALIZATION, THE DEVELOPMENT OF OUR RELATIONS IS NECESSARILY AFFECTED. DIDN'T YOU SK LAST YEAR WHETHER WE COULD JUST DEVELOP TRADE AND PUT ASIDE NORMALIZATION? DO YOU REMEMBER?

- 35. WOLFF: WHY DID I ASK THE QUESTION? 36. HAO: I DON'T KNOW.
- 37. WOLFF: BECAUSE I UNDERSTAND THAT YOU WERE THE HARDEST LINER ON TAIWAN.
- 38. WINN: YOU HAVE SUGGESTED THAT THE UNITED STATES SHOULD TRY TO UPSET THE POLAR BEAR AROUND THE WORLD. ARE YOU YOURSELVES TRYING TO UPSET THE POLAR BEAR BY YOUR ACTIONS IN VIETNAM IN THE LAST FEW DAYS?
- 39. HAO: OF COURSE. WHEREVER IT TAKES ACTION WE EXERT OUR EFFORTS TO UPSET IT. SINCE YOU ARE IN PEKING, YOU CAN SEE FROM BORADCASTS AND NEWSPAPERS THAT THE STRUGGLE IS

INTENSE. WHO DO WE FIGHT? ON THE SURFACE WE ARE STRUGGLING AGAINST THE SMALL HEGEMONIST POWER, VIETNAM, BUT IN REALITY WE ARE STRUGGLING AGAINST THE BIG CONFIDENTIAL.

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HEGEMONIST POWER.

40. WINN: WOULD YOU LIKE THE US TO HELP YOU UPSET THE POLAR BEAR AROUND THE WORLD EVEN WITHOUT NORMALIZATION?

41 HAO: WE DON'T NEED THAT. EACH OF US CAN ACT ACCORDING TO OUR OWN WAY. WE DO OUR AND YOU DO YOURS. THERE IS A CHINESE SAYING THAT DIFFERENT PATHS LEAD TO THE SAME GOAL. BY TAKING DIFFERENT ROADS OUR ACTIONS IN ESSENCE ARE COORDINATED. TAKE THE SECOND ZAIRE INVASION AS AN EXAMPLE. IN THE FIRST INVASION THE US DID NOTHING. IN THE SECOND ONE YOU DID SOMETHING; WE DID MORE AND THE INVAASION WAS DEFEATED.

42. WOLFF: WHAT IS THE PRESENT SITUATION IN CAMBODIA?

43. HAO: WE BELIEVE THAT THE SIX MILLION PEOPLE OF CAMBODIA WILL NOT SUBMIT TO THE FIFTY MILLION VIETNAMESE.

44. WOLFF: DO YOU THINK THEY CAN STAND UP TO VIETHAM WITHOUT OUTSIDE HELP?

45. HAO: THE CAMBODIANS CAN STAND UP. THEY ARE NOT ISOLATED BECAUSE THEY HAVE THE SUPPORT OF THE PEOPLE OF THE WORLD. IT IS AN UNJUST CAUSE FOR VIETNAM TO INVADE CAMBODIA WHILE IT IS A JUST CAUSE FOR CAMBODIA TO FIGHT AGAINST INVASION, AND THUS THEY WILL GAIN THE SYMPATHY OF THE WORLD. IN THE END THEY WILL SUCCEED.

46. WOLFF: WE ARE ATTEMPTING TO HELP THE REFUGEES FROM VIETNAM. WE ARE TRYING TO GET ASIAN COUNTRIES TO TAKE THEM AND WE ARE ALSO ACCEPTING QUITE A FEW OURSELVES. CAN WE COOPERATION THIS QUESTION?

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INFO OCT-01 SS-14 ISO-00 EA-06 NSC-06 /028 W ------084873 110953Z /10

P R 110715Z JUL 78 FM USLO PEKING TO SECSTATE WASHDC PRIORITY 1320 INFO AMCONSUL HONG KONG

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LIMDIS

- 47. HAO: WE HAVE NOT CONSIDERED THIS.
- 48. WOLFF: IS THERE SOMETHING WE CAN CONSIDER?
- 49. HAO: WE DON'T WANT TO NOW.
- 50. WOLFF: WHEN CONGRESSMAN BURKE AND I WERE HERE TWO YEARS AGO AND SPOKE TO CHANG CHUN-CHIAO, WE TALKED ABOUT THE POSSIBILITY OF THE SALE OF MILITARY EQUIPMENT TO YOUR GOVERNMENT. HE SAID THERE WAS NO INTERST ON HIS GOVERNMENT'S SIDE. WHAT IS YOUR POSITION NOW?
- $51.\,\mathrm{HAO}:$  IIS IT THE POLICY OF YOUR GOVERNMENT TO SELL THIS TYPE OF EQUIPMENT TO US?
- 52. WOLFF: THERE MIGHT BE A POSSIBILITY IF YOUR COUNTRY IS INTEESTED.
- 53. HAO: SOME YEARS AGO WE WANTED TO BUY COMPUTERS WITH A CAPABILITY OF 10 MILLION BITS. THE BUSINESSMEN WANTED TO SELL IT, BUT YOUR GOVERNMENT WOULD NOT APPROVE THE SALE. YOU SAY THAT YOU WANT TO SELL MILITARY EQUIPMENT TO US, BUT AREN'T YOU AFRAID OF IRRITATING THE POLAR BEAR?

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54. WOLFF: PERHAPS THERE HAS BEEN A MISINTERPRETATION. I ASKED WHETHER CHINA WAS INTERESTED NOW IN MILITARY EQUIPMENT. AS TO THE QUESTION OFCOMPUTERS, I BELIEVE THAT AS OUR RELATIONS CHANGE THERE WILL BE A GREATER

## POSSIBILITY OF MAKING SUCH SALES.

55. FOUNTAIN: WE WON'T SELL IT TO THE RUSSIANS.

56. HAO: NOW IF YOU WANT TO SELL THIS TYPE OF COMPUTER, WE WON'T BUY IT BECAUSE WE CAN MAKE THEM. WE DON'T HAVE 100 MILLION BITS COMPUTERS BUT WE DON'T NEED THE FIRST TYPE. IT SEEMS THAT IT BENEFITED US THAT YOU DIDN'T SELL IT BECAUSE WE NOT PRODUCE ITOURSELVES.

57' WOLFF: THEN WE SHOWED YOU COOPERATION, BUT WE HAVE ADVANDED BEYOND THAT.

58. HAO: THANK YOU\*

59. DE LA GARZA: I WOULD LIKE TO SAY SOMETHING. WE SPOKE OF THE POLAR BEAR, OF HOW THEY COME INTO COUNTRIES FOR AGRESSIVE PURPOSES, SOMETIMES THROUGH THE CUBANS. BUT 10 - 12 YEARS AGO I VISITED AFRICA AND I SAW CHINA HELPING AFRICA, NOT PROMOTING AGGRESSION. AN EXAMPLE WAS IN TANZANIA WHERE YOU WERE HELPING BUILD A RAILROAD. I WOULD LIKE TO REMIND YOU OF THIS AND COMMEND YOU BECAUSE OF WHAT I SAW.

60. HAO: THANK YOU FOR YOUR COMMENDATION.

61. RANGEL: WHEN I WAS A YOUNG MAN I HAD THE OPPORTUNITY TO FIND MYSELF IN THE NORTHERN PART OF NORTH KOREA. THANKS FOR MAKING IT POSSIBLE TO MAKE A SPEEDY RETURN CONFIDENTIAL

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TO THE US.

62. HAO: DID YOU REACH THE YALU RIVER?

63. RANGEL: YES, BUT ONLY FOR A VERY SHORT TIME.

46. GUYER: I WOULD LIKE TO LEAVE WITH YOU AN INVITATION FOR YOU AND YOUR COLLEAGUES TO VISIT THE UNITED STATES.

65. HAO: THANK YOU. I WILL GO THER WHEN THERE IS AN OPPORTUNITY.

66. GUYER: PERPAHS WE SHOULD CONVEY THAT TO OUR GOVERNMENT AND WORK OUT AN INVITATION.

67. HAO: NOT THE GOVERNMENT. I AM JUST A COMMON CITIZEN.

68. GUYER: OUR COMMITTEE MIGHT WORK OUT AN INVITATION.

69. WOLFF: THE RELATIONS BETWEEN OUR TWO COUNTRIES SHOULD NOT BE BASED SOLELY ON THEEXISTENCE OF A COMMON ADVERSARY BUT ALSO ON A COMMON MUTUAL INTEREST IN WORLD PEACE.

70. HAO: WE SHAREYOUR ASPIRATIONS. IF RELATIONS ARE NORMALIZED THERE WILL BE MORE OPPORTUNITIES FOR THIS.

71. WOLFF: THANKS FOR GIVING US THE OPPORTUNITY TO VISIT CHINA AND TO MEET YOU. DO THE OTHER MEMBERS HAVE ANY MOREE QUESTIONS?

72. BURKE: LAST TIME I WAS HERE YOUR LEADERS SAID THAT THERE WAS A SIMILIARITY BETWEEN THE SOVIET BUILDUP AND WHAT HITLER DID. LIKE HITLER, THE SOVIETS WOULD EVENTUALLY HAVE TO COMMIT TROOPS TO EASTERN EUROPE AND THEN TO ATTACK ALL OF EUROPE. ONE OF YOUR AMBASSADORS OVERSEAS ALSO RECENTLY SAID THE SAMETHING. DO YOU HAVE CONFIDENTIAL.

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SIMILAR VIEWS? WILL THE USE OF TROOPS IN EUROPE OCCUR, AND IF SO, WHEN?

WESTERN EUROPE, BECAUSE WESTERN EUROPE IS AN AREA WITH

73. HAO: AT PRESENT THE SOVIET STRATEGIC FOCUS IS IN

POWERFUL MILITARY STRENGTH; IT IS ALSO AN AREA WITH A HIGH LEVEL OF SCIENCE ANDTECHNOLOGY AND OCCUPIES AN IMPORTANT STRATEGIC POSITON IN THE WORLD. SO IN ORDER TO DOMINATE THE WHOLE WORLD THEY MUST FIRST SEIZE WESTERN EUROPE. THE SOVIET UNION HAS CONCENTRATED ITSTROOPS IN EASTERN EUROPE AND IN THE EUROPEAN PART OF RUSSIAAND HAS TRAINED THEM ON WESTERN EUROPE. ALTHOUGH THREE-OUARTERS OF ITS TROOPS ARE IN EUROPE THE TIME IS NOT RIPE FOR A WORLD WAR. IT USES ITS TROOPS FOR BULLYING AND SOWS DISSENSIOPNIN ORDER TO FORCE US TROOPS OUT OF EUROPE. IN THIS WAY IT CAN WIN WITHOUT A FIGHT. AT THE SAME TIME IT ALSO CARRIES OUT STRATEGIC DEPLOYMENTS IN NORTH AFRICA. THE MIDDLE EAST AND AFRICA IN ORDER TO ENCIRCLE WESTERN EUROPE FROM THE FLANKS. IMAGINE WHEN IT SEIZES STRATEGIC MATERIAL FROM AFRICA AND THE MIDDLEEAST. ESPECIALLY OIL, AND CUTS OFF SEA LANES, IT WILL THEN BE EASY TO SEIZE WESTERN EUROPE . THAT IS ITS STRATEGIC DESIGN. SOME PEOPLE SAY IT IS AIMED AT THE EAST. WE SAY NO. IT PRETENDS TO BE ABOUT TO FIGHT IN THE EAST. IT FEINTS TO THE EAST BUT ATTACKS IN THE WEST. IT WANTS TO

DIVERT ATTENTION. IT IS NOT POSSIBLE TO SUCCEED IN THE EAST. ALSO THE EAST DOES NOT CARRY THESTRATEGIC SIGNIFICANCE OF THE WEST. WILL IT LAUNCH A WAR AGAINST WESTERN EUROPE SOON? THE FACTORS FOR WAR ARE GROWING, BUT WAR IS NOT LIKELY TO BREAK OUT IN THE NEXT THREE TO

FIVE YEARS. IT IS DIFFICULT TO SAY AFTER THAT. IT WILL DEPEND ON THE EFFORTS OF ALL OF US. IT IS ADVISEABLE TO CONFIDENTIAL

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POSTPONE IT FOR 20 - 25 YEARS. WE CHINESE ARE PEACE-LOVING. WE DON'T WANT TO FIGHT WARS. BUT IT IS NOT UP TO US. WE ARE NOT MOSCOW'S CHIEF OF GENERAL STAFF. WE MUST BEWARE OF THIS DANGER.

74. FOUNTAIN: IN VIEW OF THIS SITUATION WHAT DO YOU

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LIMDIS

THINK THE UNITED STATES OUGHT TO DO?

75. HAO: YOU OUGHT TO APPLY THE THREE METHODS WHICH I MENTIONED EARLIER: TO MAKE PREPARATIONS AGAINST WAR, TO ATTEMPT TO UPSET SOVIET STRATEGIC DEPLOYMENTS AND TO BURY YOUR APPEASEMENT POLICY.

76. WOLFF: I HAVE ONE FINAL POINT: THER ARE A NUMBER OF UNSETTLED QUESTONS ON THE CHINA BOUNDARY: SOME ISLANDS ARE IN DISPUTE; THE QUESTION OF HONG KONG IS NOT PURSUED VERY ACTIVELY BECAUSE THE SITUATION IS SATISFACTORY TO YOUR COUNTRY. WE HAVEN'T SPOKEN OF TAIWAN TODAY. ISN'T THERE A SIMILARITY HERE? IS THIS

NOT ANOTHER BOUNDARY QUESTION?

77. HAO: YOU SWITCHED THE SUBJECT. DO YOU HAVE ANY DIEAS ON TAIWAN?

78. WOLFF: I WOULD LIKE TO FIND A WAY TO TALK ABOUT BOUNDARY QUESTIONS. I THINK THAT AIWAN CAN BE PLACED IN A BOUNDARY CONTEXT RATHER THAN THE WAY IT HAS BEEN TREATED BEFORE.

79. HAO: I DON'T WANT TO DISCUSS IT AS A BOUNDARY CONFIDENTIAL

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QUESTION. TAIWAN IS CHINESE TERRITORY. IF WE EXPLORE THIS QUESTION IN A FRIENDLY ATMOSPHERE I'F AFRAID WE MIGHT GET EMOTIONALLY EXCITED, BUT SINCE WE ARE OLD FRIENDS I WOULD LIKE TO SAY THAT YOU OWE US A DEBT. I DON'T MEAN THOSE OF A CENTURY AGO. WE DON'T WANT TO SETTLE THOSE. WE ARE LOOKING TOWARD THE FUTURE. BUT NOW WE ARE IN THE 1970'S AND YOU ARE STILL INTERFERING IN THE INTERNAL AFFAIRS OF CHINA. YOU DON'T RESPECT OUR SOVEREIGNTY. DON'T YOU OWE US A DEBT? WE DON'T WANT TO SETTLE OLD DEBTS, BUT ON TAIWAN IT IS MORE BENEFICIAL TO THE UNITED STATES TO SETTLE IT SONNER RATHER THAN LATER, FASTER RATHER THAN SLOWER. WE THINK THAT THE FIVE PRINCIPLES OF COEXISTENCE SHOULD GUIDE INTERNATIONAL RELATIONS. THIS WAS RECOGNIZED BY BOTH SIDES IN THE SHANGHAI COMMUNIQUE. BY THIS PRINCIPLE, WHO OWES WHOM DEBTS? OF COURSE YOU OWE US. TAKE THE FIRST PRINCIPLE. IT SAYS THAT ONE SHOULD RESPECT SOVEREIGNTY AND TERRITORIAL INTEGRITY. YOU ENJOY TERRITORIAL INTEGRITY; WE DO NOT. THE SECOND PRINCIPLE IS MUTUAL NON-AGGRESSION. DOES CHINA HAVE TROOPSIN THE UNITED STATES? NO, BUT YO HAVE THEM IN OUR COUNTRY. THE THIRD PRINCIPLE IS NONINTERFERENCE IN THE INTERNAL AFFAIRS OF OTHERS. TAIWAN IS OURS AND YOU ARE INTERFERING IN OUR INTERNAL AFFFAIRS. SOME PEOPLE EVEN TRY TO CREAT TWO CHINAS. SO WE ARE NOT GOING TO SETTLE OLD ACCOUNTS BUT YOU ARE INCURRING NEW DEBTS. THE MORE YOU INCUR THEM THE WORSE IT IS. I SAID THE SAME THING AT THE BREAKFAST MEETING IN THE HOUSE OF REPRESENTATIVES AND AT LUNCH IN THE SENATE.

80. DE LA GARZA: HSIEH, HSIEH (THAK YOU).

81. HAO: OUR TWO PEOPLES ARE FRIENDLY TO ONE ANOTHER. CONFIDENTIAL

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THE CHINESE PEOPLE ARE FRIENDLY TO THE UNITED STATES, AND IN MY OWN EXPERIENCE THE AMERICAN PEOPLE ARE FRIENDLY TO CHINA. IN MY OPINION THE AMERICAN PEOPLE'S VIEW IS THAT NORMALIZATION CAN BE REALIZED VERY QUICKLY. IN THE INTERNAIONAL WORLD THE EARLIER THE NORMALIZATION OF OUR RELATIONS THE BETTER. THIS WILL BE MORE BENEFICIAL TO YOU THAN TO US. I WANT TO STOP HERE. I DON'T WANT TO SETTLE ACCOUNTS BETWEEN US SINCE 1848.

82. FOUNTAIN: I HAVE ONE OBSERVATION. I AM NOT FAMILIAR WITH THE COMPUTER PROBLEM YOU MENTIONED. MAYBE WE MADE A MISTAKE. IT IS LIKE WHEN WE TURNED DOWN NASSER ON THE ASWAN DAM. NOW EGYPT KNOWSTHE TRUE NATURE OF THE SOVIET UNION AND SO DO OTHER COUNTRIES IN THAT AREA. I THINK THAT ON NORMALIZATION WE CAN FURTHER THIS BY PROMOTING OTHER TYPES OF RELATIONS. THE PROCESS CAN BE CONTINUED THROUGH MORE VISITS AND DISCUSSIONS SUCH AS THIS. I KNOW THE CHINESE ARE A PROUD PEOPLE AND DO NOT WANT TO ASK, BUTT IF THERE IS SOMETHING THAT CHINA NEEDS, YOU SHOULD ASK US. MAYBE NOT THAT COMPUTER, BUT SOMETHING ELSE. I AGREE - I THINK THE AMERICAN PEOPLE ARE FRIENDLY TO CHINA.

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