On June 12, the Chinese charge d'affaires offered me a dinner, followed by a movie titled 'The 17th Anniversary of the People's Republic of China National Day and the Three Nuclear Tests Performed by the PRC.' Ionescu Teofil was also invited.

From the ensuing conversations, I noted the following matters:

1. With respect to Sino-Korean relations, the Chinese counselor said that the Chinese authorities are aware that the North Koreans are lying to their people about the assistance that the PRC is offering to the DPRK. If China did not offer North Korea and if China adopted the attitude that the North Koreans are imputing it, then no ton of steel would exit the gates of the metallurgical plant, and textile factories would close down. (The DPRK uses coke coal supplied by the PRC to cover the demands of its industry – our note).

The Chinese diplomat said that the attitude of the North Korean leadership is based on three elements:

- a. By denying China's assistance and cooperation, the North Koreans try to justify the lack of a wide variety of foodstuff and consumer goods in front of the North Korean population. The Chinese diplomat said that the masses, however, do not believe what they are told and they are aware of the assistance that China is giving, they have faith in the collaboration and friendship of the Chinese people.
- b. By adopting a negative attitude towards China and denying Chinese assistance, the North Korean authorities are trying to obtain material advantages from other European socialist countries, especially from the USSR. If North Korea had not undertaken any anti-Chinese activities, the USSR would not have given it anything.

From our conversation, I gathered that we are witnessing a new phase of Sino-Korean relations. For instance, at the moment, a Chinese team of specialists working on military and civilian telecommunications and a team working on electronics are in North Korea. A Chinese team of specialists working on oil exploration just returned from North Korea. Chinese specialists are currently building the tower of the new television station.

Recently, the Chinese government finished its equipment deliveries to North Korea and from now on it will offer technical assistance to the DPRK for assembling and organizing production at a new factory for transmission-reception portable military radio stations.

China keeps giving North Korea military assistance, in other words, nonrefundable aid, in the form of: gasoline and fuel for jet planes.

2. In my conversation with the Chinese diplomat, I touched on the topic of the party leadership purge, which I discussed in telegram no. 76.203.

The Chinese official said that 80% of the reasons for the removal of these officials were clear. The remaining 20% refers to clarifying the reasons for which Pak Geum-cheol [Pak Kum Chol] was purged. These are very difficult to establish as Pak Geum-cheol was Kim Il Sung's right hand man.

3. The Chinese diplomat repeatedly praised the multilateral political and economic achievements of our country, under the leadership of the Romanian Communist Party. He said that China appreciates its relations with Romania and the fact that they were continuously developing, to the interest of both countries and peoples, of the triumph of the socialist and Marxist-Leninist cause.

The Chinese diplomat said that the Chinese comrades had recently returned from Romania saying that the Romanian industry was developing at a fast pace, producing modern and highly technical equipment. The fact that Romania is supplying China with this equipment represents a precious contribution to the development of socialism in China.

Signed: N. Popa

14.VI./6