

**Confidential File, 11/76-1/77**

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Note	Vance to Carter, w/attachments, 4 pp.	n.d.	A
Memo	Watson, et al. to Carter, w/attachments, 45 pp. Re: USSR	11/10/76	A
Letter	<del>Carter to Mansfield (USS), w/attachments, 61 pp.</del> <del>Re: China</del> OPENED 6/14/99	11/14/76	A
Letter	Owen to Lake, w/attachments, 5 pp. Re: Foreign Policy Issues	11/16/76	A
Note	Re: Foreign Policy Issues, w/attachment, 24 pp.	[11/16/76]	A
<del>Memo</del>	<del>Valenti to Carter, 5 pp.</del> <del>Re: Philippines</del> OPENED 12/6/12	11/29/76	A
Memo	Holbrooke to Carter, 12 pp. Re: Foreign Policy Issues	[11/30/76]	A
<del>Memo</del>	<del>Eizenstat to Carter, 3 pp.</del> OPENED 12/6/12 <del>Re: Cuba</del>	12/9/76	A
<del>Memo</del>	<del>Eizenstat to Vance, 4 pp.</del> <del>Re: USSR</del> OPENED 12/6/12	12/9/76	A
<del>Memo</del>	<del>Brzezinski (NSC) to Carter, w/attachments, 5 pp.</del> OPENED 12/6/12	1/11/77	A
Memo	<del>Sorenson to Carter, 8 pp.</del> OPENED 12/6/12 <del>Re: Varied National Security Issues</del>	1/13/77	A

FILE LOCATION  
 Carter Presidential Papers, Staff Offices, Office of Staff Secretary, Pre-Presidential Handwriting  
 Transition File, Confidential File, 11/76-1/77  
 Box 1

RESTRICTION CODES

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*sent To Ted  
cc: Zbig  
Griffin*

January 13, 1977

MEMORANDUM FOR: The President-Elect  
FROM: The Director-Designate  
of Central Intelligence

It would be useful to obtain at the start of the new Administration your thinking on the following points, which are based on my own thinking and inquiries thus far.

I. Short-Range

1. Briefings. As you recall, direct and continuous access to the President was one of my conditions for accepting this assignment, and the frequency and certainty of such access also affect Intelligence Community morale. I recommend:

A. That the National Security Council adopt the approach used in the Eisenhower-Kennedy days of commencing each NSC session with a short intelligence briefing by the DCI on the specific topic or topics on that day's agenda and, if appropriate, the world scene in general;

APPROVE :  COMMENT: *but first Comment from Zbig*

DISAPPROVE: \_\_\_\_\_

B. That, in addition to NSC, ad hoc and emergency or crisis meetings (as well as telephone calls), your schedule include a fixed hour and day of the week for a meeting with me to review: (i) the most recent and important intelligence developments and estimates, and (ii) any major policy decisions or controversies involving the Intelligence Community. You should decide the length and frequency of such meetings--I suggest a 30 minute meeting once a week, with the understanding that I will call it off if there is nothing sufficiently important to justify it.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

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ESDN: NLC-26-1-1-9  
BY:            DATE: 11/29/12

✓ C. NOTE: A CIA briefing officer will bring you your daily report (The President's Daily Brief), except on those occasions that either you or I prefer me to do it personally. It should be understood throughout the Administration that the daily flow of current foreign intelligence is to be through the DCI, with other officials contributing and dissenting as they see fit, and Zbig adding material from his own office as appropriate.

2. Personnel.

✓ A. As the fifth DCI in little more than four years, I am inheriting an agency that has already experienced a series of reorganizations, reductions in force, reshuffling of personnel and other disruptions, to say nothing of attacks. A period of calm stability would be desirable. The Deputy DCI, a Presidential appointee, is a career man of considerable ability, well regarded throughout the Community and in Congress. Like the rest of the other Deputies reporting to me, he is relatively new on the job, and I recommend that no change be made in any of these top positions at this time.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

B. I understand your staff has requested pro forma letters of resignation from each member of the President's Foreign Intelligence Advisory Board. This could be a moderately useful organization for you, but its present membership badly needs a wholesale reshuffle to produce a younger, less ideologically rigid group, including some minorities, some women, perhaps even some responsible critics of the intelligence process, with a few carry-overs from the present Board. I recommend that Zbig, Hamilton and I be directed by you to provide promptly a list of suggested new PFIAB members.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

- C. NOTE: Adoption of the Peterson Commission recommendations would be immensely helpful to me in trying to attract the best minds available for intelligence analysis and other duties and particularly in trying to retain those senior career employees whose compensation has not for many years reflected either the scope of their responsibilities (compared to their subordinates) or the ravages of inflation.

3. Organization and Authorization.

- A. The Committee on Foreign Intelligence is a subcommittee of the NSC established by Executive Order 11905 (chaired by the DCI and composed in addition of representatives from Defense and your National Security Affairs Assistant's office) to direct the Intelligence Community as a whole (budgets, priorities, etc.). Although the Executive Order is not flawless, it was the product of long study and, more importantly, it is the foundation of the entire Intelligence Community structure and precedents and could not be abolished without creating a chaotic vacuum. I recommend:

-- that your directive on NSC Committees, in accordance with Zbig's memorandum of December 30, 1976, make it clear that the new Policy Review Committee, when chaired by the DCI at your direction, will be in effect sitting as and performing the functions of the present CFI under the Executive Order;

APPROVE :

COMMENT: *but first*  
*Comment from Jb.g*

DISAPPROVE: \_\_\_\_\_

-- that such Committee, with State Department representation as well, promptly review the FY '78 Budget and Program for all national foreign intelligence activities other than tactical military intelligence;

APPROVE :

COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

-- that the Operations Advisory Group, another NSC committee created by the same Executive Order to review clandestine activities, likewise continue as one incarnation of the new Special Coordinating Committee, at least until a longer-range study of appropriate structure can be undertaken; and

APPROVE :  COMMENT: after Comment from Zbig

DISAPPROVE: \_\_\_\_\_

-- that <sup>a</sup> ~~such~~ Committee, with Justice and State Department representation as well, promptly review all ongoing and proposed covert action operations and sensitive foreign intelligence collection activities.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

B.  DCI Bush has arranged for his Intelligence Community Staff, the support for his coordinating role, to be moved out of the CIA Headquarters in Langley into D.C. in March, as visible proof of his impartiality in and concern for that role as distinct from his CIA role. Congress approved the idea and funds. I recommend that it proceed.

APPROVE :  COMMENT: Don't initiate move  
DISAPPROVE: before detailed discussion with me

C. To provide the written Presidential authorization desirable, I recommend that you, at the earliest opportunity:

-- direct me, the Attorney General, and the appropriate member of your White House staff to prepare for your signature a letter spelling out the terms and conditions for any warrantless electronic surveillance (similar to President Ford's letter of December 1974); and

APPROVE :  COMMENT: prepare draft  
DISAPPROVE: with help of Policy group

-- direct Zbig and me to prepare for your signature a letter to me spelling out, as previous Presidents have done, the basic roles, responsibilities and relationships of your DCI.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

D. I further recommend that you schedule early in the year a brief talk or talks to the employees of CIA and other elements of the Intelligence Community.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

4. Legislation. Only two items are of immediate concern in this area. I recommend:

A. That you informally urge the House Leadership to create a Select Committee on Intelligence comparable to that of the Senate in order to reduce the number of committees with oversight jurisdiction; and

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

B. That the appropriate White House aide promptly obtain a consensus of views from the Attorney General and me concerning the electronic surveillance legislation about to be reintroduced.

APPROVED :  COMMENT: Eizenstat

DISAPPROVED: \_\_\_\_\_

II. Long-Range

Over a longer period of time, I recommend you approve my exploration of the following general areas (no final conclusions are required or recommended at this time):

1. Revisions of Executive Order 11905, including increased CFI direction of NSA and NRO, and their greater use for political and economic intelligence.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

2. Formulation of a public Presidential policy statement on intelligence, stating openly what a great power must do and must not do, the extent to which secrecy is required, and the rationale and nature of permissible covert operations, etc.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

-- This could include an examination of the extent to which the conclusions of major intelligence estimates, without disclosing sources and methods, could be made public.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

-- It would also include an examination of whether para-military operation capabilities belong in CIA or Defense.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

-- It would also include a review as to whether rough budget totals for national foreign intelligence activity could be made public.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

3. Reexamination with the Attorney General of all relationships between or jointly involving our respective shops, including possible new laws and regulations regarding prosecutions for espionage and other offenses requiring the use of classified documents in court; guidelines and regulations on electronic surveillance; coordination on counter-espionage; and other matters.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

4. Formulation with Congress of a statutory charter for CIA and the DCI in accordance with all of the above.

APPROVE :  COMMENT: \_\_\_\_\_

DISAPPROVE: \_\_\_\_\_

Theodore C. Sorensen

1MM

PRECEDENCE

~~CONFIDENTIAL~~

CLASSIFICATION

FOR COMMCENTER USE ONLY

FROM: Maxie Wells, Plains

TO: The Honorable Ted Sorensen  
cc: Zbigniew Brzezinski  
Griffin Bell

INFO: "GOVTO 35"

DEX \_\_\_\_\_

DAC 127

GPS \_\_\_\_\_

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PAGES 27

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CITE \_\_\_\_\_

DTG: 15 2055 Z JAN 77

RELEASED BY:

TOR: 152125Z

SPECIAL INSTRUCTIONS:

Governor Carter's comments read as follows:

- pg.1/1.A. Approve and "but first comment from Zbig"
- 1.B. Approve
- pg.2/2.A. Approve
- 2.B. Approve
- pg.3/3.A. Approve and "but first comment from Zbig"
- Approve
- pg.4/ Approve and "after comment from Zbig"
- instead of " -- that such Committee," should read
- " -- that a Committee,"
- Approve
- 3.B. Approve and "don't initiate move before detailed discussion with me"
- 3.C. Approve and "prepare draft with help of Policy group"
- pg.5/ Approve
- 3.D. Approve
- 4.A. Approve
- 4.B. Approve and "Eizenstat"
- II. 1. Approve
- pg.6/ 2. Approve
- Approve
- Approve
- Approve
- 3. Approve
- 4. Approve



CONFIDENTIAL

President Giscard d'Estaing

-- Look forward to seeing him in 1977.

-- (If possible) Inform on a confidential basis the broad outlines of the economic stimulus package being planned.

-- Express appreciation for Giscard's invitation to discuss the possibility of holding a Western economic summit early in the first quarter of 1977. Explain that you are not in a position to reply officially to the invitation before January 20, but that the questions will be closely studied. Ask whether Giscard plans to sound out other Western heads of government. Express general hope that Jenkins as President of the European Commission could be somehow involved.

-- Ask for Giscard's views on CIEC.

-- If you wish you might say that you recall his speech of October 1975 on North-South relations [Brzezinski gave it to you to read in late 1975]

*Mondale*

CONFIDENTIAL

CONFIDENTIAL

Chancellor Schmidt

- Look forward to seeing him in 1977.
- (If possible) Inform Schmidt on a confidential basis of the broad outlines of the economic stimulus package being planned.
- Ask Schmidt how he views the impact of the recent OPEC oil price increases on the economics of Western Europe -- whether he favors the economic summit that is being proposed for early in 1977.
- Tell him you hope to exchange views on East-West relations and NATO.

*Mondale*  
*My visit to Bonn*

CONFIDENTIAL

CONFIDENTIAL

Prime Minister Callaghan

-- Look forward to seeing Callaghan after the Inauguration and would hope to set a date for a meeting in Washington in early 1977.

-- (If possible) Inform Callaghan on a confidential basis of the broad outlines of the economic stimulus package being planned.

-- Express pleasure at progress made in securing IMF loan for the UK. Ask whether economic sacrifices Callaghan has asked of the British people will be accepted by most of them.

-- Express interest in having close consultations with the British Government on matters of interest to the U.S. and European Community (EC) during the British presidency of the EC (for six months from January 1, 1977).

-- Mention that Ivor Richards (British Representative at the UN) had made useful contact with the incoming administration on December 22. [Richards gave the reasons for London wanting to play a greater direct role in the Rhodesian peace process.] While not in a position to make a public endorsement of the British proposal, express understanding for the strategy being advocated by London.

*Mondale*

CONFIDENTIAL

**CARTER - MONDALE**  
**TRANSITION PLANNING GROUP**

P.O. Box 2600  
Washington, D.C. 20013

*Confidential*  
*JC*

MEMORANDUM - December 9, 1976

TO: Secretary of State Designate Cyrus Vance  
FROM: Stu Eizenstat  
RE: Conversation With Vanik

At your request, after our recent telephone conversation, I am summarizing for you the substance of the conversation Congressman Vanik had with Ambassador Dobrynin, the substance of which I have previously communicated to Governor Carter, and which he in turn asked me to communicate to you. Governor Carter suggested that you call Congressman Vanik if you felt it was worthwhile pursuing this, which it seems to me it is.

Congressman Vanik had dinner and lengthy conversation thereafter on or about December 2 or 3, 1976. The following are the elements of that conversation:

1. Congressman Vanik suggested that he would like to see an end to the impasse brought about on the matter of East-West trade by the Jackson-Vanik Amendment, which he sponsored. He suggested to Ambassador Dobrynin that with the right "climate" on immigration, a President could recommend under the Jackson-Vanik Amendment that there be a waiver of its requirements, and that

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~~Per: Rac Project~~  
~~ESDN: NLC-26-1-1-2-7~~  
BY: *[Signature]* NARA DATE: 11/29/12

he would like to see a 2-year East-West trade pact signed if such a proper climate could be established. Congressman Vanik said that such a climate could be shown by:

- (a) An end to harrassment to those who apply for emigration visas;
- (b) an increase in the rate of emigration;
- (c) the Soviet Union should review its requests for reunification of families and take positive action;
- (d) movement by the Soviet Union, long-term, hard-core emigration cases.

Ambassador Dobrynin indicated to Congressman Vanik that he would recommend compliance with all but sub-paragraph (b), the increase in the rate of emigration, which he said would be difficult to do because of a drop in applications. Ambassador Dobrynin said that he would recommend to the leadership in the Soviet Union that such an appropriate climate be created. However, he stated that he was very much against a 2-year trade agreement since it was putting the Soviet Union on "probation". He stated that the United States had to treat the Soviet Union as an equal. He stated that he had no objection to allowing the agreement to be written as an open-ended one which could be terminated at will be either party.

2. Ambassador Dobrynin told Congressman Vanik he wanted to form a partnership with the United States on energy development. He stressed the importance of the Soviet oil in Siberia and stated that the Soviet Union would be willing to proceed in much the same way that American companies proceed in the Middle East, with sales being made to private companies.

He stated that credits could be extended to the Soviet Union to permit energy development with adequate security being given in the form of the energy resources themselves. He reminded Congressman Vanik that there had been no default by the Soviet Union in its obligations and also indicated that in return for such a partnership Russia would begin payments on its Lend-Lease obligations.

3. With regard to SALT, Ambassador Dobrynin stated that the United States had superiority in MIRV's and in "nuclear application". Nevertheless, he stated that Russia was willing to a freeze at current levels on "practically everything."

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4. Ambassador Dobrynin told Congressman Vanik that it would be regrettable if the United States went ahead with the B-1 program, because the Soviet Union would then be forced to make a similar move in terms of a new manned bomber.
  
5. Ambassador Dobrynin stressed that he hoped the concentration that the new Administration would have to give to domestic affairs would not take its attention away from the matters discussed above. He stressed that improved East-West trade could help our domestic economy and reminded Congressman Vanik that diplomatic successes were more dramatic than domestic ones and/or easier to obtain in the first years of an Administration rather than later.

I might add that Governor Carter said you should use your discretion as to whether to advise Secretary Kissinger of this conversation.

✓cc: Governor Carter

---

**CARTER - MONDALE**  
**TRANSITION PLANNING GROUP**

P.O. Box 2600  
Washington, D.C. 20013

~~Confidential~~

Stu -  
Let Vance  
handle  
J

MEMORANDUM - December 9, 1976

TO: Governor Carter  
FROM: Stu Eizenstat *Stu*  
RE: Frank Mankiewicz - Cuban Visit

Frank Mankiewicz came by to see me on December 8, 1976 and on a very confidential basis mentioned the following:

In 1974 and 1975 he had visited Cuba for television interviews for an American television network. He was used by Secretary Kissinger to communicate messages to and from Fidel Castro. This role has been a continuing one since that time.

Mankiewicz has indicated that Castro wishes to communicate certain things to you, including the Cuban attitude on the Hijacking Treaty, as to which they have given the six month notice of termination, which will expire around the middle of April.

He has indicated that he wants to negotiate on the Hijacking Treaty, on an end to the American blockade, and on payments by Cuba to the United States for compensation for expropriated property, as well as on visits by families which have been split since the Revolution.

DECLASSIFIED

Per: Rec Project

ESDN: NLC-126-1-1-3-6

BY: *[Signature]* DATE 11/25/12

He is also concerned, according to Mr. Mankiewicz, with the fact that the JFK assassination investigation may impair the possibility of movement. According to Mr. Mankiewicz, Castro believes the CIA is attempting to establish evidence that he had something to do with Kennedy's murder, which he staunchly denies.

Mr. Mankiewicz has been asked by Playboy Magazine to do an interview with Mr. Castro and would likely go in three or four weeks.

If you have any message for Mr. Castro, he would communicate it. Likewise, he stated that even if you did not have a message he would see Castro and be glad to relay a message from him to you, if you had no objection.

He also mentioned that Castro indicated that Cuba fomented no insurgency against any Latin American country with which it had diplomatic relations.

I would appreciate your thoughts on this matter.

cc: Secretary of State Designate Cyrus Vance

IMMEDIATE  
PRECEDENCE

CONFIDENTIAL/EEO  
CLASSIFICATION

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FROM: Maxie Wells, Plains  
TO: Stuart Eizenstat  
INFO:

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DTG: 151835Z

TOR: 151948Z DEC 76

RELEASED BY:

DBB

SPECIAL INSTRUCTIONS:

Stu:  
JC has also seen cc of your memo to Vance about  
the Vanik conversation. I've filed it in my  
confidential file.  
Maxie



MOTION PICTURE ASSOCIATION  
OF AMERICA, INC.  
1600 EYE STREET, NORTHWEST  
WASHINGTON, D. C. 20006

*Confidential* *C*

JACK VALENTI  
PRESIDENT

November 29, 1976

MEMORANDUM TO: President-elect Jimmy Carter

FROM: Jack Valenti

*Jack Valenti*

I have just returned from a two week trip to the Far East (South Korea, Singapore, Japan, Indonesia and the Philippines).

This confidential memo concerns the Philippines.

For three days I was the personal guest of President Marcos in the presidential palace. Mrs. Marcos was in Libya and Europe and thus, the President and I had unusual opportunity to talk privately for many hours. I had no film business to conduct; this was simply the refreshing of an old friendship that began when I was President Johnson's representative to Marcos' inaugural in December, 1965. At that time I was greatly impressed with Marcos and so reported to LBJ that I viewed Marcos as the singularly preeminent Asian leader of the future. From that time forward we have been friends. He trusts me.

Therefore I want to report to you the sum of what we talked about -- as well as some of my own views about The Philippines.

MARCOS' VIEWS:

He believes that Vietnam (and Indochina) is the cause of anxiety among Asian nations. There is no clear picture yet of what Vietnam intends to do with the huge cache of arms it recovered from the South. M-16's have turned up in the Malaysian guerrilla fighting as well as in the Philippines.

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Per: Rac Project  
ESDN: NLC-126-1-1-4-5  
BY: *C* NABA DATE 11/23/12

Marcos is worried lest the U.S. misunderstand the Philippines' position. He believes the Philippines must eventually rely on their own capabilities, at present inadequate, but nonetheless the single important element in their future.

His policy, publicly stated, and privately strongly held, is that no foreign troops (here, read U.S. troops) would be allowed to help him in the event of massive infiltration into the Philippines from outside sources.

Marcos must be ready to meet this threat which he holds to be real. He is trying diplomatically to neutralize Libya, which has supplied the Huks for some time now, and Mrs. Marcos' trip to visit Col. Khadaffi seems to have borne some slight fruit; a conference on December 16 may spell out some details of how successful this foray was.

He knows that in any crisis in the Philippines the U.S. would not get involved, or surely would be hesitant to do so. He understands this and that is why he has stated his policy of no foreign troop help; that is, he would neither ask for nor accept American personnel to be involved. But he does need American understanding and help now while he prepares for whatever the future may hold.

This is why he believes the 1946 MacArthur-type base treaty must be refurbished. The basic plan is now intact as a result of long negotiations with Ambassador Bill Sullivan, and needs only the details to be worked out. Under this plan the military units of the U.S. at Subic Bay and Clark Field would have all the necessary integrity of command so they can operate as an integrated unit. If the policy of the U.S., in the event of a crisis, is to retreat from the Philippines, the Marcos military units must be fully prepared to take over.

What is important to Marcos is that not just the Philippines, but Southeast Asia be capable of handling problems on their own. If Japan should re-arm (and Marcos believes this is no more than five years away) there needs to be a "balance" in the Pacific to keep the scales from tilting.

Marcos would feel uneasy if the American presence was absent from this area. The 7th Fleet needs to be visible in the Indian Ocean and the South China Sea. Nature and politics abhor vacuums and where one exists, a new force will inhabit it.

In short, Marcos believes the U.S. presence, based in the Phillippines, is the linchpin of stability in the area else the Asian Pacific be taken over by maurading wolves.

He muses, plaintively, that the Soviets arm without stint, their surrogates, but the U.S. with the exception of South Korea and Israel, does not do so. He muses about this not in a querulous manner, but rather sadly.

The time is rapidly approaching when the U.S. must take a hard-headed attitude. The U.S., he knows, will not get involved in another Vietnam but he thinks President Carter must have a fresh, accurate accounting of what is now the situation in Southeast Asia and the Asian Pacific -- good solid information.

From this information, President Carter would understand why Marcos is worried about Thailand, Malaysia, and Singapore. He is anxious that it may appear to the world that the U.S. has a slackening of interest in Southeast Asia and no stomach for trying to keep that area stable.

To Marcos, Vietnam is the question mark. He is normalizing relations with Vietnam and through this channel of communications he is learning of the arrogance of new, recently-promoted Vietnam leaders. They brag they have whipped the most powerful military force in the world and therefrom have designed some large notions of their own invulnerability.

Marcos has no anxieties about the Peoples Republic of China. He frets over Vietnam and the Soviet Union.

So it is that the new treaty being negotiated is so important. He is very eager to have President Carter understand the treaty, support and defend it. It is Marcos' understanding that key members of Congress have already been informed of the essential elements of the treaty and approve it. The key refurbished element is the tying together of military assistance, the bases and mutual defense policy under one canopy.

MY OWN VIEWS, for whatever they are worth:

There is what I would call a "liberal Democratic" opposition to Marcos -- his invocation of martial law, some jailings without due process, a screen over the press, etc. These give the purists a case of the shingles. But I just don't know how we conduct our foreign policy if our allies must all be USA-type democracies. (I am reminded of Seneca's classic message to Caligula: "No one of us is without flaw, sire, and the man who declares himself to be innocent does with reference to a witness and not his own conscience.")

Marcos is one of those leaders, one of those few leaders, in Asia with the intelligence, the courage and a concept of governance that bears the possibility of real stability in the Phillipine society.

To anyone who had a first hand view of the country a decade ago (as I did) and then see it today is to find a startling and salutary change. There is security in the streets and in homes where earlier it was like the old Wild West with gunslingers everywhere. Manila has become a beautiful city (I am one of those who believes that beauty of surrounding is a nourishment for the human spirit). The per capita income is up, there is increasing housing for the poor, the plight of the dispossessed has improved materially, plans for a prosperous sturdy Phillipines are in place and need only a bit of luck to warrant excellent results.

Oh, I am not saying all is "jim dandy". Of course, there is still corruption in high places but the corruption is surely less than once it was. And I am not laureling Marcos with a crown of piety.. I am saying that the country is better economically, and is more stable than it was before he took hold.

If Marcos were to be overthrown -- or abandoned by the U.S., the alternatives, I am convinced, would be unruly and unattractive to the long range best interests of the U.S.

I would hope that you would get to know Marcos, or have someone you trust and whose judgment you respect, meet face-to-face with Marcos. What he is doing in the Phillipines is, in my view, distorted and misshapened by a good many news reports in our country. The truth, as does usually all truth, lie somewhere between the fanatical zealot and the surly cynic. It is amusing to scan the rhetoric of some of the leftist

Democrats in our country about the Phillipines. They seem to have forgotten what Carlos Fuentes once wrote: "Revolutions only succeed in creating a new priviledged class."

There is ample historical evidence for Fuentes' maxim.

CONCLUSION:

I hope you will come to understand Marcos and his concept of the Asian Pacific as well as what he is achieving in his country. He is one of a literal handful of large-sized political leaders with all the heft that the word "leader" implies. There is a scarcity of such men and women. Indeed the landscape of leadership in Europe, Asia, Africa, Latin America is mainly painted gray.

# NEWS AND VIEWS FROM THE USSR

SOVIET EMBASSY, INFORMATION DEPARTMENT

1700 18TH STREET, N.W., WASHINGTON, D.C. 20009

TELEPHONE 232-6020

*See pp. 6-7*

## LEONID BREZHNEV'S SPEECH AT THE PLENARY MEETING OF THE CPSU CENTRAL COMMITTEE

(Excerpts Relating to Some Aspects of the  
Party's International Activities)

The Party's International Activities implement the decisions of the 25th CPSU Congress. We have started to translate into life the program of further struggle for peace and international cooperation, for freedom and independence of the peoples adopted by the congress, at once, without any lengthy preliminaries.

As always, the Political Bureau of the Central Committee is giving priority attention to the development of fraternal relations with the socialist countries. We can say with satisfaction that the past months were marked by considerable successes in the further consolidation of the positions of world socialism.

The great community of socialist states is growing in strength and is developing successfully. The 25th Congress of the CPSU gave a high assessment of the fraternal cooperation of our countries and parties which I will not repeat. The congresses of a number of fraternal parties in Bulgaria, Czechoslovakia, the German Democratic Republic and Mongolia held after the 25th CPSU Congress, like the congresses of the Communists of Hungary, Poland and Cuba held somewhat earlier, asserted once again the unbreakable ideological unity and political cohesion of our close-knit family. Recently we played host to a party and government delegation from Mongolia, headed by Comrade Tsedenbal. We held good talks, and signed a number of important agreements. In November we are expecting in the Soviet Union a Polish delegation led by Comrade Gierek. A visit to the Soviet Union by Comrade Ceausescu and our comradely conversations with him facilitated the development of our friendship with Rumania, with its Communist Party.

The economic cooperation of the socialist countries continues to move forward. The session this summer of the Council for Mutual Economic Assistance adopted important decisions, in particular on developing long-term programs in raw materials, power engineering, food, etc. In a word, socialist economic integration is gaining strength.

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The session was attended this time not only by representatives of Yugoslavia, but also of Vietnam, the Korean Democratic People's Republic, Laos and Angola. This points to the growing prestige of the CMEA, to its expanding ties.

The Political Bureau of the Central Committee constantly maintains close contacts with the leaders of the fraternal parties of socialist countries. Apart from useful meetings that took place in the course of the Berlin Conference of Communist Parties at the end of June, including meetings with comrade Tito, I had talks, as you know, in the Crimea with comrades Gierek, Husak, Zhivkov, Ceausescu, Tsedenbal, Honecker and Kadar. These were substantial, truly comradely, frank conversations on many topical questions of our cooperation and our joint actions.

On the whole this year's series of Crimean meetings turned out to be still another stage in developing our fraternal cooperation, in the further elaboration of our joint positions. The Political Bureau of the CPSU Central Committee endorsed the work carried out during these meetings. A number of parties also adopted special decisions rating highly their importance.

In a work, comrades, our splendid community of socialist states is living a rich, full-blooded life. This factor is of tremendous importance and our Leninist Party will do everything in its power to continue this trend in the future.

Of very great significance is the fact that the reunification of Vietnam has been completed and it has been proclaimed a socialist republic. The Socialist Republic of Vietnam now has a population in excess of 50 million. For size of population it is the third biggest socialist state in the world.

Vietnam, with its great experience of heroic struggle against imperialist aggression, for freedom and independence, with its exalted revolutionary prestige, has become today an important factor of peace and progress in Southeast Asia, indeed in all Asia. We ardently welcome the historic victory of our Vietnamese friends and wish them new great successes!

The victory of the patriotic forces of Laos, and the leadership of that country passing to the Marxist-Leninist People's Revolutionary Party, was another important event. Having taken power into their hands, the working people of that country started the building of a new life. Last spring's visit to the USSR by a Laotian party and government delegation and the good comradely talk which Comrade Suslov and I recently had with the General Secretary of the fraternal Laotian party Comrade Kaysone Phomvihan, showed the good prospects of Soviet-Laotian friendship. I think, comrades, that we have every reason to say that in Laos the family of socialist states has another new member.

The road of independent development has opened up to democratic Kampuchea too.

As before, question of our relations with the People's Republic of China stands apart. Complicated political processes are taking place there. It is still difficult to say what will be the future political course of the PRC. However, it is already clear today that the foreign policy line Peking pursued

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for one and a half decades has been greatly discredited throughout the world.

As for the Soviet Union, a desire to improve relations with China is our consistent course. As was stressed at the 25th Congress of the CPSU, in our relations with China, as with other countries, we adhere firmly to the principles of equality, respect for sovereignty and territorial integrity, non-interference in each other's internal affairs and non-use of force. In short, we are prepared to normalize relations with China in line with the principles of peaceful co-existence. More than that, it was clearly indicated at our congress that we stand for the restoration of good relations between the USSR and the PRC in line with the principles of socialist internationalism. I want to emphasize that, in our opinion, there are no issues in relations between the USSR and the PRC that could not be resolved in the spirit of good-neighborliness. We will act in this direction further. The matter will depend on what stand will be taken by the other side.

As to our relations with Albania, we, as it is known, are prepared to restore them and do not consider that any objective factors divide us from that country.

Many events of major political significance have taken place in countries that have freed themselves from colonial dependence. Mention should be made first of all of the victory scored by the patriots of Angola over foreign imperialist interventionists and forces of internal reaction.

The heroic struggle of the Angolan people met with the sympathy and support of a number of progressive African countries as well as of socialist countries, including the Soviet Union and Cuba. We gave disinterested support to the just struggle of Angola's patriots, responded to the request of Angola's lawful government, and we are proud of this!

Angola's victory became an inspiring incentive for the forces of progress on the African continent. There has been an intensification of the struggle of the peoples against such bastions of racism and reaction, such stooges of world imperialism as South Africa and Rhodesia. The anti-imperialist forces in Africa feel more confident. We, too, could sense this when playing host in Moscow during the past several months to a number of high ranking delegations of independent African countries, of fighters for the freedom and progress of the peoples of that continent.

As to the recent visit to the Soviet Union by the President of people's Angola Comrade Neto, it laid a firm groundwork for a further development and strengthening of friendship between our countries. The conclusion of the treaty of friendship and cooperation between the USSR and Angola is a new step toward strengthening the great friendship between the world of socialism and the young emergent states, a considerable step at that, convincing step! Our ties with the young African republic of Mozambique are developing fruitfully. New evidence of this was the visit to the USSR this summer by the President of the republic, Frelimo Chairman Samora Machel.

I want also to particularly emphasize the great importance of the latest visit to the USSR this year by the head of government of friendly India

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Madame Indira Gandhi. Our talks with her confirmed again that our friendship with that great and peace-loving Asian power is strengthening and deepening, that our cooperation is expanding to the great benefit of the peoples of both countries and universal peace.

Active steps are being taken on our part in support of the just demands of the developing countries of Asia, Africa and Latin America for the restructuring of international economic relations on the basis of equality, for removing all forms of exploitation by capitalist states of weaker partners in the third world. The interests of socialist and developing countries coincide in this field, as well as in many other fields.

Of course, in the third world, just as on our planet in general, a stubborn struggle continues between the forces of progress and the forces of reaction. This was testified to by the Fifth Conference of Heads of State and Government of Non-aligned Countries that was held in Colombo in August. The non-alignment movement has become a noticeable factor of international life, an important link in the worldwide front of struggle by the peoples against imperialism, colonialism and aggression. The documents on political and economic problems adopted in Colombo as a result of lengthy and, as it has become known, sometimes difficult discussions confirmed that on the whole the non-alignment movement retains a progressive nature.

Comrades, the 25th Congress set the task of concentrating the efforts of peace-loving states on the liquidation of the remaining hotbeds of war and first of all on the attainment of a just and lasting settlement in the Middle East. This task has lately acquired a special burning topicality. The situation in that area has again worsened as a result of the bloody events in Lebanon.

If we look at the root of the events we will see that this is a new attempt by world imperialism, that is the United States and other NATO powers, to deal a blow at the forces of anti-imperialist revolution in the Middle East, to preserve and strengthen their positions there. Imperialism has now taken to provoking internecine conflicts of Arabs against Arabs. The possibilities for this lie in the increased class stratification inside Arab countries, in the growth of socio-political differences between them.

In Lebanon the forces of internal reaction, armed and encouraged by the Western powers, supported by Israel and Saudi Arabia, have launched an offensive against the local national patriotic forces. But first of all their blow is directed against the detachments of the Palestine resistance movement, that is against an anti-imperialist detachment of the Arab world. Unfortunately, Syria has found itself drawn into the orbit of military actions.

From the very outset the Soviet Union came out for the ending of the fratricidal war in Lebanon, for the protection of that country's progressive forces and Palestinian patriots from rout, for the preservation of the unity of the State of Lebanon and for frustrating the reactionary plan of splitting that country.

At the same time we hold the view that it is very important to settle in a spirit of mutual good will the relations between Palestinian and Lebanese patriots, on the one hand, and neighboring Syria, on the other. This is necessary for restoring the unity of anti-imperialist forces in the Arab East.

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A conference between the heads of state of Saudi Arabia, Egypt, Syria, Kuwait and Lebanon and Chairman of the Executive Committee of the Palestine Liberation Organization Apafat was held recently. An agreement on a ceasefire, on creating inter-Arab security forces and on normalizing the situation in Lebanon was achieved.

Judging by everything, this agreement, at least as far as the ceasefire is concerned, is being observed. We will see how matters develop further.

Our attitude toward an agreement on ending the war in Lebanon is, of course, positive. We would like to hope that the process of normalizing the situation there will proceed on a healthy basis, without detriment to the Lebanese patriotic forces and the Palestine resistance movement.

It seems that much time will yet be needed for a full normalization of the situation in that area. As to the USSR, we will do everything for the success of the peace settlement in Lebanon.

Comrades, we clearly see that the unsettled situation in the Middle East in general is the real basis of the events in Lebanon. Recently the Soviet Union came out with a new initiative aimed at the resumption of the Geneva Conference on the Middle East with the participation of all interested sides, including the Palestine resistance movement. We proposed a specific agenda for that conference. It encompasses all problems whose solution would really bring about the establishment of a lasting peace in the Middle East.

Thereby we consistently keep to our course in respect to the conflict in the Middle East. Our policy is a principled, class, Marxist-Leninist one, and it is only such a policy that our country can pursue.

Comrades, the international policy of our party implies first of all struggle for lasting peace. We see one of the most important tasks in making full use, and not only in Europe, of the favorable possibilities created by the holding of the European Conference, by the document on peaceful coexistence and cooperation of states that was solemnly adopted in Helsinki. In full conformity with the program approved by the 25th Congress of the party, we are continuing the work to develop equal and mutually advantageous relations with capitalist states.

At every stage this work has its specific features. Five or 10 years ago the task was to create the basis for normal relations of peaceful coexistence with France, the Federal Republic of Germany, the United States, Canada, Italy, Britain and other capitalist countries, to cleanse these relations of the main burdens left by the cold war. When this had basically been accomplished, we advanced further, we began developing ever more extensive cooperation in the fields of politics, economics, science, technology and culture.

Many useful things in this respect were accomplished in recent months as well. For instance, agreements have been signed that fully accord with the spirit and letter of the Final Act adopted in Helsinki such as the ten-year

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agreement with Canada on economic, industrial, scientific and technological cooperation; agreements on similar subjects with Cyprus and Portugal; the Soviet-Portuguese agreement on cultural cooperation; agreements with France on preventing accidental or unsanctioned use of nuclear weapons, on cooperation in the field of energy, civil aviation and aircraft manufacture, and with Finland in the field of public health and social security. As you see, things are moving ahead. The whole world sees that the USSR is advancing along the road of peace and peaceful cooperation. And the whole world should know that we will advance further along this road.

It must be admitted, however, the development of our relations with a number of states has slowed down lately, and through no fault of ours. This was caused to a considerable extent by the complex political situation in some countries, in particular by the election campaigns in the United States and the FRG.

Suffice it to say that matters are actually at a standstill in such an important question of Soviet-American relations as the drafting of a new long term agreement on the limitation of offensive strategic weapons, although the main content of this document was agreed upon at the summit level late in 1974.

Having received our latest proposals on the remaining question as long ago as March of this year, the American side has not yet answered them. It has been intimated to us that the reason for this lies in the complexities of the election situation. We can only regret such an approach to an issue on which the strengthening of peace and the security of two great nations depends, as does the general improvement of the situation in the world for years to come.

But on the whole the development of our relations with the United States so far retains its positive direction. The treaty on underground nuclear explosions for peaceful purposes was signed recently and mutually advantageous cooperation is underway in many fields of science and technology. Cultural exchanges are being conducted on an extensive scale. Economic ties, too, are expanding little by little, even with the existence of obstacles created by discriminatory trade legislation in the United States. Were it not for these obstacles, our economic ties would have certainly acquired an absolutely different scope.

In the course of the election campaign the rival candidates, President Ford and Mr. Carter, have repeatedly made statements on matters of foreign policy, on relations with the Soviet Union.

These statements, however, are for the most part of a rather general and, not infrequently, of a contradictory nature. On the whole, both contenders appear to be in favor of the further normalization of the international situation and of developing good relations with the USSR. But one often hears statements of a different sort from them as well: calls for a continued arms race, for pursuing a positions of strength policy, for a so-called tough line toward the Soviet Union, etc.

Nevertheless, whoever comes to power in Washington after the elections, it appears that the United States will have to take into consideration the actual alignment of forces in the world that prompted the American ruling circles, on making a sober analysis of the situation, to commence in recent years a search for accords with the socialist world. In any case, one thing must be absolutely

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clear: Our policy of extensively developing relations with the United States, of lessening the danger of a new world war remains invariable. (1)

Now about relations with the Federal Republic of Germany. Regular elections to the Bundestag were held there recently. In the course of the election campaign there was a noticeable increase in the activity of the forces that attacked the government's "Ostpolitik" from anti-Soviet, hardly concealed revanchist positions. In that situation we found it necessary to come out with a statement of our policy in respect of the FRG so that the Soviet Union's position would be clear to all.

To emphasize the readiness of both sides to develop good relations between the USSR and the FRG, we reached an agreement in principle with Chancellor Schmidt that I would pay another visit to the Federal Republic. A short announcement on this was published.

Although the government coalition lost some ground, its victory in the elections confirmed, as we see it, that the majority of the FRG's population seeks peace and the relaxation of tension, the further improvement of relations with socialist states. This apparently creates conditions for the normal development of mutually advantageous relations between the USSR and the FRG. Our position is clear: We stand for this.

Our relations with France, including questions of foreign policy, continue to develop with success, although, of course, by no means do we have common positions with the leadership of that country in all international matters.

It has not been ruled out that on the invitation of President Giscard d'Estaing and in accordance with the established practice of exchanging visits, I will visit France again in the near future. I think this will not only offer an opportunity to discuss questions of interest to both sides, but also generate an impulse for new initiatives in the traditionally friendly cooperation of the two great peoples.

We have attached and continue to attach serious importance to relations with Japan, our neighbor and one of the major Asian states. We have always considered as possible and desirable the development of broad and firm relations with Japan on the principles of mutual respect and reciprocal profit, relations permeated with the spirit of good-neighborliness. As you know, we have spoken of this repeatedly, even at the 25th Party Congress.

The last time I had an opportunity to voice some considerations about the actual prospects for long-term 10 to 15-year economic cooperation between our two countries was last August when I conversed in the Crimea with a prestigious delegation from Japanese business circles, led by the chairman of the federation of Japan's economic organizations Mr. Doko.

The reaction of the Japanese participants in the talks and subsequent comments in Japan itself were positive. This confirmed once again the existence of a solid foundation for developing broad and firm reciprocally advantageous relations between our two countries. As a matter of fact up to now this was also confirmed in practice.

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However, we entertain no illusions and know that a complicated struggle for truly good Soviet-Japanese relations still lies ahead. The actions by the Japanese authorities during the recent incident with the Soviet plane which made a landing in Japan were a fresh reminder of this. The facts are known to all. We have already clearly stated our opinion about these Japanese actions in Soviet Government statements and in Andrei Gromyko's talk with the Foreign Minister of Japan. Here I only want to stress that the behavior of the Japanese authorities seriously clouded the general atmosphere of Soviet-Japanese relations. It sowed doubts among Soviet people as to the sincerity of the statements made in Tokyo about the desire for good relations with the USSR.

Comrades! We want the peaceful coexistence of states to be not only bilateral, but to assume an ever wider multilateral character, forming, as it were, a connecting tissue of lasting peace. It is precisely toward this, in particular, that the Soviet Union's proposals to hold European congresses on the problems of transport, energy, environmental protection are directed.

On the whole, the work to implement the Helsinki accords is taking the form of scores and even hundreds of practical deeds. They may not always be conspicuous, but this is party and state work of exceptional importance. And we Soviet people value the efforts of those who work in the same direction. For the cause of peace, so close to the heart of every Soviet person, is our common cause.

The so-called confidence-building measures--the practice of giving prior notification to other countries of forthcoming major military maneuvers and inviting foreign observers to them, approved on our initiative at the European conference--played a useful role in creating a calmer atmosphere in Europe.

We also consistently observe those provisions of the Final Act adopted in Helsinki which concern the expansion of cultural and other ties and contacts among peoples, the expansion of exchange of information. We proceed from the fact that in the conditions of relaxation of tension the development of such ties and contacts is quite natural--of course given the strict observance of the principles of mutual respect for the sovereignty and non-interference in the internal affairs of each other. But to violate these principles in relations with the Soviet Union, to act counter to the interests of the Soviet people and our socialist system we--you will have to excuse us, gentlemen--will not allow anyone to do that.

In this connection one must say that in the conditions of relaxation of tension ever higher tasks are being set to our ideological work. Our propaganda, both inside the country and abroad, must sensitively respond to the changes taking place in the world, must be understandable and convincing. The Central Committee will continue to hold questions of ideological work in the center of its attention. We shall demand the same of all party bodies and organizations.

Comrades! There is no task of greater importance in the struggle for lasting peace today than ending the arms race, unleashed by imperialist powers, and the transition to disarmament. The fact is that the aggressive circles of

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the capitalist world respond to their defeats in social battles, to the loss of colonial possessions, to more and more countries abandoning capitalism, to the successes of world socialism and the growing influence of Communist Parties in bourgeois states, by feverish military preparations. Military budgets are swelling, new types of armaments are being created, bases are being built, military demonstrations are undertaken. Leaning on this "position of strength" imperialism hopes to retain its capability of ordering other countries and peoples about, which is disappearing.

Striving to underpin their policy "ideologically," so to speak, the imperialist inspirers of the arms race stoop to any means and do not particularly care for elementary logic. When they need new allocations for armaments, they scare parliamentarians and the public with "superior Soviet power," but when they need to show the electorate their concern for defense, they assure them of the "absolute military superiority of the West."

So far as our defense is concerned, we spend on it exactly as much as is necessary to assure the Soviet Union's security and the defense, jointly with the fraternal countries, of the gains of socialism so that potential aggressors will not be tempted to try and solve in their favor the historical controversy between the two opposite social systems by force. To also maintain the country's armed forces at a high level in the future, so that Soviet soldiers always have the most up-to-date weaponry, which the imperialists could not ignore such is our duty to the people that we shall sacredly fulfill!

At the same time we have no greater desire than to switch the assets, of necessity diverted today from the national economy, toward raising the people's living standards, toward creative purposes. We are prepared even tomorrow to start disarmament measures--either big and radical, or, as a beginning only partial--on a truly fair, reciprocal basis. As far as we are concerned, we shall not be found wanting!

Many years ago V. I. Lenin spoke of disarmament as the "ideal of socialism." At that time no real prerequisites yet existed for stopping the growth of militarism, for averting the threat of a world war. Today the situation is different. The forces of socialism and peace exert such an influence that advance toward solving this problem, which is crucial to all humanity, even though gradually and in individual sectors, is entering the realm of the possible. Moreover, there is a slowly growing realization among the ruling quarters of capitalist states that in this nuclear age to stake on unleashing a new world holocaust is as futile as it is perilous and criminal.

In recent years the joint efforts of peace-loving forces, with the most active contribution of our country, succeeded in attaining substantial results in the matter of reducing the threat of a new nuclear war. Concrete, binding international treaties and agreements have been concluded on such questions as the ending of a considerable part of nuclear weapons tests; the taking of measures against further nuclear proliferation in the world; on the non-deployment of such weapons in space, on the sea and ocean floor; on the limiting of strategic armaments by the Soviet Union and the United States; on the prohibiting and eliminating of bacteriological weapons. These are not bad results at all. They refute the laments of the sceptics who renounce the struggle for disarmament as hopeless. But what has been achieved needs consolidation and further development in order to effectively put an end to the new

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arms race.

You remember, Comrades, how sharply and as a matter of principle the question of disarmament was posed at our party's 25th Congress. Following the Congress, the Political Bureau repeatedly discussed ways of giving a new impetus to the struggle for this most important matter. It was decided, among other things, to come forth with a number of concrete proposals at the next session of the UN General Assembly.

The Soviet Union proposed the conclusion of a world treaty on the non-use of force in international relations. A substantial description of the document was given at the session of the UN General Assembly. Here I only wish to stress that the non-use of force in our draft covers interstate relations without infringing on the peoples' inalienable right to struggle for their social and national emancipation. We strictly distinguish between these two spheres.

The USSR also submitted for the deliberation of the UN an extensive complex document--a memorandum containing a broad, all-encompassing program of disarmament measures, most topical at this time.

In short, our country has again come out before the world with a concrete program for disarmament. In order to make this program as realistic as possible, substantial new elements have been included. The views of many states on a number of questions have been taken into account, certainly, without prejudicing the interests of our security. We are also taking a flexible position in the sense that we are prepared to tackle the implementation of either all the measures stipulated under the program, or, for a start, only some of them, moving from one step to another.

Disarmament must become the common cause of all states without exception. This purpose is served by our proposals to convene a world disarmament conference or, at first, as a step in this direction, to call a special session of the UN General Assembly.

The Soviet Union's new initiatives in the UN met with the understanding and support of many states and the broad peace-loving public. This gladdens us. It inspires us to make new efforts in the name of lasting peace on Earth!

I want to specially emphasize that the Soviet Union continues to consider the attainment of success at the Vienna talks on reducing armed forces and armaments in Central Europe one of the most important tasks. We are proposing concrete solutions there that would lead to a reduction of the military forces confronting each other in Europe, without damage to any of the sides. We are prepared to discuss counter-proposals based on the same principles. We are prepared for a further joint constructive search, but it must be constructive, honest, not aimed at unilateral advantages, for negotiations with our partners at any level, including the very highest.

Dear Comrades! If one were to mention the main thing that we succeeded in attaining in international affairs, one could say with a clear conscience: As a result of efforts undertaken together with the other socialist states and with the support of all peace-loving, realistically-minded forces,

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it became possible to push further away the threat of nuclear war, to make peace more reliable, stronger.

We can all rejoice and take pride in such a result, Comrades! The winner is all humanity!

In conclusion allow me to briefly dwell on some questions of the World Communist Movement.

First of all it must be noted that in the course of stubborn class battles the Communist Parties in a number of capitalist countries achieved major successes recently. They expanded their mass base, strengthened their prestige, and their weight in the political life increased.

Active today in three out of the six major capitalist powers--France, Italy and Japan--are mass Communist Parties which were supported during elections by more than 20 million people. As a result of the latest elections, the Communist Party of Italy has won such a position that in fact not a single major question in the life of that state can be decided without its participation.

In France the alliance of the Communists with the socialists and other left forces has become a generally recognized weighty factor in that country's political life. After long decades of fascist terror the Communists of Portugal not only openly emerged on the political arena but became one of the most active and influential parties in the country. The Communist Party of Spain, too, is emerging from the underground and its prestige is growing. The Communist Parties of India, Finland, Denmark and some Latin American countries enjoy considerable political weight in their countries.

Thus, as the positions of socialism and the forces of national liberation strengthen in the world, the communist movement is scoring outstanding successes. Naturally we welcome this from the bottom of our hearts.

But the imperialists react differently. The increasing influence of Communist Parties in Western Europe caused them alarm. The leaders of the USA and the FRG resorted to such gross pressure and threats against Italy in connection with the Communist Party's electoral success that it caused indignation in many countries, even among Italian bourgeois politicians. Nor did we in the USSR conceal our opinion on that score.

The Berlin Conference of Communist and Workers Parties of Europe, held last summer, was a significant event of recent times. Its preparation took a lot of time, the views of 29 parties on a number of important problems had to be compared in order to reach agreement on the draft of the concluding document.

However, the patient collective work was justified. The conference passed in the spirit of class solidarity and fraternal interaction of the Communists of Europe, of joint concern for strengthening peace, security, cooperation and social progress on the continent. It was attended by all European Communist Parties except the Albanian, and the concluding document was adopted unanimously.

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The speeches of the participants in the Berlin Conference were permeated with the spirit of active struggle for peace and socialism. The document it adopted is a concrete program of further struggle for peace, security and relaxation in Europe. On the whole, as viewed both by friends and our class adversaries, the Berlin Conference furnished new testimony of the Communists' active role in European life. And we are feeling satisfaction that the CPSU was able to make its contribution to this great cause.

This, Comrades, is what I wanted to tell you about international affairs. As you see, the Political Bureau of the Central Committee carries out tireless work in this field, too, to implement the decisions of the 25th Congress. We shall continue this work with all our energy in the name of peace and the happiness of the Soviet people, in the name of peace and the progress of all humanity.

Comrades, in concluding my speech I would like to stress that the realization of the tasks posed by the 25th Congress should be facilitated by all party organizational and ideological-political work.

It is necessary to further ensure that all Communists, wherever they work, whatever position or post they occupy, would be examples of exactitude and discipline, creative attitude to the matter at hand, examples of the state approach to the solution of tasks, big and small.

The party's line toward all out development of creative initiative by the Communists of local party, Soviet and economic management bodies, of the broad masses of the people, is a correct line, and we tangibly feel the beneficial results it yields.

V. I. Lenin stressed that the plan as an assignment of the socialist state to workers is a tremendous mobilizing force. The documents which we are discussing accord with the cardinal interests of workers, collective farmers and our intelligentsia.

We must ensure that every labor collective, every working man and woman would know the perspective, have a clear idea of the frontiers that are to be reached and the tasks that have to be accomplished.

A tremendous, fascinatingly interesting project opens up before the country, before our party and people in the Tenth Five-Year Plan period. This project is extremely important. The might, prestige and flourishing of our motherland, the welfare of every family, the welfare and happiness of every Soviet person depend on how we will work, how we will fulfill the plans we have mapped out.

There is no doubt that this time again our people, guided by the party of Lenin, will prove worthy of the high responsibility placed on it by history.

The plans of the party, the tasks set forth by its 25th Congress will be translated into life!

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Unofficial translation

MEMORANDUM  
OF THE SOVIET UNION ON QUESTIONS OF Achieving  
ENDING THE ARMS RACE AND DISARMAMENT.

In new historic conditions where international detente is making itself felt to an ever greater degree and people everywhere entertain increasing hopes for the establishment of lasting peace, the Soviet Union, being guided by the foreign policy programme of the 25th Congress of the CPSU, renews its appeal to all member states of the United Nations, to all states of the world to redouble their efforts in solving the problem which is the greatest in scope and significance in contemporary interstate relations--the problem of ending the arms race and disarmament. achieving

No task confronting mankind today is more urgent. "Today, this objective is more vital than ever", --declared L.I. Brezhnev, General Secretary of the Central Committee of the CPSU. "Mankind is tired of sitting upon mountains of arms, yet the arms race spurred on by aggressive imperialist circles is becoming more intensive".

A race in arms in the nuclear age is fraught with a far more serious threat to the life of the peoples than at any time in the past. Modern weapons are thousands of times more powerful than any of those used in wars of earlier periods. The destruction of Hiroshima--the first victim of the use of the nuclear weapons-- lives in the memory of the peoples as a horrible tragedy. But nowadays states possess such types of these weapons and in such quantities that could destroy hundreds, even thousands of cities like Hiroshima. One modern nuclear warhead has the destructive power exceeding that of all explosives used by states in the Second World War. Yet weapons of mass destruction continue to develop, absorbing the latest achievements of the scientific and technological revolution, and they are ever growing in quantity.

It is an utterly false concept which justifies the arms race by alleging that the "balance of fear" is indeed a safeguard for peace. An official report of UN experts, world famous scholars, admits with every reason that each new step in the development of weapons of mass destruction entails a new and still more ominous degree of uncertainty and increased danger. The arms race provides security for no one.

Another thing is also obvious. If the arms race is not stopped, it will inevitably set a barrier to the deepening of political detente in relations between states. This is why an increasing number of states recognize the need for supplementing political detente with efforts towards reducing military confrontation and facilitating disarmament. The states that participated in the ~~All-European~~ Conference on Security and Co-operation <sup>in Europe</sup> unanimously pronounced themselves in favour of such a policy.

The arms race is inconsistent with the interests and the will of the peoples. Only militarists and military-industrial complexes stand to gain from it. The arms race consumes vital resources of the countries and deprives the peoples of a considerable and ever growing proportion of wealth created by their labor. According to the UN data the whole world spends today about 300 billion dollars a year on armaments, i.e. a million dollars every two minutes. This considerably exceeds the entire national income of the developing countries of Asia and Africa. In a modern world it costs on the average sixty times less to educate a child for creative endeavour than to teach a soldier the ABC of destruction. And more and more states are being involved in the arms race.

The continued arms race hampers the resolution of urgent problems common to all mankind--the development of essentially new sources of energy, extensive exploration and use of the oceans and outer space, prevention of disastrous changes in the environment, eradication of diseases, hunger and cultural backwardness. For all this enormous investments are needed and it is impossible to mobilize sufficient resources without putting an end to the competition in armaments.

Thus, the problem confronting mankind today is this: either the arms race is stopped and states proceed to disarmament, reducing step by step the threat of military conflict and releasing more and more material and intellectual resources for the purposes of economic and social development, or the gigantic war preparation machine will consume an ever greater amount of resources vital for people, while the shadow of war catastrophe will loom larger and larger over the peoples.

For any state desirous of safeguarding the security of its people and of creating the most favourable opportunities for their advancement along the path of progress, for any politician conscious of his responsibility for world developments, for any sensible person there can only be one alternative: <sup>achievement</sup> everything must be done to bring about the cessation of the arms race and ~~the~~ disarmament. This is not a simple task: in working out any measure in the field of disarmament the states have to take decisions on matters directly bearing on their national security, to weigh carefully diverse political, strategic and military-technological factors. But it is well known that failure to put an end to the arms race is not due to these difficulties.

The main obstacle is the resistance of imperialist forces. The obstacle is raised, above all, by monopolistic quarters for which the arms race provides profits worth ~~thousands of millions~~. The obstacle is raised by political parties and groups committed to the cold war policy which would not abandon their foolhardy designs to resolve by force the historical confrontation of the two social systems. Also desirous of impeding the resolution of disarmament problems are those who assert cynically that mankind's future can most easily be built on radioactive ruins, those who, in pursuit of the narrow objectives of their great-power policy, which are alien to the interests of the peoples, are ready to doom even their own people to mass annihilation in another world war.

These forces would not stop at any means of deception in attempting to complicate the question of the cessation of the arms race and to hamper the peoples' struggle for disarmament. These include shameless slander as regards the policies of states advocating disarmament and false expatiations about the lust for power inherent in man and about human rights and fundamental freedoms, expatiations designed to cover up the most inhuman and misanthropic thing--the manufacturing of weapons for annihilating people.

There is no doubt and there cannot be any doubt that it is feasible to overcome the opposition raised by disarmament opponents. The correlation of forces in international politics does not at all develop in their favour. The socialist states, whose socio-political nature rules out any kind of interest in war and armaments, are working resolutely and persistently to bring about the cessation of the arms race. The non-aligned movement also comes out in favour of disarmament. Statesmen and politicians of various countries of the world are becoming more keenly aware of the fact that in the nuclear age a military conflict is fraught with exceedingly grave consequences and that the interests of security demand the curbing of the arms race and not its further intensification. Public opinion in favour of an early adoption of <sup>practical</sup> effective measures to this effect is becoming more and more pronounced and determined.

The possibility <sup>of solving</sup> the disarmament problem has been convincingly proved by the fact that in recent years certain steps of this kind have, indeed, been taken. Though these steps are but initial and limited, their importance is great.

<sup>They include</sup>  
~~These are~~ the Soviet-U.S. agreements aimed at preventing nuclear war and reducing the risk of its accidental outbreak, at the limitation of strategic arms, as well as the agreement between the Soviet Union and France on the prevention of an accidental or unauthorized use of nuclear weapons.

<sup>They include</sup>  
~~These are~~ the measures limiting the nuclear arms race, <sup>such as</sup> including the treaties on the prohibition of nuclear weapon tests in the atmosphere, in outer space and under water, on the limitation of underground nuclear

weapon tests, the treaties on the non-proliferation of nuclear weapons, on the non-emplacement of nuclear weapons in outer space, on celestial bodies, on the sea-bed and the ocean floor. Talks are under way concerning a long-term Soviet-U.S. agreement on the limitation of strategic offensive arms, and their successful completion would be a new major contribution to the consolidation of international peace and security.

*They include*  
These are the international convention on the prohibition of the development and production and the destruction of stockpiles of bacteriological (biological) and toxin weapons, which is already in force, and the convention on the prohibition of military and any other hostile use of environmental modification techniques ~~the talks on which~~ are nearing completion.

*they include*  
And finally, these are the efforts made to ease military confrontation in different parts of the world. In this connection of special importance are, of course, the negotiations that are now going on regarding the reduction of armed forces and armaments in Central Europe--the area where the most powerful groups of the armed forces of NATO and the Warsaw Treaty are concentrated. Having recently advanced new proposals aimed at moving these negotiations forward, the participating socialist countries are now expecting reciprocal steps from their counterparts.

The Soviet Union's proposal to sign a world treaty on the non-use of force in international relations is now getting broad support. The purpose of this initiative is to make, through joint effort of states, the principle of the non-use of force established in the UN Charter an integral part of the practical policies of states and an effective law of international life. The use of both nuclear and conventional weapons should be completely excluded from relations between states.

Thus, new political and material prerequisites are now taking shape for more resolute progress towards ending the arms race and towards disarmament. Such prerequisites did not exist in the past, including the years preceding World War II and the first postwar decades. They do exist now. The duty of all states is to make the utmost use of them in the interests of international peace and security, in the interests of peoples.

The Soviet Union, as before, is prepared to negotiate the most radical disarmament measures, including general and complete disarmament. Together with its Warsaw Treaty allies, the Soviet Union is prepared to proceed to mutual dissolution of the opposing political and military groupings of states or, to begin with, of their military organizations. If not all are prepared to get down to the realization of these objectives at once, they should be reached gradually, step by step. The most essential thing is to move on from discussions on ending the arms race to practical steps.

The analysis of the state of the political and strategic situation in the world, of the trends and prospects of its development, and of material and technological factors which determine the nature and form of the race leads to the conclusion that under current conditions the main directions for coordinated action by states in the field of disarmament are as follows:

1. Cessation of the nuclear arms race, reduction and subsequent elimination of nuclear weapons

In the situation where nuclear weapons pose the greatest danger to mankind, complete nuclear disarmament becomes the most important measure.

The Soviet Union has always favored banning nuclear weapons and their withdrawal from the arsenals of states. It worked for this when nuclear weapons had just appeared. At that time their stocks were not large and it was relatively easier to agree on their prohibition and elimination. Now that nuclear weapons have grown into a huge complex of types and systems of means of destruction, diverse in purpose, capacity and ways of delivering nuclear charges to the target, the problem of eliminating them has become much more difficult. But it can be solved in the present situation as well.

The first thing to be done for this purpose is to stop the arms race, that is, to stop manufacturing nuclear weapons, equipping armed forces of states with them, <sup>the</sup> ~~development and construction of new models and types of~~ <sup>building</sup> such weapons. At the same time or immediately after that, reductions in the stocks of nuclear weapons should commence, with the transfer of nuclear materials thus released to peaceful sectors of the economy. The ultimate goal of the reduction should be the complete elimination of all types of nuclear weapons-- strategic and tactical, offensive and defensive. The reduction of the stocks of nuclear charges, warheads and bombs should be carried out along with the reduction of their means of delivery. //

Naturally, simultaneously with nuclear disarmament, measures should be taken for the limitation and reduction of armed forces of states and armaments of conventional types, which also pose no small threat to the peoples.

It is evident that nuclear disarmament could be achieved only if all states possessing nuclear weapons take part in it. It is inconceivable that some nuclear powers should be moving ahead toward eliminating their nuclear weapons while others should be stockpiling and perfecting them. That is why nuclear powers should participate in nuclear disarmament negotiations. As for the Soviet Union, it is prepared, as has been already stated by the Soviet side, to sit down at any time at the negotiating table together with all the other nuclear powers for a comprehensive discussion of the nuclear disarmament problem in all its scope and for a joint elaboration of concrete ways ~~of~~ <sup>all only?</sup>

its practical solution. The Soviet Union has no objections to non-nuclear powers also taking part in such negotiations since all the countries and all the peoples of the world are interested in nuclear disarmament.

## 2. Prohibition of nuclear weapon tests

An important issue on the solution of which largely depends the cessation of the arms race is the prohibition of all nuclear weapon tests. This problem should be tackled without waiting for the outcome of negotiations on complete nuclear disarmament.

The prohibition of all nuclear weapon tests will put an end to their qualitative perfection and prevent the emergence of new types of these weapons. The Moscow treaty banning nuclear weapon tests in the atmosphere, in outer space and under water as well as the treaty between the USSR and the USA on the limitation of underground tests have only partially solved this problem. Besides, two nuclear powers out of five have not acceded to the Moscow treaty and one of them, China, still continues to carry out nuclear test explosions in the atmosphere.

Now <sup>the</sup> time has come to bring the task of stopping nuclear weapon tests to a conclusion. Conditions are quite ripe for that, in particular as a result of the signing between the USSR and the USA of the treaty on underground nuclear explosions for peaceful purposes, establishing such a procedure for carrying out peaceful explosions as will preclude their use for perfecting nuclear weapons.

As is known, in 1975 the Soviet Union proposed the conclusion of a treaty on the complete and general prohibition of nuclear weapon tests, i.e. on the prohibition of conducting nuclear test explosions in all environments and by all states. The draft of such a treaty was at the time submitted by the Soviet Union to the United Nations, and a year has already passed since the General Assembly pronounced itself in favour of holding concrete negotiations to reach agreement on the complete and general prohibition of nuclear weapon tests. However, due to the negative stand taken by some nuclear powers such negotiations have not started. It is necessary to begin them promptly.

It is a known fact that the question of stopping underground nuclear tests was complicated by certain states which artificially exaggerated the problem of control. It was persistently alleged, in particular, that it was impossible without on-site inspections to tell natural seismic phenomena (earthquakes) from similar phenomena caused by underground nuclear explosions, hence it was impossible to verify compliance by states with their obligations with regard to the prohibition of underground nuclear weapon tests. Most experts never accepted this view, believing that national technical means and international exchange of seismic data were sufficient to verify compliance

with a treaty banning underground nuclear weapon tests. With the development of technology for detecting and identifying seismic phenomena, this view now enjoys practically unanimous support among scientists. However, even now some states suggest the possibility of on-site inspection of actual circumstances if there is doubt as to compliance with the obligations to stop underground nuclear tests.

The Soviet Union is convinced that no particular difficulties should arise in elaborating such a compromise basis for an agreement <sup>as</sup> would ensure a voluntary framework for <sup>m</sup>aking decisions relating to on-site ascertaining of relevant circumstances and, at the same time, impart confidence to all parties to the treaty that the obligations are complied with. The Soviet Union stands ready to participate in a search for a universally acceptable understanding on this basis.

### 3. Consolidation of the regime of the non-proliferation of nuclear weapons

It is absolutely clear that the threat of nuclear war would immeasurably increase if other states which at present do not possess nuclear weapons were involved in the process of developing and stockpiling such weapons. It is not difficult to imagine the consequences brought about by such a turn of events when the arsenals of parties in conflict in one region or another would include nuclear weapons as well.

Hence the need to prevent effectively a further spread of nuclear weapons. In this sense the Treaty on the Non-Proliferation of Nuclear Weapons, to which about one hundred states have become parties, has achieved a great deal. The obligation to renounce proliferation of nuclear weapons is now a rule of international law.

It should be however, taken into account, that for the time being not all nuclear powers are parties to the Treaty on the Non-Proliferation of Nuclear Weapons. Refusing to become parties to it are also some non-nuclear states which are capable, in view of their industrial and technological level, of developing nuclear weapons of their own. Therefore, it is important to strive for the Treaty on the Non-Proliferation of Nuclear Weapons to become genuinely universal. The Soviet Union supports all the decisions of the United Nations adopted in this respect.

In the interests of consolidating the regime of the non-proliferation of nuclear weapons it is also necessary to take actions of another kind. It is well known that in the process of their operation nuclear power plants produce and accumulate as a "by-product" a fissionable material--plutonium--which can be used for manufacturing nuclear weapons. With the development of international commercial exchange of nuclear materials, equipment and technology,

possibilities of this kind will increase, including those of the states which have not assumed obligations under the Treaty on the Non-Proliferation of Nuclear Weapons. It is obvious that the states which supply nuclear materials, equipment and technology bear in this connection special responsibility. Strict safeguards are needed to prevent international co-operation in the field of peaceful uses of nuclear energy from becoming a channel of spreading nuclear weapons. This is not a question of commerce but a question of policy, a question of international security.

The Soviet Union is also resolutely advocating the need for perfecting in every possible way the system of control over nuclear installations and materials exercised by the International Atomic Energy Agency. To this end, the Soviet Union is ready to cooperate with all interested states.

#### 4. Prohibition and destruction of chemical weapons

Following the conclusion of the convention banning bacteriological weapons, especially pressing has become the task of completely prohibiting and eliminating another dangerous category of weapons of mass destruction-- chemical weapons. The use of such weapons as far back as the years of World War I caused grave sufferings and mass deaths. Since that time military and chemical technology has made great strides. New types of chemical weapons threatening people with still more agonizing death have been developed. Radical improvements have also been made in the means of delivery of chemical weapons, which can now be used not only in combat areas, i.e. against the armed forces of the other side, but also against the civilian population in vital centres of states.

*an agreement* The Soviet Union, together with many other countries, has long proposed ~~to agree~~ on the prohibition and elimination of all chemical means of warfare. This problem should be solved radically and by single action, as was the case with bacteriological weapons. However, the negotiations on this subject, which have been going on already for several years, still fail to offer prospects for such a comprehensive solution. In this connection the question arises as to <sup>the</sup> a possibility of starting with <sup>an</sup> agreement on the prohibition and elimination of the most dangerous, lethal types of chemical weapons. The Soviet Union is ready to seek such a solution as well. A substantial contribution to this end could be the implementation of the Soviet-U.S. accord on joint initiative to conclude a convention on the most dangerous, lethal chemical means of warfare.

As regards control over observance of the prohibition of chemical weapons, it should be based on national means. In this respect there exists a positive precedent in the convention banning bacteriological weapons. At the same time the Soviet Union is ready to examine a possibility of using additional control procedures and, in particular, to discuss methods of verifying the destruction of stocks of chemical weapons which are to be excluded from the arsenals of states.

There is no reason, and there cannot be any, for delay as regards the question of banning chemical weapons. What is needed is to show political will and desire to reach generally acceptable agreement.

5. Prohibition of the development of new types and new systems of weapons of mass destruction

Scientific and technological progress poses the pressing problem of preventing the emergence of new types and systems of weapons of mass destruction. New types of weapons <sup>could</sup> appear already in the foreseeable future and may become commensurate in their destructive capabilities with nuclear, chemical or bacteriological weapons or even surpass them.

At present there are no limitations whatsoever on the use of science for such purposes. It means that most unexpected developments may occur at any time, the consequences of which cannot be foreseen. The danger is great. It is necessary to find means to avert it.

It was precisely these considerations that the Soviet Union was guided by when proposing in 1975 to conclude an international agreement which would prevent the development and manufacture of new types and systems of weapons of mass destruction. As is known negotiations to this effect are already under way, which is a positive factor. In the course of the negotiations it has become desirable to specify the object of the prohibition, i.e. to define new types and new systems of weapons of mass destruction.

The Soviet Union is ready to propose such an approach which would include among new types of weapons of mass destruction any types of weapons based on qualitatively new principles of action--according to the method of use and the targets to be attacked or the nature of their impact. Take, for example, ray weapons capable of affecting blood and intracellular plasma; infrasound weapons designed to damage internal organs and affect human behavior; genetic weapons the use of which would affect the mechanism of heredity. If we take into account the fact that science never stops in its advance, it is not difficult to realize that in the future possibilities may emerge for the development of even more dangerous types of weapons.

As for new systems of weapons of mass destruction, they should not be developed either for new types of such weapons or for those types of weapons which are based on the scientific principles already in use but whose dangerous characteristics can be further increased as a result of introducing new technical elements of combat or support means. In this context, aero-space systems of nuclear weapons on the basis of transport space ships may serve as an example. The question of the prohibition of the development of new types and new systems of weapons of mass destruction is an important and timely one;

it embraces an essential aspect of the whole problem of disarmament and prevention of war. Negotiations on this question should be given top priority.

#### 6. Reduction of armed forces and conventional armaments

Nuclear and other types of weapons of mass destruction pose, undoubtedly, the greatest threat to mankind. But can anyone forget the many millions of human lives lost by mankind as a result of the use of the so-called conventional armaments? Even since World War II the destructive power of these armaments has increased many-fold. A modern tank is many times a more deadly weapon than a tank of the 1940s. The same is true of artillery, small arms and, of course, aircraft.

The armed conflicts which have taken place in various parts of the world in recent years have shown how tragic for people are the consequences of the use of new models of conventional arms and how great is the destruction of material values caused by them.

Thus, life itself sets before states the task of taking feasible measures to reduce <sup>the number of</sup> aircraft, artillery, tanks and other modern types of conventional armaments as well as <sup>of</sup> armed forces <sup>that are</sup> equipped with these weapons. Since the Second World War, the Soviet Union has repeatedly come out with concrete proposals on this score. The Soviet side has proposed specific figures for ceilings on the strength of armed forces of major states and has expressed its readiness to conduct negotiations on this matter both within the framework of the programme of general and complete disarmament and as a separate measure covering major states. These proposals have not been accepted. And even now the Soviet Union is prepared to conduct negotiations on reduction of armed forces and armaments. Given the desire for this on the part of all states which possess powerful armed forces, such negotiations could lead to positive results and to constructive agreements.

Similarly the Soviet Union believes it desirable that new efforts be made at an international level to bring about the elimination of all military bases in foreign territories and the withdrawal of foreign troops from such territories. In many of its forums the United Nations expressed itself quite definitely in favour of the solution of this problem both on a global scale and on the scale of individual continents. However, no progress has been made in this respect, which cannot but cause concern. The Soviet Union, as before, is prepared to cooperate actively and constructively in solving this problem.

#### 7. Zones of peace in the Indian Ocean and other regions

In recent years states in various regions of the world have been ever more insistent in raising the question of putting into effect regional measures of military detente with particular emphasis on the point that powers which do

not belong to corresponding regions should not build up their armed forces or establish their military bases there.

Thus, the littoral states of the Indian Ocean express their concern over the fact that some states which are geographically very remote from the region are deploying there military bases and increasing their military presence. In regarding such actions as a threat to their independence and security, these countries advance ~~an~~ idea of turning the Indian Ocean into a zone of peace. The Soviet Union regards this proposal with understanding.

Obviously, the key question here is to assure that there must be no foreign military bases in the region of the Indian Ocean, that the bases which were established there must be dismantled, and the establishment of new bases must be precluded. As to the Soviet Union, it did not and does not intend to build military bases in the Indian Ocean.

In solving the question of foreign military bases along these lines, the Soviet Union would be prepared together with other powers to seek ways for reducing on a reciprocal basis military activities of non-littoral states in the Indian Ocean and in the regions directly adjacent to it. Naturally, measures of this kind must fully take into account generally recognized rules of international law regarding freedom of navigation on high seas and the need for associated business calls at ports of littoral states as well as for research. This question is of great importance for the Soviet Union since practically the only sea route navigable all the year round which connects the European part of the USSR with the Soviet Far East passes through the Indian Ocean.

The littoral states of the Indian Ocean are in favour<sup>2</sup> of holding an international conference to discuss practical measures to turn the region into a zone of peace. The Soviet Union would be prepared to consider the question of its attitude towards<sup>3</sup> the convocation of such a conference in the light of the above considerations.

The Mediterranean is another region where military tensions, especially in connection with the Middle East conflict, reached from time to time, dangerous proportions. With a view to reducing the tensions, the Soviet Union proposed some time ago to the United States to agree on the withdrawal from the Mediterranean of Soviet and U.S. ships and submarines carrying nuclear weapons. This proposal is still valid, and it is in the interest of all states whose security in one way or another depends on the situation in the Mediterranean to work for its implementation.

The problem of military detente is very relevant for the Middle East. The Soviet Union has repeatedly expressed itself in favour of stopping the arms race in the Middle East within the framework of a comprehensive political settlement of the Middle East conflict.

In various regions of the world the states concerned put forward proposals on the establishment of nuclear-free zones. That reflects their desire for effective limitation of the proliferation of nuclear weapons and for reduction of the threat of nuclear war. The Soviet Union supports such proposals. It is prepared to cooperate in their implementation, taking into account, naturally, the possibilities of a particular region where it is proposed to establish a nuclear-free zone. It is important that such zones should actually be free from nuclear weapons and that appropriate agreements contained no loopholes and were fully consistent with the generally recognized rules of international law.

### 3. Reduction of military budgets

One of the promising approaches to stopping the arms race and to disarmament is the reduction of military budgets of states. The resources thus released could be channeled for the purposes of economic and social progress of peoples, for accelerating the rates of economic growth, ensuring employment, developing new sources of energy, solving the food problem, combatting diseases and building new schools and higher educational establishments.

The Soviet Union has repeatedly put forward proposals for the reduction of military budgets and has taken steps which could serve as an example in this respect. Several years ago the Soviet side proposed to agree on the reduction by 10 per cent of the military budgets of states - permanent members of the UN Security Council and the use of a part of the funds thus saved to provide assistance to developing countries. This proposal was approved by the UN General Assembly but so far it has not been implemented due to the opposition by those states which have been stubbornly pursuing the policy of building up military expenditures.

The Soviet Union is prepared to take a flexible position regarding the specific figure to start the reduction of military budgets. A figure greater or smaller than 10 per cent could be agreed upon as a first step for 1977. What is important, however, is that this question should be made as soon as possible, a subject of businesslike negotiations between the states concerned. The current continuous growth of military expenditures of many states can and must be replaced by the practice of their systematic reduction.

9. Negotiations on questions of stopping the arms race and of disarmament have been conducted in various forms: on a bilateral basis, especially where this concerns states possessing the greatest military and war industrial potential; within a particular group of states directly concerned, including those on a regional level; within specialized bodies set up for discussion of the disarmament problem as a whole or of its individual aspects and made up of states representing major political groupings and geographical regions of the world today. Each year the questions of disarmament are given a prominent place in the work of the UN General Assembly.

On the whole these forms of negotiations and discussions have proved their usefulness. They will undoubtedly be used in the future as well. At the same time, the achievement of cardinal changes in the solution of the disarmament problem, which affects the interests of all states without exception, requires discussions in an international forum as broad and authoritative as possible.

Such a forum should first of all be truly global and should represent all states; secondly, it must provide an opportunity for expert examination, with due regard for all circumstances and in necessary detail, of the totality of disarmament questions; thirdly, it must be given the power to ~~take~~ make effective decisions.

These requirements would be met by the convocation of a World Disarmament Conference, and the Soviet Union continues to believe that it must be held.

A special session of the UN General Assembly could become an appropriate forum for discussing disarmament questions in their full scope, for determining through joint efforts the ways and means of their solution and for working out a long-term programme of practical steps. To prevent a situation where its results would be reduced to decisions containing provisions of a general nature in favour of disarmament, which already abound in the UN archives, such a special session of the General Assembly and its organization must not be of routine nature. This should be a particular session. It must be prepared, organized and held in such a way as to ensure a breakthrough in the solution of disarmament problems. Its entire work should fully reflect the high responsibility of all states of the world and especially of major powers possessing the most powerful armaments and armed forces.

Naturally, the convocation of a special session of the UN General Assembly should not eliminate the question of a World Disarmament Conference.

The Soviet Union considers the convocation of such a session to be an interim stage, which should by its decisions prepare a broad and radical review of the disarmament problem at the world conference. Such a session should not be restrained by strict time limits or the procedure normally followed at the General Assembly sessions, including special sessions.

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Such are the views which the Soviet Union believes necessary to bring to the attention of all member states of the United Nations and all states of the world. The Soviet Union expresses the hope that these views, motivated by concern for peace and the security of nations, by the desire to contribute to mankind's advance along the road of stopping the arms race and disarmament, will be carefully considered by all states and will help achieve practical results in the solution of this historic task facing mankind.

# NEWS AND VIEWS FROM THE USSR

SOVIET EMBASSY, INFORMATION DEPARTMENT

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THE TWENTY-FIFTH CONGRESS OF THE COMMUNIST PARTY OF THE SOVIET UNION:  
LEONID BREZHNEV ON RELATIONS WITH THE UNITED STATES

Moscow. February 24, 1976. The turn for the better in our relations with the United States of America, the largest power of the capitalist world, has of course, been decisive in reducing the danger of another world war and in consolidating peace. This has, without question, contributed to the improvement of the international climate in general, and that of Europe in particular. Acting in complete accord with the Guidelines set by the Twenty-fourth Congress, we have devoted very great attention to the objective of improving relations with the United States.

As a result of the negotiations with U.S. President Nixon in Moscow and Washington, and later, of the meetings with President Ford in Vladivostok and Helsinki, an important and fundamental mutual understanding has been reached between the leaders of the Soviet Union and the United States on the necessity of developing peaceful equal relations between the two countries. This is reflected in a whole system of Soviet-U.S. treaties, agreements and other documents. Cumulatively, they have laid a solid political and juridical foundation for greater mutually beneficial cooperation between the USSR and USA in line with the principles of peaceful coexistence. To a certain extent they have lessened the danger of nuclear war. Precisely in this we see the main result of the development of Soviet-U.S. relations in the past five years.

There are good prospects for our relations with the United States in the future as well--to the extent that they will continue to develop on this jointly created realistic basis when, given the obvious difference between the class nature of the two states and between their ideology, there is the firm intention to settle differences and disputes not by force, not by threats or sabre-rattling, but by peaceful political means.

In recent years our relations with the United States have been developing in many areas. There is a lively exchange of delegations, including parliamentary; and cultural exchanges have become more active. Many Soviet-U.S.

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agreements have been concluded envisaging expansion of mutually beneficial cooperation in a variety of economic, scientific, technical and cultural areas. Most of them have already come into force and are being put into practice with obvious benefits for both sides, and, more important still, for the mutual understanding of the Soviet and U.S. peoples.

The essentially positive development of Soviet-U.S. relations in recent years is, however, complicated by a number of serious factors. Influential forces in the United States that have no stake either in improving relations with the Soviet Union or in the relaxation of international tensions as a whole are trying to impair it. They portray the policy of the Soviet Union in a false light and refer to an imaginary "Soviet threat" to urge a new intensification of the arms race in the USA and in NATO. We may recall that there have also been attempts to interfere in our internal affairs in connection with the adoption by the U.S. of discriminatory measures in the field of trade. Naturally, we could not, and will not, suffer that sort of action. That is not the kind of language one can use with the Soviet Union. By now, I think, this is clear to all.

It is no secret that some of the difficulties stem from those aspects of Washington policy which jeopardize the freedom and independence of peoples and constitute gross interference in their internal affairs on the side of the forces of oppression and reaction. We have opposed, and will continue to oppose, such actions. At the same time, I want to emphasize once more that the Soviet Union is firmly determined to follow the line of further improving Soviet-U.S. relations in strict accordance with the letter and spirit of the agreements reached and commitments taken in the interests of both peoples and peace on earth.

Let me refer specifically to the current Soviet-U.S. negotiations on further strategic arms limitations. We are holding them in an effort to effectuate the 1974 Vladivostok understanding and to prevent the opening of a new channel for the arms race, which would nullify everything achieved thus far. An agreement on this issue would obviously be of very great benefit for the further development of Soviet-U.S. relations, for greater mutual confidence, and for the consolidation of world peace.

Since we attach the utmost importance to the whole of this problem, we have persistently and repeatedly offered to the United States that we not stop at just limiting the existing types of strategic weapons. We thought it possible to go farther. Specifically, we suggested coming to terms on banning the development of new, still more destructive weapons systems, and in particular, the new Trident submarines carrying ballistic missiles and the new strategic B-1 bombers in the United States and similar systems in the USSR. Deplorably, these proposals were not accepted by the U.S. side.

But we have not withdrawn them; and need we say how beneficial their implementation would be for mutual confidence. Furthermore, both sides would be able to save considerable resources and use them for productive purposes to improve the lives of the people.

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Let me add one more thing. Of late, pronouncements have been proliferating in many countries against any of the powers setting up military bases in the region of the Indian Ocean. We are in sympathy with these pronouncements. The Soviet Union has never had, nor has now, any intention whatever of building military bases in the Indian Ocean. And we call on the United States to take the same stand.

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Novosti Press Agency

( RELEASE )

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THE TWENTY-FIFTH CONGRESS OF THE COMMUNIST PARTY OF THE SOVIET UNION:  
LEONID BREZHNEV ON EFFORTS TO PROMOTE DISARMAMENT

Moscow. February 24, 1976. In the report to the Twenty-fifth Congress of the Communist Party of the Soviet Union, Leonid Brezhnev emphasized that, "Efforts to end the arms race and to promote disarmament are, and remain--as the Peace Program requires--one of the main trends in the foreign political activity of the Central Committee of the CPSU and the Soviet government."

Brezhnev said: "Today, this objective is more vital than ever. Mankind is tired of sitting upon mountains of arms; yet, the arms race, spurred on by aggressive imperialist groups, is becoming more intensive.

"The main motive for the arms race given by its advocates is a so-called Soviet threat. They invoke this motive when they want to drag through a larger military budget by reducing allocations for social needs, and when new types of deadly weapons are being developed, and also when they try to justify NATO's military activity. In fact, of course, there is no Soviet threat either in the West or in the East. It is all a monstrous lie from beginning to end. The Soviet Union does not have the slightest intention of attacking anyone. The Soviet Union does not need war. The Soviet Union does not increase its military budget, and, far from reducing, is steadily augmenting allocations for improving the people's well-being. Our country is consistently and staunchly fighting for peace, and making one concrete proposal after another aimed at Arms reductions and disarmament.

"The Soviet Communists are proud of having undertaken the difficult but noble mission of standing in the front ranks of the fighters striving to deliver the peoples from the danger of the continuing arms race. Our party calls on all the peoples, all countries, to unite their efforts and end this perilous process. General and complete disarmament was, and remains, our ultimate goal in this field. At the same time, the Soviet Union is doing all it can to achieve progress along separate sections of the road leading to this goal.

(more)

"An international convention on banning and destroying bacteriological weapons, based on a project submitted by the Soviet Union and other socialist countries, was drawn up, signed and has entered into force. In effect, it is the first real disarmament measure in the history of international relations. It envisages removal of a whole category of highly dangerous mass annihilation weapons from the military arsenals of states.

"The sphere of operation of the Treaty on the non-proliferation of Nuclear Weapons has expanded. Recently, additional large states, including the Federal Republic of Germany and Italy, have become party to it. Yet further effective measures to prevent the spread of nuclear weapons are still a most important objective. The USSR is prepared to cooperate with other states on this score.

"Let me refer, specifically, to the current Soviet-U.S. negotiations on further strategic arms limitation. We are holding them in an effort to effectuate the 1974 Vladivostok understanding and to prevent the opening of a new channel for the arms race, which would nullify everything achieved so far. An agreement on this issue would obviously be of very great benefit for the further development of Soviet-U.S. relations, for greater mutual confidence, and for the consolidation of world peace.

"Since we attach the utmost importance to the whole of this problem, we have persistently and repeatedly offered to the United States that we not stop at just limiting the existing types of strategic weapons. We thought it possible to go farther. Specifically, we suggested coming to terms on banning the development of new, still more destructive weapons systems, in particular, the new Trident submarines carrying ballistic missiles and the new strategic B-1 bombers in the United States and similar systems in the USSR. Deplorably, these proposals were not accepted by the U.S. side.

"But we have not withdrawn them; and need we say how beneficial their implementation would be for mutual confidence. Furthermore, both sides would be able to save considerable resources and use them for productive purposes for improving the people's lives.

"Let me add one more thing. Of late, pronouncements have been proliferating in many countries against any of the powers setting up military bases in the region of the Indian Ocean. We are in sympathy with these pronouncements. The Soviet Union has never had, nor now has, any intentions whatever of building military bases in the Indian Ocean. And we call on the United States to take the same stand.

"Certainly, the time will come when the inevitable association of other nuclear powers with the process of strategic arms limitation will arise on the agenda. And those which refuse would assume a grave responsibility before the peoples.

"On our country's initiative, the U.N. General Assembly has, in recent years, adopted a number of important resolutions on the questions of restraining the arms race and banning the development and manufacture of new types of mass

(more)

annihilation weapons and such weapons systems.

"The task is to have these resolutions implemented. Frankly, this is not easy to achieve, because a number of major states are still obviously reluctant to end the arms race. The opponents of the relaxation of international tensions and disarmament still dispose of considerable resources. They are highly active in different forms and from different angles. Though imperialism's possibilities for aggressive action are now considerably reduced, its nature has remained the same. This is why the peace-loving forces must be highly vigilant. Energetic action and unity of all the forces of peace and goodwill are essential.

"Therefore, special importance is attached to the proposal supported by the vast majority of U.N. member-countries to convene a world disarmament conference.

"Political relaxation of tensions needs to be backed up by military relaxation. The Peace Program advanced a clear aim: to reduce armed forces and armaments in Central Europe. The Vienna negotiations on this score have already been going on for more than two years. However, there has been no visible progress, for only one reason: The NATO countries refuse to give up trying to use the negotiations to secure unilateral military advantages. For some reason, the West wants--even demands--concessions prejudicial against the security of the socialist countries. Yet, we have not noticed any inclination on the part of the NATO bloc to make similar concessions to the other side.

"Recently, the socialist states submitted new proposals in Vienna in an effort to get matters off the ground. For a start, we are prepared to accept a reduction of only Soviet and U.S. troops in the course of this year, while the strength of the armed forces of the other participants in the negotiations remains frozen and not subject to reduction until the second stage in 1977-1978. We have also made perfectly concrete proposals concerning reduction, by both sides, of the number of tanks, nuclear missile-carrying planes and missile launchers, along with a definite quantity of nuclear warheads for them.

"Our proposals are based on the only realistic approach to preserving the existing relations of strength in the center of Europe, in substance, one of equal balance. Their implementation will not prejudice the security of either side. And it is to be hoped that all this will win the due response of the Western countries and that it will at last be possible to go from discussion to actual measures reducing armed forces and armaments.

"The Twenty-fourth Congress set this objective: Renunciation of the use and threat of force in settling questions in dispute must become the rule in international relations. Later, this principle was reflected in a number of treaties concluded by the USSR with other countries. It is contained in the Final Act of the Conference on Security and Cooperation in Europe. To make the danger of war recede still farther and to create favorable conditions for progress towards disarmament, we now offer to conclude a world treaty on the non-use of force in international relations. Its participants, naturally including the nuclear powers, would undertake to refrain from using all types of weapons, including nuclear, in settling disputes that may arise between them. The Soviet Union is prepared to join other states in examining practical steps leading to the implementation of this proposal."

SOVIET COMMENTARY ON THE PRESIDENTIAL  
CAMPAIGN DEBATES

Soviet public commentary on the US election debates has shifted from impartial condescension to impartial exasperation. Moscow evidently felt that the exchange on foreign affairs could not pass without a firm rebuttal.

Why the Debates? The Soviet media have been presenting the debates primarily as an effort by both sides to combat voter apathy. According to the commentators, half the electorate might well stay away from the polls as a result of widespread disillusionment with the US political and economic system; of the remainder, one-third are undecided between the candidates. Furthermore, President Ford, trailing Governor Carter but narrowing the gap, allegedly saw in the debates a chance to prove his suitability for the presidency. Carter for his part sought to use them to counter charges of "haziness" and lack of experience.

Philadelphia, September 23. Most Soviet pundits treated the first debate with marked condescension and detached impartiality. Both American parties, after all, represent the same class--the bourgeoisie. Thus, while President Ford and Governor Carter might differ in campaign tactics--Ford citing optimistic economic forecasts and Carter repudiating them--neither could possibly offer realistic answers to the nation's problems: unemployment, inflation, taxes, housing, energy, education, and medical services. Walter Cronkite's quip that "There were no new questions or new solutions" was cited to underscore this point, as were some of the placards carried by demonstrators outside Philadelphia's Walnut Street Theater. The debate was judged a draw, both candidates proving adept at pointing out the other's shortcomings.

October 23, 1976

San Francisco, October 6. The second debate presented Soviet commentators with more of a problem: how to square Soviet insistence on the American public's endorsement of detente with the increasingly anti-detente electioneering rhetoric in the US. Moscow's explicit approval of both candidates' commitment to detente and to arms limitation talks was all but obviated by its accompanying hand-wringing over the "cold war" overtones of their "contradictory" and "inconsistent" commitments to negotiate only from a "position of strength."

Izvestiya observer Vikentiy Matveyev typically blamed the US military-industrial complex for this turn of rhetoric. Having lost its bipartisan investments in Reagan and Jackson ("extreme rightwing politicians, in the Republican and Democratic parties"), it is now allegedly busy extracting

"from the candidates of the two leading parties of the wealthy U.S. bourgeoisie, hard and fast pledges concerning the appropriation of large new sums of money for orders of new arms." (Moscow International Service, October 10, 1976.)

As yet, however, only a few Soviet commentators have even implicitly questioned detente's public popularity. S. Kondrashov recently noted that "Many observers agree that a wave of chauvinism is sweeping across America once again" (Izvestiya, October 14, 1976). According to him, Carter's ditching of his liberal reputation in foreign affairs and his adoption of Reaganesque stances were testimony "to a shift in the conservative direction in voters' sentiments" (Izvestiya, October 9, 1976). Kondrashov laid the blame, of course, at the feet of "the opponents of the relaxation of international tension":

"The chauvinist wave did not emerge spontaneously. It was aroused by the highly intensive psychological manipulation to which the forces of the military-industrial complex and other opponents of detente have subjected Americans. Developing energetic activity, particularly in the present election year, they have again constructed the gigantic scarecrow of a 'Soviet threat,' dressing it in numerous outwardly convincing but essentially loaded statistics about the United States 'lagging behind.' These statistics have emerged one after another from deep inside the Pentagon and the CIA in the last few months." (Izvestiya, October 14, 1976.)

Besides castigating both candidates for their "ambiguous" stands on detente, the Soviet media after the second debate also took both to task for advocating increased armaments for Israel and for appealing "to a narrow but influential category of American voters--the Zionists" (Izvestiya, October 9, 1976). However, President Ford's defense of the Helsinki agreement and US-Soviet trade was noted approvingly, as was Governor Carter's attack on US policy in Vietnam, Cambodia, Chile, Pakistan, and Angola and his condemnation of the Watergate affair and unlawful CIA activities.

On the other hand, it was more than a week before Moscow reacted publicly to President Ford's and Governor Carter's exchanges on the nature of the Soviet Union's relations with East European countries. Pravda on October 15 finally warned both candidates sharply "not to overstep the bounds of the permissible." The unsigned article asserted that in foreign affairs even US candidates cannot simply "say and do anything that comes into their heads." It branded a White House gathering of "emigre rabble" as an "extremely unfriendly" gesture and charged both Ford and Carter with making statements that have "nothing in common with a serious, stately approach to international affairs."

The overall Soviet media verdict on the second debate rated the Pentagon as the real winner and stressed the lack of real voter enthusiasm. Veteran pundit Valentin Zorin speculated that the reason Carter's lead in the polls had eroded was that voters had ceased to see any great difference between him and Ford. (Moscow Domestic Service, October 8, 1976).

Private Comments. The same Zorin commented privately to US officials that Ford's experience and familiarity to the voters will in the end enable him to edge out Carter. But while the Soviets themselves lean toward Ford for the same reasons, according to Zorin, the official line remains one of strict neutrality and readiness to work with either a Ford or a Carter administration. As if to document the point, Pravda recently told its readers that even Carter adviser Zbigniew Brzezinski--"well known for his anti-Sovietism"--endorses a continuation of detente (Pravda, October 17, 1976).

*Admitted, told  
some things were  
not the  
general  
opinion*

*of them  
like  
means  
assembly, a comment*

Jimmy Carter  
Plains, Georgia 31780

[12/76]

Confidential

To James Schlesinger

This is a report prepared for me by a friend of mine - former Submariner - who has done his doctoral work on the energy problem.

He's available to help us - not looking for any job. His phone number is 404-549-8259.

Jimmy

A PRESIDENTIAL VIEWPOINT: THE ENERGY SITUATION

A Special Report

prepared December 6, 1976

for: James E. Carter,  
President-Elect of the United States

by: Howard Bucknell III  
Political Science Department  
University of Georgia

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PRECEDENCE

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~~Confidential~~ To Stu -  
These ideas of Sen  
Long are very  
important & almost  
all good ones  
Use this -

in transportation matters and gets along well with Brock Adams, the nominee for Secretary of Transportation and the man who will have many dealings with Long's Subcommittee. J.

Generally, Long's interests lie in the subjects over which he has control, namely those within the jurisdiction of the Finance Committee.

**TAX POLICY:** Long feels that the tax law is not simply a device for raising revenue but, more importantly, a tool to be used to deal with both economic and social problems (for example, tax incentives for businesses which hire welfare recipients; incentives aimed at directing investment into troubled industries or underdeveloped geographical areas; incentives to businesses to spread stock among their employees.) Probably for this reason, Long has been a prime target of those so-called tax reformers who view most deductions, credits, and exclusions for both businesses and individuals as loopholes. In recent years, Long has been directly responsible for ending many tax abuses, but he feels that deductions and credits which serve legitimate social and economic purposes should not be scuttled unthinkingly. Long has a history of supporting tax simplification and has introduced his own legislation for this purpose. However, he found that the complexity of the Code results mainly from the provisions put in to attain social and economic goals.

The Chairman also has his own approach for dealing with the troublesome problem of tax shelters for the wealthy. He believes that such shelters are devised because of the current confiscatory maximum 70% tax rate on unearned or passive income (rents, royalties, dividends, etc.) and that if the maximum rate were lowered to 50%, much of the incentive for wealthy individuals to resort to "tax loss" endeavors and other shams would be removed. His proposal for this purpose was approved by the Finance Committee as an amendment to the Tax Reform Act of 1976 but was defeated on the Senate floor.

Additionally, Long is troubled by the impact which current capital gains tax provisions have on long-term investors, especially retirees. Whether one holds an asset for one year or fifty, the tax rate is the same under existing law. His answer is a sliding scale tax rate based on the number of years which the asset is held; the longer one has held an asset, the lower the tax rate. That proposal was also accepted by the Finance Committee but rejected by the Senate.

Finally, Long is convinced that for the purposes of economic stimulation and job creation, tax reductions should be directed primarily at the business community. Tax cuts for individuals are perhaps necessary politically, but on a dollar-for-dollar basis, business tax reductions accomplish much more and should be emphasized.

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ELECTRONIC REPRODUCTION MADE FOR  
PRESERVATION PURPOSES

#### EMPLOYEE STOCK OWNERSHIP PLANS (ESOPs):

Devised by Louis Kelso several years ago, the ESOP concept has found a zealous disciple in Russell Long. The Chairman says that the problem with American capitalism is that there are not enough capitalists (85% of the nation's wealth is owned by 1% of the people); if a person does not have a stake in an economic system, he will be prone to support or be indifferent to a change in the system. Long sees ESOP as not only the salvation of capitalism but also the primary means of financing future business expansion and increasing worker output.

Companies now must rely on profits or bank loans to finance expansion. Long is pushing legislation encouraging a company to issue new stock that would be given to an employees' stock ownership trust which, in turn, would borrow the expansion money. When the loan is paid off, the stock remains with the employees. A worker's share would be based on his income and his shares, of course, would earn dividends for the worker in addition to his company pay. On retirement, the value of the shares would add to his retirement income.

The concept of expanded stock ownership is catching on. Business leaders are seriously exploring employee stock ownership as a way of generating fresh capital and increasing worker productivity. Many businesses have already established ESOPs.

The Joint Economic Committee has endorsed broadened stock ownership and political figures of all persuasions (from Hubert Humphrey and Jacob Javits) are drafting ESOP-type legislation. Even Ronald Reagan has talked of the merits of this approach.

Long has already succeeded in getting tax incentives for ESOPs written into the Code and will certainly continue his push for legislation to increase those incentives.

HEALTH: Senator Long was Chairman of the Finance Committee when the Medicare and Medicaid were enacted and has been distressed with the waste, inefficiency, abuse, and fraud which exist in these programs. He supports the so-called Talmadge bill whose purpose is to reform administrative and reimbursement procedures, consolidate the bureaucracy, and increase penalties for fraud and abuse under Medicare and Medicaid. These programs, in Long's view, will provide the basis for future expansion of the federal government's role in health care; they will be built upon, not dismantled. Thus, he favors an incremental approach to national health insurance. His first step would be enactment of his legislation to federalize Medicaid, require private health insurance policies to meet strict federal standards in terms of covered services, and establish a catastrophic health insurance program for all Americans. He opposes the Kennedy Health Security Act as too revolutionary and too expensive. He feels that his plan will accomplish much the

same results in time; expanded coverage could be phased in through reductions in the threshold amounts which determine when one qualifies for federal protection.

**SOCIAL SECURITY:** Senator Long will probably want to address the rather serious Social Security financing problem which gets worse each month. Action to increase funding ought to be taken before the next automatic benefits increase (scheduled for June) occurs and exacerbates the problem. This financing deficit is a source of considerable anxiety for the elderly who depend on their monthly checks.

The question is, of course, how the actuarial deficit is to be overcome. Long will probably not want to increase Social Security taxes because it would be counterproductive, offsetting any economic benefits of the federal income tax cut which has been proposed. He will probably not want to tap general Treasury revenues even temporarily because once that precedent is established, it is hard to resist future uses of general revenues to finance Social Security. (This would be a substantial departure from the pay-as-you-go basis of the program.) Long may suggest an approach which includes the best of both worlds: Increase Social Security taxes permanently by one-half of one percent but provide for a temporary federal income tax credit for that FICA increase; when the temporary income tax credit expires, the permanent Social Security tax increase remains.

**WELFARE:** Long is genuinely concerned with the poverty-stricken and the working poor. Yet his disgust with welfare chiselers, fathers who will not support their children, and other stereotypical abusers of the system coupled with his devotion to the work ethic probably makes his support of a guaranteed minimum income plan impossible at least at this time. Substantial progress toward bringing him around to support a comprehensive reform of welfare could be made if the Administration would accept a statutory differentiation between the truly unemployable and others who are able but choose not to work. That is a possible starting point for discussions.

The States have recently urged that the federal government's matching share of welfare costs be increased to relieve some of their fiscal problems. Long probably would not go along because, in his view, this would lessen their incentive for tight administration of the program (if the state's share is only 25% as opposed to 50%, then for every dollar wasted, the state is out only 25 cents instead of 50 cents.) To provide fiscal relief, Long would probably favor more federal social services money which he views as a type of revenue sharing.

PAROCHIAL ISSUES: In every first conversation with every President he has served with, Senator Long has succeeded in extracting a promise that Fort Polk, an Army installation near the Texas border, will not be closed. In recent years, that facility has had its status elevated from a camp to a fort and the Army now has quite an investment there.

In September, Senators Long, Johnston, and Inouye wrote Governor Carter asking that he look into the plight of the sugar producers. Production costs of sugar cane now run about 14¢ a pound and sugar currently brings only about 11¢ a pound on the market. Long may now ask for relief in the form of either increased tariffs on imported sugar, quotas on imported sugar, or increased price supports for domestic sugar production.

Long recently wrote a letter cosigned by Senator Talmadge urging that Will E. Leonard (formerly Long's legislative assistant and now Chairman of the United States International Trade Commission) be appointed the President's Special Representative for Trade Negotiations.

Jimmy Carter  
Plains, Georgia 31780

11-14-76

To Sen. Mike Mansfield

I really appreciate the superb report on your trip to China. It has been very helpful to me, and I hope that you will continue to let me have the benefit of your advice and counsel during the coming months on our relations with the People's Republic and on other matters.

You can reach me at 912-824-8885 (private).

Sincerely,  
Jimmy

# COPY

## APPENDIX

- I. Letter of Transmittal
- II. Report to the President
- III. Meeting, October 7, 1976, with Wang Hai-jung, Vice Minister of Foreign Affairs
- IV. Meeting, October 9, 1976, with Vice Premier Li Hsien-nien
- V. Notes on October 10, 1976 Meeting with Feng Kuo-chu, Vice Chairman of the Shanghai Municipal Revolutionary Committee

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BY J NARS. DATE 5/14/99

October 26, 1976

The President  
The White House  
Washington, D. C.

Dear Mr. President:

Together with Senator John Glenn and a party of eight others, I entered the People's Republic of China at Shanghai on September twenty-first. The group departed from China three weeks later. In this third visit to the Chinese People's Republic, I criss-crossed the country, traveling about 9,000 miles by plane, rail, bus, ferry and automobile. My itinerary led from Shanghai on the East coast to the Sinkiang Uighur Autonomous Region whose closed borders extend for hundreds of miles along the frontiers of the Soviet Union and Outer Mongolia. The week's visit in Sinkiang was the first of an official U. S. delegation. A warm reception was encountered from the local inhabitants of thirteen or more nationalities.

In addition to Sinkiang in the Northwest, I visited cities in Kiangsu Province, including Wuxi and Nanking, and in the southern province of Kuangtung, the ancestral place of so many Americans of Chinese origin.

Several days were spent in Peking. Conversations were held there with Wang Hai-jung, the Vice-Minister for Foreign Affairs and Li Hsien-nien, Vice-Premier of the State Council and other Chinese officials. Your ambassador at the U. S. Liaison Office, Tom Gates, and members of his staff also provided me with the benefit of their observations.

In my judgment, this visit to the People's Republic served as an effective expression of the collaboration between the Presidency and the Senate in the evolution of United States policy with regard to China. I am happy to have been a part of this process since its outset which goes back to the Johnson Administration when I made my first attempt to establish contact with the Peking government.

In retrospect, even as it seemed to me at the time, President Nixon's initiative in going to Peking in 1972 was a very wise decision in that it ended a long period of debilitating inertia in United States policy with regard to China. At best, the lapse of friendly contact between the two countries for a quarter of a century undoubtedly contributed to great

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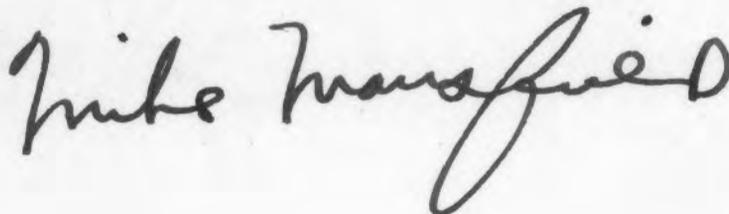
October 26, 1976

waste of U. S. resources in the Western Pacific. At worst, it may well have been a factor in the outbreak of conflict between the Chinese and ourselves in Korea, not to speak of the tragic U. S. involvement in Vietnam. Looking ahead, the restoration of full diplomatic contact could take on great significance for the welfare of the people of the United States.

It should be noted that almost five years have already passed since President Nixon's ice-breaking visit to Peking. I would be less than candid if I did not express the hope, that, henceforth, there will be a more positive follow-through on the Shanghai Communique. For reasons which are set forth in this report protracted delay tends to erode the value to this nation's interest of the Nixon initiative.

With warm personal regards and high esteem, I am,

Respectfully,

A handwritten signature in black ink, reading "Hubert H. Humphrey". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

**CHINA AFTER MAO**

**Report to the President**

on a

**Third Mission to the People's Republic of China**

by

**Senator Mike Mansfield  
Majority Leader  
United States Senate**

1976

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BY J NARS. DATE 5/14/99

## CHINA AFTER MAO

### I. Introductory

My group arrived in Shanghai at the end of the official mourning period for Chairman Mao Tse-tung. We entered a China which was far from recovered from the shock of his death. The entire nation, from Shanghai on the East Coast to the Uighur Autonomous region of Sinkiang in the distant reaches of Central Asia was immersed in expressions of grief. It was as though we had come to a funeral wake of continental proportions.

The streets were strangely quiet. Ordinary conversations were held in hushed tones. Chinese officials would fill up at the mention of the name of "Chairman Mao." Sometimes they wept openly. Although the period of decreed mourning was over, all entertainment and similar activities continued in suspension.

The black arm-band was the hallmark of grief. Very few persons on the streets of Shanghai, Nanking and other cities were without them. Everywhere, building entrances were hung with black and white crepe balls. Scarcely a wall was without a splash of Chinese characters paying homage to the leader of the Chinese revolution. Over and over again, they read: "Chairman Mao you will live forever in our hearts," "Great and wise teacher, Chairman Mao, will not be forgotten for 10,000 years." Letters of condolence were posted by workers and school-children on thousands of bulletin boards. Large portraits of Mao, draped in black, were to be seen in homes, factories and schools and on the streets, sometimes surrounded by great banks of flowers. In rural China scarcely were we ever out of reach of loud-speakers which filled the air from morning until night with the name of Chairman Mao and a recounting of his life and thought.

Ten days after our arrival, October 1, the Chinese celebrated the 27th anniversary of the founding of the People's Republic. Although restrained the celebration served as a catalyst. Thereafter, the grief subsided and the pre-occupation with sorrow changed rapidly. By the time my group left China on October 12, people were going about their business in a normal fashion. Word was just beginning to circulate about the elevation of Hua Kuo-feng to the highest political leadership. It was not until after I left China that I encountered the first reports concerning some doubt as to the precise nature of Hua Kuo-feng's designation and rumors of a serious political struggle. As a possible contribution to clarification of that situation, I recount herewith as precisely as I can the circumstances which came to my attention during the final days of my stay in China.

On Saturday morning October 9, I was notified in Peking by a Chinese escort that the Chinese radio had just announced that:

- (1) the Politburo of the Central Committee would be "headed" by Hua Kuo-feng;
- (2) Hua Kuo-feng would also "head" the military commission of the Central Committee;
- (3) by order of the Politburo, a memorial hall would be erected in Peking to preserve the remains of the late Chairman Mao Tse-tung which would be contained in a crystal sarcophagus, along the lines used for Lenin in Moscow, so that the Chinese people might continue to view the Chairman. (This latter step is alien to traditional Chinese practice but highly significant, I think, of the determination and desire to carry on the Mao tradition.)

- (4) the Central Committee and other organs had announced that all of Mao Tse-tung's written works would be compiled in one set of volumes in due course and that, immediately, work would be speeded up on bringing out the 5th volume of the already published selected works of Chairman Mao.

In some of the wall posters that were put up during the period from Saturday night to Sunday noon in Peking and from Sunday afternoon to Tuesday in Shanghai while we were in the two cities, the term "Chairman" was being used instead of "Leader" or "Head" to describe Hua Kuo-feng. We had no indication whatsoever in Peking or Shanghai, however, that Chiang Ching, Wang Hung-wen, Chang Chun-chiao, and Yao Wen-yuan, all from Shanghai, had been arrested as was subsequently reported abroad. Nor was there any unusual troop movements in either city or in Canton during our visit to the latter city just prior to returning to Peking for the last time. There was no official public announcement that Premier Hua Kuo-feng's selection as Chairman of the Communist Party had been confirmed by an election of the Central Committee.

It is, I believe, reasonable to assume that the Politburo went into continuous session after the death of Mao. Indeed, a possible reason for the prolongation of the mourning period might have been to allow time to make the necessary decisions on succession and related issues and to subject the matters mentioned above to official confirmation by the Central Committee. It is my further belief that speculation, rumors, innuendos and allegations should be treated with the greatest circumspection and that no hasty judgments should be arrived at until the facts become clearer.

Having entered that caveat, I would also note that there did not appear to be any dissatisfaction with Hua Kuo-feng's role during the mourning period. On the contrary, he was the central figure in the funeral ceremonies for Chairman Mao and delivered the only eulogy which was carried by T/V to all parts of China. While it was by no means a case of "the King is dead, long live the King," to all outward appearance the continuance of his leadership established after the fall of Teng Hsiao-ping and while Mao Tse-tung was still alive, seemed, generally, to be taken for granted.

Whatever the political ramifications, the mourning period did serve a significant long-range purpose. It provided time for an important message to be driven home to the Chinese people. The significance of Mao Tse-tung was indelibly impressed on all of China during the period. Also highlighted were the Chinese Communist Party and the Central Committee as the vehicles for the conversion of Mao's thought into continued action for the development of a socialist China. Whether in Urumchi, in Peking or in the villages of South China, that message went out over and over again in essentially the same words. It is doubtful that a household remains anywhere in China which has not heard it repeated many times. Officials of the local Revolutionary Committees, factories and communes which we visited vied with one another to affirm and reaffirm the doctrine of Mao and the authority of the Party and the Central Committee.

Whatever political currents may have been running under the surface, a month after the death of Mao Tse-tung, China gave every appearance of having been brought through the transition without major dislocations. The people had gone back to work on communes and in factories, apparently intent on even

more Herculean efforts to produce and to continue to build a Communist state through "class struggle." Hua Kuo-feng, as he had before, continued to operate the bureaucratic structure of the central government. The authority of that government was not questioned by anyone in my presence. To all outward appearances, the nation was tranquil.

Whatever may emerge from the crucible of Chinese politics would not cause me to modify a basic conclusion reached on my previous visit to China. The critical elements which will confront our policy is not who leads China after Mao. It is that, regardless of who leads, we will be living with a Maoist state in which the revolutionary content will remain high for a long time to come. The Chinese in their own way and in their own time will make political adjustments. As far as the United States is concerned, that responsibility is Chinese not ours and we would be well advised to avoid comments as to our likes and dislikes and be prepared to accept and deal with whatever Chinese government rules the state. Mao is gone but Maoism lives on.

## II. The Political Situation

Some U. S. observers have tended to project the post-Mao situation in China in terms of personalities. That tendency is not uncharacteristic of our traditional approach to China. In an earlier time, when the mass of Chinese were largely inchoate in a political sense, that was the only way. The Chinese people, however, have now been politically activated and organized in China and it does not accord with an accurate understanding of the realities, in my judgment, to persist in the personification of Chinese politics.

In today's China, one would be hard pressed to find significant names, let alone someone who could even begin remotely to approach the stature of

Mao Tse-tung. The old leaders of the Chinese revolution whose names and reputations might have carried special weight with China's people are almost gone. In one year alone, death has taken three: Chu Teh, Chou En-lai and Mao Tse-tung. The handful of veterans of the Long March who are still in the Peking government and the upper reaches of the party hierarchy are beyond the age of vigorous participation in China's politics. There remain no great names from which to draw a new personalized leadership.

The suggestion has been advanced that there may be a militarist successor to Mao. In this concept, a military strong man is seen as emerging in China's affairs in the pattern of Generalissimo Chiang Kai-shek, perhaps as part of a reappearance of the war-lordism of an earlier time. The prospects of a denouement of that kind declined drastically with the death of General Lin Piao. A war hero, Lin Piao had risen to great heights in party affairs by seeming to expound Mao's doctrine with great vigor and by his complete support of Mao's leadership during the Cultural Revolution of the mid-sixties. When he was suspected of plotting a coup, however, he sought refuge in the Soviet Union and was reported killed in a plane crash.

At the present time, public esteem for the military is fixed on the People's Liberation Army, rather than on an individual military leader. The armed forces themselves are closely integrated with the civilian population; often, they constitute the almost indistinguishable vanguard of major civilian undertakings such as the opening of new lands in Sinkiang or the relief of the Tangshan earthquake.

The PLA is commanded by officers who, in the higher ranks, probably are all members of the Communist Party who have been deeply indoctrinated with political theory. They have been taught, not to stay out of politics

but to educate themselves in Leninism, Marxism, and Maoism and to immerse themselves in the total affairs of the party. The principal leaders are members of the Central Committee and there is no reason to assume that they are other than loyal adherents to the Party and amenable to its discipline.

It would be my judgment, therefore, that there is very little likelihood of a reversion to the ways of Old China either in terms of a military dictatorship or regional militarism. If any tendency towards military dominance were to appear, it is likely that it would develop and be asserted within rather than outside the context of the Communist Party.

It should be borne in mind that all generalizations regarding China are uncertain. The only near certainty is that Maoism constitutes a powerful force that permeates the central government, the provinces and the localities and all economic, cultural and social activities in China. The Maoist indoctrinated cadres appear to be, for the most part, dedicated, intense and self-sacrificing and they constitute the vital political connection between Peking and the remotest hamlets.

Whatever the succession to Mao, it will not signal the end of political stress and conflict inside China. From the point of view of this nation's legitimate concern, it would be well to bear in mind that the party is destined to be the arena of political struggle for the foreseeable future. Mao's legacy is not only a Maoist state but a powerful Communist Party. The combination will not only continue to embrace Chinese society, it is bound to be of growing significance to the world.

### III. The Economic Situation After Mao

The inevitable growth of China's international importance in the years ahead is foreshadowed by two recent events. Shortly before my arrival

for the third visit, the Chinese placed in orbit another earth satellite of their own manufacture. A few days later, while in Sinkiang Province, I was informed of the explosion of a Chinese nuclear device at Lop Nor, probably not more than two hundred miles away. The radio-active fall-out from that blast was such as to lead to protests in Japan 3,000 miles away and to the triggering of measuring devices in the United States. Again, it was a Chinese technical achievement from start to finish.

These two incidents may have been seen in some quarters as scientific spectacles. More likely, they were part of a deliberate plan of economic development which dates at least from the inception of the first five year plan in 1965. In the course of a decade most of the complex techniques of a modern industrial state have already appeared in China. To cite an example, in a hospital in the Sinkiang Capitol of Urumchi, an ophthalmological device was in use, employing a laser for eye-surgery. This device was produced entirely by Chinese technology in Shanghai. Textile and other light industries employing thousands of men and women are now to be found in the backward regions of Sinkiang, Kiangsu and Kwangtung Provinces. Thirty years ago these places would have presented a picture of human misery and mass idleness and ignorance. We visited new hydro-electric installations and industrial plants producing 400,000KW capacity generators. None were of the latest design but all embodied the technology of a modern industrial state. They were far beyond comparison with old China.

Along the excellent railroads, highways and rivers, the smokestacks of industry have multiplied markedly in the past four years. New housing construction is apparent in the cities and rural areas. Passenger automobiles

are still a rarity but Chinese-made trucks and tractors, along with bicycles, are beginning to clog the roads.

On the communes an intensive highly ingenious and fruitful agriculture is being practiced, involving spectacular feats of water control and even the massive remodeling of land contours. Grains, vegetables, fruits, cotton and every other manner of crops and live stock are produced in enormous quantities.

The great stress in the Chinese economy remains on "do-it-yourself," an attitude which is present from the smallest units of production to those of nationwide significance. The present Chinese approach to economic development is almost entirely the product of Chinese ingenuity and effort. In this connection, I would note that I was advised by your Ambassador that the Chinese have shown no interest in the acquisition of advanced weapons from the United States. Chinese interest has also faded, apparently, in importing U. S. foodstuffs and fibers and even complex technology such as off-shore drilling equipment. To be sure, China may be looking elsewhere for whatever outside help may be required and there has been an imbalance Sino-U. S. trade for several years. These factors may underlie the present disinterest in purchases. Allowing for such considerations, the fact still remains that there has emerged in China, a new generation of confident and energetic people whose economy has already revealed ingenious technological capabilities, from national planning to vegetable cultivation.

The Chinese are putting together an economic structure that to all appearances is well suited to meeting their expanding needs. Reasonably uniform and balanced progress seems to be taking place throughout the nation. There is no inflation; prices of necessities are virtually unchanged from

my first visit in 1972. Food supplies appear very ample. Clothing is in better supply and quality than ever before. Housing is being upgraded and the supply is expanding both in the cities and rural areas. Small comforts such as clocks and radios are beginning to be provided on a mass basis. The bicycle has become the universal form of private transportation, with an occasional motorcycle or scooter starting to make an appearance.

The economic system is based on a high degree of local and regional initiative, the participation of all available hands in productive work, and the equitable treatment of all peoples, including women and national minorities in regard to whatever amenities and opportunities are available. There are wage and other income differentials but they are within a narrow range and even these are eyed suspiciously in some political quarters as a vestige of the old system. Chinese society involves a high degree of mutual concern which is manifested in efforts to advance health and welfare and to educate all children.

What is transpiring in China's internal developments then, is much more profound than would be indicated by the two scientific pyrotechnics which were cited at the outset of this chapter. Rather, the modernization of China is being pursued on a well-planned basis which brings in all segments of the populace and all regions of the country. The accent is heavily on egalitarianism. The result is a massive economic surge, with the entire population of 800 or 900 million people moving slowly but steadily towards more adequate living standards.

Individuals have little significance in the economic system which prevails, although they may ultimately be the gainers. The family is still a unit of major importance. Most significant, however, is the conglomerate

of groups to which all individuals belong in one way or another, whether factory unions or production brigades or teams on the communes, or even associations of neighborhood women sewing clothing for sale in local stores.

This unique structure involves a nation-wide decentralization into cores of economic power in which industry is interspersed with agriculture even in the most remote regions and in which politics and technology are closely interwoven. Party cadres penetrate every part of China. Their function is to educate workers and peasants in Mao's principles of serving the common good and building socialism and to exhort all Chinese to produce "more, faster and better" to achieve these ends.

Current during the time of my visit was the slogan "turn grief into strength." It was designed to draw productive impetus from the passing of Chairman Mao and it seemed to be achieving that purpose. This year's crops are reported in excellent condition. Grain reserves are rising and the concentration on mechanization of agriculture is becoming increasingly evident. China's industrial technology is developing apace.

#### IV. International Aspects

At the time of my visit there was no suggestion of imminent external danger to China. The inner borders with the Soviet Union and Outer Mongolia were described as "quiet." Full diplomatic relations with India had been restored, thus tending to lift whatever pressures might still be present on China's southwest border.

With regard to Indo-China, the possibility of a military clash with the United States disappeared with the end of the Indo-China conflict. As for Soviet activities in Hanoi if there is Chinese concern, no manifestations

came to my attention. Relations with Laos are good and the Chinese tie with Cambodia is particularly intimate.

Although the completion of the Treaty of Peace and Friendship has run into a snag, trade relations with Japan continue to be the most important segment of China's foreign commerce. While not specifically endorsing U. S. bases on Japanese soil, the Chinese were at pains to stress that Japan's prime relationship is with the United States.

There is still caution concerning the possibility of a reappearance of Japanese militarism. Irritants also have arisen from time to time in Sino-Japanese relations. A case in point was the gratuitous advice which former Japanese Foreign Minister Miyazawa offered to me last July to the effect that the United States should not, in effect, follow the Japanese Formula, but, rather, remain on Taiwan. So, too, was the recent Chinese nuclear test while I was in China. Japanese protests were ignored and another detonation took place after my departure. At the same time, nevertheless, the attempt to draw Japan away from the Soviet Union continues to be a basic objective of Chinese foreign policy.

The Soviet Union is seen as the chief culprit of international socialism and the greatest external danger to China. The words of denunciation show no signs of abatement and China has dismissed all Soviet overtures which might suggest an ideological reconciliation. Indeed, to do otherwise would be the equivalent of a rejection of Mao Tse-tung.

That is not to say, however, that Sino-Soviet state relations have worsened. On the contrary, the Chinese appear less anxious than in the past over the possibilities of Soviet aggression. To be sure, they are not

letting down their guard, as is plainly visible in Sinkiang. The border is closed along its entire length and the Chinese Red Army is present in great strength. There are occasional incidents on the central Asian frontier.<sup>1</sup> Soviet agents and spies are seized from time to time on the wrong side of the border but according to the Chinese there has been no sabotage. Mao's dicta of "dig the tunnels deep" and "store grain everywhere" are still being followed closely, not only in Sinkiang but throughout the nation.

Over the past seven or eight years, efforts to resolve Sino-Soviet border issues have been unsuccessful. Nevertheless, the two countries do continue to exchange Ambassadors. Rail and air travel between them is unimpaired. There is trade, although the value has declined drastically during the past decade and a half.

The fact that the Chinese express less anxiety regarding Soviet aggression as compared with past years may be due, in part, to growing confidence in their own capabilities. It may also be attributable to a Chinese wariness of Western inclinations (sometimes, scarcely concealed) to place them in the position of counterpoint to the Soviet Union in a military confrontation. Chinese officials react to such suggestions with a reverse twist; they point out that the great bulk of Russian forces are stationed on the Western frontiers of the U.S.S.R. and that Europe is the main objective of Soviet expansionism. Western Europe is seen as "soft" and it is suggested that the United States avoid a "Munich" mentality and do something to toughen the NATO nations.

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1/ The last major incident, the Chinese stated, however, occurred in 1969.

As for Asia, the Soviet military threat is described, first, as directed at the United States, second, at Japan, and last, at China. They also hold all U. S. agreements with the Soviet Union on arms control as meaningless at best. We are even faulted for failing to recognize and to counter Soviet-sponsored activities in Angola, notwithstanding the fact that China extricated itself from that situation a long time ago.

Interestingly enough, unlike Africa, we are not asked to recognize a similar danger of Soviet aggression in regard to Korea and to counter it by keeping our military forces in the southern part of that country. On the contrary, in Chinese words, "The U. S. would do a hell of a lot of good to get the United Nations Command out. With your troops there you are in a passive position. You could be in an active position." It is their view that the Koreans can settle their problems of unification by themselves.

What emerges from these sometimes seemingly contradictory positions, in my judgment, is a portrait of a China which is very anxious to avoid involvement in war. At the same time, the Chinese do not abhor the possibility of a Soviet-U. S. clash but prefer that it not be in the vicinity of China's borders.

The pattern suggests that Chinese foreign policies stem preponderantly from national realities rather than ideology. While the government in Peking might well resent the analogy, their views are not very dissimilar to those of the prior government. In truth, an historic thread links the policies which have been followed by Chinese governments in dealing with outside powers for at least a century.

The most outward-looking aspects of China's foreign policy have to do with the so-called Third World. That is where the principal cultural and political links have been forged, where economic ties have been pushed the most vigorously and where the Chinese have played the role of benefactor. However, they have rejected the categorization of "leader" of the Third World as inconsistent with Mao's dictum "never seek hegemony." They remain leery of any attempt to recast them as a great power, much less a "super-power."

What emerges, then, from my third visit insofar as China's foreign affairs are concerned is a portrait of a vigorous, well-unified nation anxious to avoid war but determined to defend itself on the basis of great size, population and a unified national consciousness. Its strategy is defensive even to the point of renunciation of first-usage of nuclear weapons.

#### V. The Taiwan question

Insofar as China's foreign policies involve the United States most directly, they come to focus on Taiwan. As noted, the Chinese have serious problems with the Soviet Union and those problems or other external considerations could affect the manner of their pursuit of the Taiwan issue. So, too, could serious prolonged inner political stress. There is nothing to indicate, however, that their views have changed one whit regarding the status of the island. It is, in their eyes, a part of Chinese territory--a province. Peking's position, on this point, of course, is shared by the Chinese on Taiwan as we recognized in the Shanghai Communique. The position has a long historic background. It has persisted for many centuries with only occasional interruptions during periods of political weakness when control of the island has been lost by the central Chinese government.

Peking contends that the principle of one China including Taiwan has been confirmed by the United States in the Shanghai Communiqué. So far as I am aware, we have not disputed that contention. There are some in this country, to be sure, who deprecate the legal force of a Presidential joint statement. When this view seems to dilute the significance of the Shanghai Communiqué, the Chinese react with deep irritation. That is particularly the case when it leads to new ambiguities in the U. S. position or to suggestions for further delays in implementation. In this connection Chinese concern centers on observations set forth recently by scholars and academicians in the United States.

On the Chinese side, the Shanghai Communiqué is regarded as the basic rationale of present Sino-U. S. relations. Hence, the continued positioning of U. S. forces on the island, the existence of diplomatic relations with the Republic of China and the U. S.-Taiwan Defense Treaty are seen as inconsistent with further progress in rapprochement.

The only "give" in the Chinese position so far as I could discern has to do with a readiness to acknowledge our economic interests on the island. Again, as on my previous visit, I gathered the strong impression that the so-called "Japanese Formula" would be a satisfactory transitional arrangement. The formula has worked well in regard to Japan and other countries' which have shifted their diplomatic ties from Taipei to Peking even as they maintain quasi-official economic offices on Taiwan.

Such an arrangement, in my judgment, if it were to be made by this nation might very well be self-sustaining for many years in the sense that it serves China's interests. A military adventure against Taiwan is the last thing China needs at a time of internal political transition and continuing

tension with the Soviet Union. Moreover, not unlike Hong Kong which is also regarded as Chinese, Taiwan could serve as an entrepot of great economic advantage to China in the event of peaceful unification. Finally, a quasi-autonomous economic status for Taiwan for a period of years would permit in due course an easier integration of the economic systems and living standards of the island and the mainland. Such considerations, it seems to me, might well tip the balance in Peking's scales against a military campaign in the event of the severance of U. S. ties with the Taiwan government.

On the other side of the coin, it should be noted that Peking does not hesitate to state their skepticism of peaceful unification. As one Chinese put it, "The group of reactionaries in Taiwan would not lay down their butcher knives of their own accord," and, in Mao's words, "If you don't use a broom to sweep the dust it will not go away." In short, the Chinese leaders in Peking continue to insist on their right to use force in resolving the Taiwan question. It should be borne in mind, however, that to renounce the use of force over a part of one's national entity would be to acknowledge the absence of full sovereignty over that part.

Besides making clear that the Japanese Formula is acceptable, the Chinese have also stated time and again that they could be "patient" as the United States worked out arrangements for disengagement from Taiwan. What they will not do is to compromise their basic position in order to simplify our task. It is flatly stated that they owe us nothing in regard to Taiwan.

While patience is still in evidence, clearly there is also irritation with the delay in carrying out the intent of the Shanghai Communiqué. As they point out, the U. S. intervention began 27 years ago even though it

is scarcely five years since the Nixon visit. It seems to be objectivity requires recognition of the fact that since the Shanghai Communique, Peking has not only not presented an overt military menace to Taiwan, it has held out the olive branch to the Taipei government. It has released a number of long-held Kuomintang military prisoners. Moreover, notwithstanding the final disengagement of the United States from Quemoy and Matsu a few months ago, additional military pressure has not been applied to these off-shore islands, a step which almost certainly would have to be taken if an assault on Taiwan were contemplated. Nor have there been any indications of a military build-up against Taiwan in the confronting mainland province of Fukien.

In this same period we have also seen fit to reduce our forces on Taiwan from about 10,000 to 2,000. We have not, however, taken any steps in the direction of terminating the diplomatic relationship. Nor has the supply of military equipment and technology to Taiwan been curtailed. On the contrary it has been made explicit that we intend to leave the island with the capability of "defending" itself and there is some talk that Taiwan may develop a nuclear capability in the not too distant future.

It is difficult to estimate when if ever China's "patience" may come to an end over the Taiwan issue. As noted, timing may well relate to the state of their internal affairs and the relationship with the Soviet Union. There is no indication, whatsoever, at this time, that they will reverse the progress toward normalization which has been made to date. Nor for that matter, is there an indication, either, that they are prepared to move forward on other aspects of Sino-U. S. relations. On the contrary, they are straight-forward in stating that Taiwan stands as a block to further development.

It may be that some grave international or internal development may lead to alterations in this attitude but such is not now the case.

While no one can predict with certainty the turns of Chinese policy, the odds would appear to be against a mainland attack on Taiwan for many years. If normalization is not completed, however, there could be a dissipation of whatever impetus still remains from the Nixon initiative. The Chinese might conclude in time that the Shanghai Communique is unreliable and that our intentions are not of substance. In that case their principal associations in the pursuit on international ends are likely to develop with nations other than the United States in the year ahead.

#### V. Concluding Summary and Comments.

The inner party conflicts in the aftermath of Mao's death suggest that there are two political struggles going on in China. One involves personalities. Who of the post-Long March generation are the inheritors of the mantle of Chinese leadership? It should be noted in any event, that the principal candidates are all Marxists and ardent members of the Communist Party. The clash of personality then, is not a question of party vs. non-party members; the clash is inside the party; it is communist vs. communist.

The second struggle centers around two major approaches to China's modernization. It is often spoken<sup>of</sup> in this country as a clash of the "leftist" and "moderate" approaches. That is somewhat misleading in that both terms are western in connotation. More descriptive, I think would be ideological perfectionism vs. technocratic activism.

Again, in simplified terms, ideological perfectionism puts great stress on the full implementation of Maoism or the final achievement of

the dictatorship of the workers and peasants. Technocratic activism accents the development of China into a fully modern state in the shortest possible time by following a more pragmatic course. Bear in mind that neither approach excludes the other and both do full obeisance to Mao Tse-tung's thought. After Mao, personalities can be expected to come and go in Chinese leadership, with none in the foreseeable future wielding his influence. The relative stress which is given to the one or other approach, however, will influence the long-range orientation of Chinese society and in due course could affect the impact which China makes on the rest of the world.

It would be inadvisable to draw hasty conclusions about which of the Chinese leadership personalities are likely to prove most desirable from the point of view of this nation's national interests. We would also be well advised not to jump to any conclusions that one line of Communist development is more advantageous to the United States than the other.

Each is intent solely on China's welfare and progress and both reflect the fact that the Chinese people have finally broken the ties with a decadent past. Except for Taiwan and some border areas held by the Soviet Union, China has ceased to be merely a "geographic expression" and is now a unified nation. Nationalism, as is communism, is an authentic and powerful force. The Chinese may follow either of the approaches delineated above or continue to alternate between them as in the past. In any case, the end result is likely to be a powerful collectivized national state. The Chinese possess the essential ingredients in terms of food, raw materials and scientific knowledge and skills which are necessary to build such a state. Relations with the outside world can affect the pace of progress in China but, in my judgment, are no longer the vital factor in its achievement.

Changes are taking place on a very broad scale and at a very rapid rate in China. Any projection of the future which does not anticipate that that country is likely to be one of the most powerful elements on the world scene by no later than the turn of the century are likely to prove very short-sighted. Indeed, the Chinese may well be understating as a matter of policy, if not of modesty or inadequate record keeping the rate of growth in their modern capabilities.

One guide to the rate of China's economic advance is the estimate of Chou En-lai, one of China's great revolutionary figures and most capable administrators. In the last report which he made to the National People's Congress on January 13, 1975, he listed two stages of Chinese development: "The first stage is to build an independent and relatively comprehensive industrial and economic system before 1980; the second stage is to accomplish the comprehensive modernization of agriculture, industry, national defense and science and technology before the end of the century, so that our national economy will be advancing in the front ranks of the world."

An international conflict, as noted, could prove catastrophic to this project. But it would be a rash nation indeed that would seek to challenge China on its home grounds. It is not simply a matter of a disciplined and dedicated and trained PLA of several million men. There are also additional millions of Chinese civilians in the militia who are capable of carrying on a guerilla warfare infinitely more harassing than that unleashed against the Japanese in World War II. Also in readiness is a nuclear capability and missile emplacements throughout China. The cities are honey-combed with tunnels and grain is being stored in the homes, communes and

cities. At the same time, China's decentralized economic organization tends to spread cores of self-reliance throughout the country thus providing a greater immunity to the disruption of modern warfare than that enjoyed by any other major nation in the world.

It is in the above context that we should perceive of our relationship with the People's Republic of China. It seems to me of infinitely greater importance to this nation and to our children and to our children's children that the United States and China are both generally seeking the same kind of world in the year 2,000 rather than whether or not our will prevails in Taiwan or we make a quick sale of some of our military technology or off-shore oil rigs or obtain access to China's petroleum surpluses.

In specifics, our fundamental national interests in regard to China as I see them are the following: (1) That in the decades ahead, China be peacefully inclined towards the United States; (2) That China participate in building a stable international structure in the Western Pacific and the world which is less dependent for the maintenance of peace on the presence of U. S. military forces and massive U. S. military and other expenditures for security; (3) That the contacts between China and the United States provide opportunities for mutually beneficial cultural and commercial exchange.

It seems to me that the Taiwan issue stands athwart the path to these objectives and the responsibility for removing it rests primarily with us. We are continuing to ride two horses on Taiwan after most of the rest of the world has long since discontinued the practice. If we are to continue on this course, we ought at least to be clear in our own minds where it is expected eventually to lead. To an independent Taiwan? To a Taiwan attached to Japan or to the United States? If so, a different set of consequences are

to be anticipated for each of these courses. While I suppose that it would be possible to devise a rationale of policy for any of those courses, there can be none for a policy which drifts aimlessly.

In all candor, it would appear that we remain enmeshed in Taiwan on the basis of past policies and because of developments in our own political situation since the signing of the Shanghai Communique which have complicated the difficulties of disengagement. We ought to recognize that the problem is not likely to become easier with the passing of time but may well become more difficult. The longer the Taiwan issue remains in limbo, the more pressure seems to be building for continuing indecision as a substitute for policy. The more tortured become the proposals for evasion of the issue.

The Chinese, perhaps, can be understanding of our situation in this respect, but only we can deal with it.

While the Taiwan issue remains in limbo, distortions are being produced in the international situation in the Western Pacific which, in the end may create serious difficulties for us. At the same time the possibilities of cooperative action with the Chinese on a whole range of international issues are held in abeyance. These possibilities include a settlement of the Korean question which will permit us to withdraw our forces from the Asian mainland; new security arrangements for the Western Pacific which would be far less dependent on the present costly deployment of U. S. forces in Japan and Okinawa; the reduction of the dangers which arise from all ramifications of nuclear power; joint actions to restrain excessive reaches of Soviet power abroad. In my discussions, the Chinese dropped a strong inference that they were prepared and, eager to seek out such areas of possible Sino-U. S. cooperation, once the block of the Taiwan issue were removed.

As I stated at the outset of this Chapter, what is of fundamental relevance to the United States relations with China is neither internal Communist politics or personalities. What is of major significance to this nation is the development of a cooperative relationship with the government of the Chinese people in the search for a durable peace in the Western Pacific and in the world. Chou En-Lai, when I paid a final visit on him in a Peking hospital in December 1974, referred to the resumption of Sino-U. S. relations and said: "The door should never have been closed." It is partially open now. In my judgment, it needs to be opened fully and without delay.

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MEETING WITH WANG HAI-JUNG, VICE MINISTER OF FOREIGN AFFAIRS

Thursday, October 7, 1976, 4:10 p.m.

Peking Guest House

PRESENT: Vice Minister Wang Hai-jung  
Dr. Chou Pei-yuan, Chinese Academy of Sciences  
Tang Wen-sheng (Nancy Tang), Deputy Director, American and  
Oceanian Department, Ministry of Foreign Affairs

Senator Mike Mansfield  
Mrs. Mike Mansfield  
Senator John Glenn  
Mrs. Glenn  
David Dean, U. S. Liaison Office  
Mrs. Dean  
Francis R. Valeo, Secretary of the Senate  
Norvill Jones, Consultant, Senate Foreign Relations Committee  
Charles Gellner, Library of Congress  
Salpee Sahagian, Administrative Assistant to Senator Mansfield  
Katherine Prosser, Secretary to Senator Glenn  
Dr. Thomas Lowe, Physician  
Victor H. Dikeos, Deputy Assistant Secretary of State

Vice Minister -- First of all, I would like to extend my welcome to Senator and Mrs. Mansfield, Senator Glenn and Mrs. Glenn and to all the American friends seated here this afternoon, on behalf of all my Chinese colleagues present here.

Senator Mansfield -- We appreciate the welcome that Madame Vice Minister has given us. We are delighted to see her again after two years this coming December, and we would like to take this occasion to express, on behalf of the Glenns, the Mansfields and the whole party, our deepest condolences and sympathy on the passing of your great leader Chairman Mao Tse-tung.

Vice Minister -- Thank you.

Senator Mansfield -- We would also like to express our thanks and appreciation to the shepherds who have been guiding their flock: Madame Kang, Mr. Fan, Mr. Cheng, Mrs. Ku and Miss Tsung.

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Vice Minister -- You are an old acquaintance of ours, an old friend.

Senator Mansfield -- We appreciate that, and we are delighted to renew our friendship with the good Doctor when last we met at Peking University. And it is always a pleasure to see Nancy Tang.

Vice Minister -- You are an old friend of ours and many of the Chinese friends seated here are also old friends of yours.

Senator Mansfield -- Yes, it is, in a sense, like a homecoming.

Vice Minister -- They call you "Chinese Mike."

Senator Mansfield -- Wait until I see Nancy's father.

Vice Minister -- You have been traveling in Sinkiang and Kwangtung and I assume that Madame Kang did not make your journey too tiring.

Senator Mansfield -- Well, if she made us tired, she made herself just as tired and her group as well. But we kept up with her.

Vice Minister -- You are our guests who have traveled a long way to visit us, and after two years, you have come back to our country once again and visited Sinkiang as well as Kwangtung. May I know what is your impression of the trip and the visit?

Senator Mansfield -- We have been very impressed with the progress which has been made. Of course, for us it was our first visit to Sinkiang. But we found a calm, competent people in that autonomous area and that included the nationalities whom we met in number. It reminded some of us, like Mr. Dikeos and me, of our own state of Montana which is, at best, a developing state and perhaps in some respects underdeveloped. But the topography and the people and the products raised, except for peanuts and fruits, were comparable. We were astounded with the progress of Kwangtung. We saw some areas down there that we had never been to before and we noted the increase in traffic in Peking, the general well-being of the people, and the signs of a very good harvest this year. In other words, progress. You have come a long way towards achieving stability and economic progress--a long way still to go--and it was a heartening experience to see how the people received us--how friendly and how courteous they were--and we think we learned a lot in addition to what we learned before.

Vice Minister -- All of these progresses and achievements have been scored under the correct leadership of Chairman Mao Tse-tung and by implementing the correct policies and lines formulated by him and as a result of the

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brilliance and guidance of Mao Tse-tung's thought. Of course, what we have achieved is still not enough and we will have to increase our efforts in the future. So in the days to come, we will inherit the bequest of Chairman Mao Tse-tung and continue to carry on the revolutionary course and to continue to march along the great course charted by Chairman Mao Tse-tung, the revolutionary course, and to win and to strive for even greater progress and achievements.

The whole party, the whole army and the whole people in our country were deeply grieved at the death of our leader, Chairman Mao Tse-tung, but we are determined to turn grief into strength and to respond to the call of the Central Committee of the Communist Party of China and to turn grief into strength and to rally more closely around the Central Committee of our party and march along the revolutionary course charted by Chairman Mao Tse-tung. Although the Chairman has left us, the brilliant thought which he has left us will continue to guide us forever and we will resolutely continue to march along the course charted by him and with our own actions will commemorate our great leader. When every one of us recollects how we grew up and the earth-shaking changes that have taken place in our Motherland, which have been brought about in this socialist revolution, and when we think of the present thriving scene of our great socialist Motherland, all of us could not but pay tribute to our great leader, Chairman Mao Tse-tung. There would be no China of today if there had been no Chairman Mao.

When we recollect the opening of relations between China and the United States, it is also Chairman Mao who made this brilliant decision.

Senator Mansfield -- We are well aware of that fact. We have seen the grief and bereavement of the people throughout parts of China in which we have traveled. This has been a year of tragedy for this great nation with the passing of Chu Teh, Chou En-lai and Chairman Mao Tse-tung, all veterans of the Long March. It has been a tragedy because of the earthquake in the Tangshan area and smaller earthquakes in other areas. But like the Phoenix, China will rise out of the ashes of this great tragedy and, as you said--and the people up and down this land have said--will turn grief into strength and carry on.

And I could point out, if I may, when Mrs. Mansfield and I saw the late Premier Chou En-lai in December a year ago, he told us at that time that the person responsible for the initiating of relations between China and the United States was Chairman Mao who had read an article in the American quarterly, Foreign Affairs, before Nixon became President and, on the basis of that article, the initiation of relations was started. I think that is an indication of the foresight of Chairman Mao and, certainly, he was responsible for the inauguration of a better relationship, seeking a normalization between our two nations.

Vice Minister -- That is true.

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Senator Mansfield -- Madame Vice Minister, how do you think the relations between our two countries shape up at the present time?

Vice Minister -- May I know what is your observations and views of the present status of the relations of our two countries?

Senator Mansfield -- Mine?

Vice Minister -- Yes.

Senator Mansfield -- I believe that they are progressing, perhaps not as fast as the People's Republic of China would desire nor as fast as we would desire. The Shanghai Communique states unequivocally that there are not two Chinas, but one China. The implementation of the Communique has not been as fast as some of us would like but progress has been made and progress will be made--not at the moment because we have an election to decide--but, hopefully, after that decision has been made, either President Ford, if he is elected, or Governor Carter, if he is elected, will be able, on the basis of a four-year term to give the kind of attention and consideration to China-U. S. relations which has not been possible because of factors which you all understand: the shortness of the term of President Ford when he succeeded former President Nixon after his resignation; a political campaign which began a year ago; and a decision to be made less than a month from now on November 2 as to who will be inaugurated as President on January 20, 1977.

Vice Minister -- On the question of normalization, I would like to express my view also. In his report to the government at the Fourth National Peoples Congress, Chou En-lai pointed out in that report that, provided both parties abide by the principles of the Shanghai Communique, Sino-American relations can be improved and this point was also mentioned by Senator Mansfield a few minutes ago. On the question of normalization, I would assume that Senator Mansfield and other American friends sitting here this afternoon are very clear on what our stand is: that is the Japanese Formula and also the three principles, namely: the abrogation of the treaty; the withdrawal of American troops; and the severance of diplomatic relations. Any one principle missing will not do. It also will not do to undertake any disguised formula. There is no other alternative. We do not believe in so-called peaceful transition. As Chairman Mao Tse-tung teaches us, if you do not use a broom to sweep the dust, the dust will not run away by itself.

The butchers on Taiwan will not lay down their knives of their own accord. Therefore, we do not believe in a peaceful transition and we base ourselves on a footing to fight. As to when we shall liberate Taiwan, that is purely our internal affair and no other country has the right to interfere. This stand of ours has been made clear to many of our American friends.

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Senator Mansfield -- I would not disagree with what has just been said as to what China's position is. It has been reiterated time and time again. It was understood, in large part, at the time that former President Nixon and the late Premier Chou En-lai signed the Shanghai Communique, and it was anticipated then, I am sure, and still is anticipated that when the joining or rejoining of Taiwan and the PRC takes place that it would be by peaceful means.

As we all know, there have been ups and downs on the Taiwan question. As far as troop withdrawal is concerned, there has been a reduction from 10,000 to less than 2,000. As far as the Japanese formula is concerned, that was stated on several occasions on our last visit in December 1974 but I am sure you recognize, Madame Vice Minister, that on our part there are a lot of knots to be untied, that it will take a little time. The Chinese are noted for their patience and their understanding of practical situations over the centuries and I am sure that you are aware that it will take a little time to untie or untangle the knots before we can bring about full normalization. Furthermore, under our Constitution the untying of those knots lies not with the Congress but with the President of the United States. President Ford, in Honolulu on December 8, 1975, last year, stated that his goal was to proceed towards, and I believe I quote him correctly, "full normalization of our relations with the People's Republic of China."

Vice Minister -- If this issue is not solved and if it is being prolonged, the responsibility is not on the side of China but on the side of the United States.

Senator Mansfield -- I have indicated that we have a lot of knots to untie, it will take a little time.

Vice Minister -- I think we are patient enough. It has been more than 27 years now and we have waited for more than 27 years now.

Senator Mansfield -- That is a long time, but President Nixon did not visit the PRC until February 1972, less than five years ago, and I think that factor ought to be taken into consideration as well as the 27 year span.

Vice Minister -- On this issue we feel that it is the United States who owes us a debt. We do not owe the United States anything.

Senator Mansfield -- I would say that it is up to the United States to fulfill its part of the Shanghai Communique.

Vice Minister -- We have a saying in China that it is for the doers to undo the knot.

Senator Mansfield -- Again, all I can counsel is patience. This is a difficult year for us as it was for you. I think the Shanghai Communique was signed in good faith and with good intent on both sides, and I believe what former President Nixon said and what President Ford said within the past year about his intentions. It is, of course, the only stumbling block between our two countries on the road to full normalization of relations. But you mentioned the Japanese formula, Madame Vice Minister, and under that formula the Japanese withdrew recognition from Taipei and established relations with Peking. Under that formula, the Japanese continue to trade with Taiwan and their trade is larger and more profitable than ever. Under that formula, you do have an alternative or a subterfuge because the situation on Taiwan has not changed as far as Japan is concerned but Japan has benefitted tremendously, perhaps not by the formula itself but by circumstances connected with the transformation. They do have trade organizations established in both Tokyo and Taipei and it is a subterfuge and the one in Taipei, I believe, is headed by a former Japanese Ambassador. I think there are former foreign service people in the Taiwan organization in Tokyo and even the Japanese formula has its nuances and one has to understand that it has not cut the Gordian knot completely and there are knots to be untied before that formula would reach the position which the Chinese want, a clear-cut severance of all relations between the United States and Taiwan.

Vice Minister -- That is the big question.

Senator Mansfield -- That is the big obstacle which confronts both of us before full normalization can be achieved. Your position has been clear-cut-- nothing messy about it all the way through. I am sure you recognize the difficulties which I have been trying to outline in brief which confronts us. Are there any other areas in which there are differences between our two countries which you think are of significance?

Vice Minister -- As to our principle stand, we have said it time and again and it is clear to all. There is no other alternative. As to other difficulties, I would assume that you have to ask President Ford or Secretary Kissinger. As to our stand on the question of Taiwan, I think it is clear to all.

Senator Mansfield -- It is clear to all but what I raise is what are the other differences. I realize that Taiwan is the big one but what are the other differences?

Vice Minister -- May I know what is your view and what do you think?

Senator Mansfield -- About the differences?

Vice Minister -- Yes.

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Senator Mansfield -- Well, I am asking the questions and then they are thrown back to me.

Vice Minister -- Will we become football players, passing the ball back and forth?

Senator Mansfield -- You mean she throws a forward pass or runs in reverse.

Vice Minister -- Maybe I can play the back--not the forward.

Senator Mansfield -- Well, as long as I am asking my own questions, I might as well answer them.

Vice Minister -- I feel that under the present state of affairs, the state of relations between China and the United States can be only what it is at the present moment.

Senator Mansfield -- In other words, I take it that aside from Taiwan, they are satisfactory.

Vice Minister -- In the present world, our two countries share many common points and the world issues--the international issues--are big issues and Taiwan is only a minor issue.

Senator Mansfield -- In your eyes.

Vice Minister -- In comparison to world issues.

Senator Mansfield -- There are world issues and, of course, China's position as the leader of the Third World nations is well known, and I believe this has been brought out in speeches by your leading officials. Chinese sympathy with the underdeveloped nations is well known.

As far as the question of trade between our two countries, after the visit of President Nixon the trade was heavy in our favor but that has been alleviated and less in total. There has been an evening out between exports and imports.

While we were in Sihkiang, the Chinese exploded another nuclear device which indicates great progress in that field. We know China's position is not in favor of the control of nuclear weapons. It has stated that it would not be the first to use nuclear weapons against any country, I believe, under any circumstances. China also favors complete disarmament, which could be a contradiction. Our position is in that direction, too, because we do not believe in first strikes.

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In oil, our oil imports are roughly 50% of our energy needs. But it is an abnormal and unnecessary figure because we waste so much of our energy in comparison to China. You are self-sufficient in oil. I assume you have tremendous reserves, particularly on the continental shelf and in the Pohai Gulf. You have tremendous reserves according to public reports so that you can not only be a self-sufficient nation in your energy needs, not especially in oil but in hydropower, coal, etc., but you could be an oil exporting nation. So many things are in China's favor. But what the Chinese have been able to do, and this, I think, is most significant, is on a self-reliant basis. You have developed your own resources to fulfill your own needs and you have sown your crops and harvested them to fulfill the needs of your people. You have refused outside help as, for example, at the time of the Tangshan disaster, and I think that is China's credit. It is a sign of self-reliance. I wish more countries could be as self-reliant.

Frankly, Madame Wang, I know of no major difference outside of Taiwan. I do not think President Ford would have written and asked me to undertake this mission--a copy of his letter was sent to the Chinese Liaison Office in Washington--nor would there be more exchanges between our scholars and others and the visits of Members of Congress, both in the House and Senate, unless there is a desire on behalf of both of our sides to obviate our differences and, in time, reach a mutual understanding in all areas.

Vice Minister -- Indeed, we belong to the countries of the Third World but we are not the leader and we do not seek to be the leader. Chairman Mao Tse-tung teaches us never to seek hegemony and we would have to resolutely act in accordance with the teachings of Chairman Mao. Independence and self-reliance is also an instruction by Chairman Mao. Senator, I would like to ask you a question.

Senator Mansfield -- First, may I say you don't always seek leadership--sometimes it is thrust upon you.

Vice Minister -- You visited Japan lately. May I know what is your observation on the political scene in Japan and also Japan's foreign policy?

Senator Mansfield -- Japan's foreign policy is tied to the United States, as you well know, and as long as that tie exists, you won't have a resurgence of militarism in Japan.

On the domestic side, we are aware of the fact that Prime Minister Miki is in difficulty with his own party primarily because of his attitude about exposing the Lockheed scandal as it affects Japanese governmental and business personalities and concerns. Whether or not Miki will survive because of the difficulties within the elements of his own party is an open question but he has the press and the people with him and my personal view is that he has done a tremendous job under the circumstances.

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As far as Japan is concerned, on the one hand is the fishing rights on the open seas and on the other hand it is concerned about Soviet naval strength off the western coast of Japan and off Okinawa. Its strength lies in its economy. It ranks third among the nations of the world because of its output. It is undergoing a period of grave inflation and prices are sky high and there is no control like here, where you have no depression, inflation, unemployment or recession. Japan is competitive in a capitalistic market, although I believe she does carry on a sizeable trade with the PRC.

Perhaps Senator Glenn could ask a question or two.

Senator Glenn -- Thank you. I would like to express my personal appreciation also for all the hospitality extended to us during our visit in China. We have traveled from east to west, north to east, north to south and south to north so far on our trip, and I think our two countries are very similar in that we have large variations in climate, deserts and very fertile areas. We have seen first hand the Chinese taking a very practical approach to some of their problems, particularly in agriculture. The Chinese have a reputation around the world of being very practical people. Chairman Mao was a very practical man. In some of his teachings, he taught that major problems should be faced at one time and minor problems at another time.

To return for just a moment to Taiwan, it would appear to me that perhaps the way to look at that is from a standpoint of major problems and minor problems. I understand the ties of the people and land make this a very aggravating problem for the PRC. It is a problem that must be resolved but it is not a threat to mainland China. It is more a thorn in the side which must be resolved at some time. The reason that I term it more a thorn in the side is because it would seem that we almost have a gun at China's head with a million Russian troops on China's borders. In this dealing with the Russians, it seems to me we have a great common concern which should be uniting our countries.

I agree completely that there must be a resolution sometime in the future of the Taiwan problem. But in taking care of the major problem first, it seems to me that Russia is a major threat to the life of China whereas Taiwan is not. Would Madame Vice Minister care to comment on that beyond what has already been said before?

Vice Minister -- It has been stated very explicitly in the Shanghai Communique that Taiwan is a province of China and is an inalienable part of China. As to when shall we liberate Taiwan and how we shall liberate it, that is our own internal affair. Since it is our internal affair, no other country has a right to interfere. To answer your question of threat by the Soviet Union, this is a major threat against China. It is true that the Soviet Union is a threat to China but its threat is mainly directed against the United

States. The United States has many areas of interest to defend in all parts of the world and the Soviet Union is out for world hegemony and such a situation will never change.

I mentioned earlier that Taiwan is a minor issue relative to world issues. I have also pointed out that under the present world situation, we share many common points and we have to face in common that rascal. But in the west and in the United States, there is a thinking of appeasement towards the Soviet Union which is very dangerous.

Senator Mansfield -- You mean detente?

Vice Minister -- Yes.

Senator Mansfield -- What do you think about U. S. troops being stationed in South Korea, Okinawa and our bases in the Philippines?

Vice Minister -- It has been our constant stand to oppose the stationing of troops or the construction of military bases by any country in a third country. We do not have a single soldier outside of Chinese territory.

Senator Mansfield -- That is true. What about NATO? Would you like the United States to withdraw its troops from western Europe?

Vice Minister -- Well, this is your own affair and we have no suggestions to offer.

Senator Mansfield -- I will not pursue the question further.

Vice Minister -- Shall we call it a day now and in the evening the host, Professor Chou Pei-yuan, would like to dine with you as an expression of our friendship for our honored guests.

Senator Mansfield -- We would be delighted.

Vice Minister -- It is very likely that the day after tomorrow one of our Vice Premiers would like to meet Senator Mansfield and perhaps some of the others and talk with you. The day after tomorrow, Saturday. Originally we mentioned that it would be tomorrow but it is on Saturday.

Senator Mansfield -- Thank you, Madame Vice Minister. We appreciate your giving us so much of your time and we hope this colloquy will give a better understanding of our relations but we certainly understand the circumstances.

Vice Minister -- We do not seek to hide our views.

Senator Mansfield -- On the contrary.

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Vice Minister -- I agree that we have differences of opinions. Our two social systems are different.

Senator Mansfield -- They are very different and the best thing to do is, as we say, "lay our cards on the table--not up the sleeve."

Vice Minister -- In other words, candid.

Senator Mansfield -- Yes. I am going to make a request of Madame Kang that the rest of the party be able to see the Great Wall. I will meet with the Vice Premier but I want the rest of the party to go out. It is one of the most remarkable wonders of the world.

MEETING WITH VICE PREMIER LI HSIEN-NIEN

Saturday, October 9, 1976, 3:50 p.m.

Peking

PRESENT: Vice Premier Li Hsien-nien  
Wang Hai-jung, Vice Minister of Foreign Affairs  
Chou Pei-yuan, Chinese Academy of Sciences  
Tang Wen-sheng (Nancy Tang), Deputy Director, American and Oceanian  
Department, Ministry of Foreign Affairs

Senator Mike Mansfield  
Mrs. Mansfield  
Senator John Glenn  
Mrs. Glenn  
David Dean, U. S. Liaison Office  
Mrs. Dean  
Francis R. Valeo, Secretary of the Senate  
Norvill Jones, Consultant, Senate Foreign Relations Committee  
Charles Gellner, Library of Congress  
Salpee Sahagian, Administrative Assistant to Senator Mansfield  
Katherine Prosser, Secretary to Senator Glenn  
Dr. Thomas Lowe, Physician  
Victor H. Dikeos, Deputy Assistant Secretary of State

Vice Premier -- Welcome to you and to your friends.

Senator Mansfield -- Thank you very much, Mr. Vice Premier. We are very pleased to be here and to see the new progress that has been made in China. Please allow me to express my condolences and those of Mrs. Mansfield, Senator and Mrs. Glenn and our entire party at the passing of your great leader, Chairman Mao.

Vice Premier -- Thank you. Thank you very much. You are an old friend. How many times have you visited China?

Senator Mansfield -- Three times since Liberation.

Vice Premier -- And before Liberation?

Senator Mansfield -- Three times also.

Vice Premier -- You are an old friend, indeed. Which places have you visited this time?

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Senator Mansfield -- We have been very fortunate to spend a week in Sinkiang and we spent a number of days down in Kwangtung. We have come to Peking three times on this journey. We also went to Nanking and Shanghai, plus the Great Wall and we will leave from Shanghai.

Vice Premier -- So you only have Tibet left to see.

Senator Mansfield -- And Inner Mongolia.

Vice Premier -- It is easy to reach there. You friend, Dr. Schlesinger went to Tibet and also to Sinkiang.

Senator Mansfield -- He also went to Kweilin and one day we will have to make it to Kweichow. Frank Valeo served in Kweichow during the Japanese-American War. He was a sergeant then.

Vice Premier -- What year was that?

Mr. Valeo -- In 1944-45, towards the close of the Japanese war.

Vice Premier -- We were fighting at that time. Personally, I ceased fighting after 1949. I did not fight in the Korean War against U. S. imperialists.

Senator Mansfield -- The Vice Premier was on the Long March too, wasn't he?

Vice Premier -- Yes. Yes, I fought from 1930 to 1949. That was a long time or, rather, you might say beginning in 1927.

Senator Mansfield -- We were very much impressed with the tremendous progress in China since our first visit. We have noticed much mechanization on the farms, an increase in the number of tractors being used, and many more trucks. And it seems to me, with the tremendous number of bicycles and the increase in the number of trucks, that you are even approaching a traffic problem in Peking.

Vice Premier -- We have made some progress and we have made some success. They were achieved under the leadership of our great teacher and leader, Chairman Mao. But still we are not satisfied. Compared with your standards we are still comparatively backward and, therefore, we term ourselves a socialist developing country.

Senator Mansfield -- But that is not a proper standard of comparison. You have to compare with the situation before 1949 to understand what has happened to this nation.

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Vice Premier -- I agree with you. There is one aspect in which we are more advanced than you are--that is the size of our population.

Senator Mansfield -- That brings me to the next question. How big do you estimate the population of China to be?

Vice Premier -- It is impossible to say.

Senator Mansfield -- Well, if it will make you feel any better and I don't know how they did it, but the Bureau of the Census in the U. S. Department of Commerce in a recent publication estimates that the population, and I believe it was 2 or 3 months ago, to be 943,000,000 people. Don't ask me how they estimated it because I don't know.

Vice Premier -- We say that we have 800,000,000 people but our Ministry of Commerce says we have 900,000,000 because they always have to supply goods for the markets and food for the people and they always exaggerate. We are trying to control the growth of our population.

Senator Mansfield -- Except among the minorities.

Vice Premier -- Yes, that is right. It is not easy. Some people don't listen, especially in the rural areas. In the cities the people heed more to our words like, for instance, those seated here heed more to those words. It is a very troublesome issue and takes a lot of work. It is a troublesome issue--a problem.

Senator Mansfield -- You have a lot of land which is needed to produce food for such a large population.

Vice Premier -- In China you know the influence of Confucius on the people's thinking is still very great. For instance, he had a concept that it was good for the people to have many children and grandchildren. This is a concept that must be criticized. But in recent years, the population growth has been slowing down.

Senator Mansfield -- The Vice Premier is noted for his economic and financial knowledge. It is my understanding that a new five-year plan has been projected for China. Could you give us some idea, if my information is correct, as to what is envisioned in that five-year plan?

Vice Premier -- You are lauding me too highly.

Senator Mansfield -- I don't think so.

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Vice Premier -- We have drawn up a five-year plan. Our general idea is to make some economic development of the country under the guidance of Chairman Mao's revolutionary line and of the basic line of our party, grasp the class struggle as the key link and move further towards the goal envisioned in Premier Chou En-lai's report to the Fourth National People's Congress. We base ourselves on self-reliance and are self-reliant in the main. We fully rely and give play to the enthusiasm of our working class and the poor and middle peasants, the working intellectuals and all the masses of our country.

We cannot do like the Soviet Union--that is to go around the world begging for aid and incurring debts. We don't want to do that. We believe in self-reliance and the concept of self-reliance is not something new. During the war time the Chairman had already, long ago, advocated self-reliance. At that time we did not have any ordnance factories. We did not have any large amounts of money. We relied on the enthusiasm of our people and once that is aroused, the strength and power of the people know no limits. Of course, that requires some hard living conditions for our people. We will improve the standard of living for our people with the development of production. But the standard of living has not improved so very much. We must balance our budget, that is the income and spending must be equal, because if it is not in balance and running in the red, we will have to increase the amount of money and it is not good to circulate too much money because this will affect the stabilization of prices. To be more specific, our policy is to organize the economy in order of priorities of agriculture first and then light industry and then heavy industry. Agriculture must be developed first because people have to eat. This is something no one can change and they must have clothes to wear. They also want some meat. We stress having sufficient food and sufficient quantity of food to eat. As for the quality of food, we cannot say it is, at the present time, very high. We stress having sufficient clothing--that is being able to keep people warm enough. We do not, at present, stress that people be dressed up so fancy. Some of our comrades, especially some of our women comrades, could afford to dress up more prettily but they don't seem to want to do so. I think that is a good thing. For instance, the ladies sitting here today; no one said that they have to wear a certain uniform or that they must wear a certain kind of dress. No one has laid down a certain rule. They like to dress that way.

Senator Mansfield -- Yes, but they are in style just like we are in our dress.

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Vice Premier -- Our national economy is a very complicated matter. You know, of course, ours is planned. Sometimes we commit mistakes and when we see that we have made mistakes, we correct it. Looking at the general situation we see that the spirits of the people are high. You have put it correctly what you said just now. When we make a comparison, we should compare our progress with that of Chiang Kai-shek's times and the famines we had at that time when we had several million people dying of hunger every year. We have been able to eliminate problems of that kind. But we have capitalist elements in the country.

As for those socialist imperialists, they do not admit they have bourgeois elements or a capitalist class. We admit that we have a bourgeois element in our country. There are old bourgeois elements and there are new ones. The Soviet Union says it has no bourgeoisie. As I see it, Brezhnev is the chief bourgeoisie himself. There are those in the international scene who are fearful that the relationship between the Soviet Union and China will change with the passing of Chairman Mao and they seem mortally afraid to see this happen. We have fundamental differences; in ideology and, especially, on the question of dictatorship of the proletariat. We have been debating for so many years because they have revised the basic principles of Marxism-Leninism. That is why we call them revisionists.

As for state relations with the Soviet Union, we are willing to maintain state relations with them on the basis of the five principles of peaceful co-existence. When Chairman Mao passed away they tried to send us a message of condolence from the Central Committee of the CPSU. We rejected it. You probably know this.

Senator Mansfield -- Yes, it was given wide publicity.

Vice Premier -- We do not agree to be a party in the sending of a message from a sham communist party to a genuine communist party. The line we follow in foreign affairs has been laid down by our great leader Chairman Mao and we will resolutely carry that line on.

Senator Mansfield -- And what about the United States?

Vice Premier -- The Shanghai Communique. Shall we move a step further?

Senator Mansfield -- Yes.

Vice Premier -- That is your business.

Senator Mansfield -- We can discuss it.

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Vice Premier -- Well, I suppose that the discussion would be around the Taiwan issue and nothing but the Taiwan issue. You also made clear in the Shanghai Communique that you agree that all Chinese on either side of the strait agree that there is one China and that one China is the People's Republic of China. How do you feel on that issue?

Senator Mansfield -- I think the Shanghai Communique was entered into in good faith when it was signed by Premier Chou En-lai and President Nixon. But I think you have to recognize the fact that a number of events, one of them of extraordinary significance--the Watergate affair, have intervened and have played a most important part in our domestic situation which, in turn, could be related to our foreign policy. These events diverted our interest from important matters in foreign policy to the most important matter affecting our Constitution. It was finally settled through the resignation of Nixon and the selection, under the Constitution, of President Ford by the Congress, not by the will of the people but under the 25th Amendment of the Constitution of the United States. So it was perfectly legal and you had a beginning of a new presidential campaign which is now coming to a close. President Ford has only had a comparatively short time in office before being engaged in a political campaign which is to be settled on November 2. When that is decided we will have to wait until January 20, 1977 for the inauguration of either President Ford, who would be elected for the first time, or of Governor Carter, who would be elected for the first time. Then the next President will have a four year span during which something can be done. This is in stark contrast to the last few years when we had the turmoil of the Watergate affair which shook the United States and the beginning of a campaign about 1½ years ago. I think these factors should be kept in mind.

You will recall that after President Ford visited the People's Republic of China last year, he stopped off in Honolulu and made a statement in which he emphasized his goal was the full normalization of relations between our two countries. I think President Ford has the interests of better relations between our two countries at heart and if Governor Carter is elected, he will, I believe, feel the same way. Our policy has been set and it makes no difference whether a Democrat or a Republican is elected President--that policy will remain.

As I told Madame Vice Foreign Minister a few nights ago, President Ford would not have asked me to undertake this journey unless he was very interested and, at an appropriate time, could look towards something which could finalize the Shanghai Communique. A copy of that letter of President Ford to me was sent to your Ambassador in Washington. I would hope that the Chinese Government and the Chinese people would understand these factors which I have tried to outline briefly and recognize that we have many knots to untie. It is easy to tie a knot, but not as easy to untie one. I would hope the word "patience" would be used in really comprehending and understanding the difficulty concerning normalization of relations between our two countries at this time.

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Vice Premier -- Knots are also easy to untie. It only calls for the severance of diplomatic relations, the withdrawal of your troops and an end to the so-called treaty.

Senator Mansfield -- We understand the Japanese Formula but sometimes knots, over a period of time, become hardened and not easy to be untied. It takes time.

Vice Premier -- And I may add one point. As to how the People's Republic of China is to settle the Taiwan issue--by force or by peaceful means--is our internal affair and we do not want any interference from foreigners.

Senator Mansfield -- I understand.

Vice Premier -- Patience is possible. As far as I know, our views on this issue were discussed with former President Nixon, President Ford, Secretary Kissinger and many, many Americans. I think our views are well known.

Senator Mansfield -- Yes, they are very well known.

Vice Premier -- You were talking about patience. We are patient. We have time enough.

Senator Mansfield -- Mr. Vice Premier, you mentioned your differences with the Soviet Union based on ideology and one other factor which I cannot recall at the moment. There were two, but isn't there another factor to be considered--the territorial differences between the People's Republic of China and the Soviet Union?

Vice Premier -- That belongs to the realm of state relations.

Senator Mansfield -- But has nothing been done over the past 7 or 8 years to bring about a settlement of those differences?

Vice Premier -- We have had negotiations on border issues for almost seven years now and there has not been much progress yet.

Senator Mansfield -- So it still remains a bone of contention.

Vice Premier -- Of course. It is a matter of contention and sometimes very acute contention.

Senator Mansfield -- May I say, Mr. Vice Premier, that our group is very much impressed with the attitude of the people in Sinkiang--they were calm, confident and they gave one who comes in from the outside a feeling that they were sure of themselves and, in the words of your great leader, Chairman Mao, were prepared for any eventuality which might occur.

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Vice Premier -- What use is there in worrying day in and day out whether it is going to rain and if one's mother wants to marry someone else? What can you do about it? You just have to harden your hearts. That is an old Chinese saying.

Senator Mansfield -- We were just giving our impression on the part of the people in that huge area and with such a long border with outside powers. We want to give you an outsider's viewpoint.

Vice Premier -- According to the Chairman's teaching, we will not attack if we are not attacked, but if we are attacked, we will certainly counterattack. Fighting is just such a thing. You have to fight whether you're afraid or not. In comparison it is best to get some good sleep and when you are rested, you will fight better when you have more energy. We have had that experience during the long years of war. At the utmost, you will only lose a few more people. You probably don't agree on that because you seem to abhor the notion of seeing people die.

Senator Mansfield -- I don't like it.

Vice Premier -- But if people are going to bully you, invade your country and turn you into slaves, it is better to die than to live like that.

Senator Mansfield -- I would not disagree on that basis but I look on people as part of a whole. Of course, when people get out of line, you have to react.

Vice Premier -- As I see it, some people say the Soviets have one million troops in our area but it is not only in the area close to our country, it is along the whole line, the Sino Soviet border, Afghanistan and Turkey as well. It is a very long line and for them to put troops on such a line and try to fight such puny forces is not a good idea. The Soviets are out after three targets in the east. As we see it, you are their first target; the second is Japan; and the third is China. But their stress is still in Europe. You may not agree, but I feel that the stress, the main thrust of Soviet imperialism is in Europe and the Middle East.

Senator Mansfield -- Would you say that the United States was wise in maintaining 245,000 military personnel in Western Europe and other foreign countries?

Vice Premier -- That is your business. It seems that we have a question here. Europe, we believe, should become stronger. Ways should be found so that Europe can become stronger. At the present time, they are too soft and too dispersed. It seems to us that the present state of affairs is that in which Europe cannot leave the United States nor the United States leave Europe. That seems to be the present state.

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Senator Mansfield -- You know, our most important treaty, NATO, is with Western Europe. But the Vice Premier is correct. Europeans should do more in their own defense and I have been advocating that for years. But they seem loath to do so and how you get them to do something which is primarily in their own best interest is a problem which we have not been able to solve.

We have difficulties between Greece and Turkey in the south portion of NATO. We have difficulties in Italy which is subject to high inflation and a tenuous situation in Portugal on the southwest flank. All of this indicates that something needs to be done but it must be done by the countries themselves. We can't do it.

Vice Premier -- It seems you can do something also.

Senator Mansfield -- What?

Vice Premier -- You can give some advice.

Senator Mansfield -- We probably have given too much advice to too many people already. These nations are sovereign and independent and should make up their own minds and set their own courses.

Vice Premier -- It seems to us that recently more and more people are changing their minds. For instance, there are some well known European leading figures who have said in the past that the main thrust of the Soviet Union was the Far East. Some of them are now beginning to feel that that concept is not correct and that the main thrust is towards Europe. You have Mr. Sonnenfeldt in the United States, do you not?

Senator Mansfield -- Yes, in the State Department.

Vice Premier -- He seems to have a doctrine.

Senator Mansfield -- No one else seems to support the doctrine but Mr. Sonnenfeldt.

Vice Premier -- What about Mr. Kissinger?

Senator Mansfield -- I think he sort of backed away from it too. Mr. Sonnenfeldt has explained his views. It seems that he announced it to a group of U. S. Ambassadors in Europe some months ago.

Vice Premier -- It seems that he has been criticized.

Senator Mansfield -- Yes, a bit.

Vice Premier -- His is an appeasement policy--a Munich line of thinking.

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Senator Mansfield -- Something like that. There are people who say that. Getting back to the question of advice--Secretary Kissinger and the President both tried to give advice to Greece and Turkey. The result is that Greece thinks we are helping Turkey and Turkey thinks we are helping Greece. How do you win?

Vice Premier -- Give them some advice and some encouragement.

Senator Mansfield -- We are trying to do that to both of them. It is a tough situation.

Vice Premier -- What is needed perhaps is a friendly and equal approach.

Senator Mansfield -- Equality is the key word in relations between nations, just as it should be between people.

Vice Premier -- Between people, maybe not. Do you think capitalists are friendly to workers? We are not friendly to capitalists.

Senator Mansfield -- We are very friendly to workers in the United States.

Vice Premier -- That might not be so.

Senator Mansfield -- Every member of this group have been workers. I worked in the mines where I met my wife. John Glenn has worked with his hands in the fields. Every one of us has been a worker. We think our system is good but not as good as it should be, and you think your system is good but, perhaps, not as good as it could be. We have differences but they should not obviate those things that should keep us and hold us together. We are all people.

Vice Premier -- I agree that we should maintain friendly relations. I think that is possible. Our social systems are different, yet we still have much common ground.

Senator Mansfield -- Much.

Vice Premier -- For instance, I think the first and foremost point between us is that we both must deal with Soviet imperialism--what Chairman Mao called the polar bear--because it has wild ambition and is trying to expand everywhere. It is extremely odd that when people speak of Soviet imperialism there are a number of people who are mortally afraid of it. Actually, if you analyze it carefully, one finds that since it is an expansionist, imperialist power, it will, out of necessity, place itself in the position of being the enemy of the peoples of the world. That is an inherent weakness.

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Senator Mansfield -- We like panda bears.

Vice Premier -- Externally it places itself in the position of an enemy of the people of the world. Within its country, we see that, of course, we are not so familiar with the concrete economic situation in the Soviet Union, but since it is a country in which capitalism has been restored, we see the relationship between the government and the people of the Soviet Union has been very tense, especially between the various nationalities. As for its economy, the striking fact is that they don't seem to have enough to eat. Someone has said that they sow grain in the Soviet Union and reap it in the United States and Canada.

Senator Mansfield -- They did. They got the best of us. They even sold us some of the grain we sold them back to us and at higher prices. That capitalist publication the Wall Street Journal had an article saying that this was so.

Vice Premier -- Yes, I heard about that. They have wild ambitions without the strength to meet these ambitions. They are paper tigers. They are bullies who are weak and fear strength. I have met a number of Japanese friends and my advice to them is to toughen up a bit. They had a Foreign Minister, Mr. Miyazawa. Was he the man who talked with you?

Senator Mansfield -- Yes.

Vice Premier -- That was not a good statement at all.

Senator Mansfield -- It was his speech, not mine.

Vice Premier -- Yes, I know, but I think the United States should have good relations with Japan.

Senator Mansfield -- We do.

Vice Premier -- We have said many times that in regard to Japanese foreign relations, we believe the United States should come first and China second. That is another point we have in common.

Senator Mansfield -- Yes, it is an excellent observation because we are tied to Japan through a mutual security treaty. In tying ourselves to Japan it means their armed forces will not increase and if they do not increase, they do not create a threat to Asia as Japan did in bygone days, which China remembers all too vividly.

Vice Premier -- There are those in Japan who want to revive militarism but circumstances now are different from what they were before.

Senator Mansfield -- Much.

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Vice Premier -- For instance, Japan wants to develop its own defense forces to defend its own country. We are in favor of that but if they want to expand abroad, we don't think that is a good thing.

Senator Mansfield -- I doubt that that is their intention.

Vice Premier -- Not at the present time.

Senator Mansfield -- Or in the foreseeable future.

Vice Premier -- As for the future, we will have to wait and see.

Senator Mansfield -- It is a different world. You have not got an abject China now.

Vice Premier -- Yes, there have been some changes and as for the general trend of developments in the world, our view--the view that the Chairman has held constantly--is that there is great disorder in Heaven and the situation is excellent. Your Dr. Schlesinger agrees to the first sentence but not the second.

Senator Mansfield -- Well, he agrees and disagrees as he sees fit.

Vice Premier -- That is completely allowable. The disorder is among the hegemonists while on the other hand the awareness of the people is rising day to day and what is not excellent in that? One must not just see the trivial matters or minor points. Take, for instance, Angola. The Soviet Union pushed Cuba into Angola to create chaos there.

Senator Mansfield -- True.

Vice Premier -- You seem to be working with the Africans now.

Senator Mansfield -- We are trying to and hope something can be done before South Africa erupts.

Vice Premier -- Support their independence. The Africans will be happy about that.

Senator Mansfield -- That is what Kissinger is trying to achieve but he has many obstacles to overcome.

Vice Premier -- Of course, roads are not arrow straight--sometimes they are tortuous.

Senator Mansfield -- That is true. As Senator Glenn would indicate, distance is not always a straight line.

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Vice Premier -- Right. Very right. Anyway, there is one thing in the world that is hard to change. The Soviet Union wants to expand. And you have interests in the world you want to protect. This presents conflict.

Senator Mansfield -- We will see.

Vice Premier -- I recall that you have discussed the Western Pacific and have asked our opinion; that is the issue of your forces there. We believe that it is always not a very good thing to have forces stationed on foreign soil. It seems that your situation in the Western Pacific is also a result of the fact that you have interests there that you want to protect. As to how you are going to go about that, it is a matter for you to decide.

Senator Mansfield -- Thank you.

Vice Premier -- As for Korea, I should think you could do a hell of a lot of good to get the U. N. Command out. With your troops there you are in a passive position. You could be in an active position.

Senator Mansfield -- Would China join with the United States in trying to bring about a settlement of the Korean impasse through free elections or otherwise which would bring about the situation which I think China desires?

Vice Premier -- I have not studied that issue very much but our view is that the Korean issue is for the Korean people to decide for themselves. Our view is that we think the Korean people should solve the issues themselves through contact between the two sides and discussions between the two sides.

Senator Mansfield -- I agree.

Vice Premier -- How can we go there and interfere?

Senator Mansfield -- Well, by giving them advice.

Vice Premier -- Our advice would be, first of all, that you should withdraw your troops and do away with the U. N. Command. Our advice goes to you first.

Senator Mansfield -- I will pass it on.

Vice Premier -- Of course, this is a discussion between you and me. Whether you want to pass it on is your decision.

Senator Mansfield -- Well, if I can refer to Mr. Cheng when I say pass it on, sometimes it means passing the buck, but I'll pass it.

Vice Premier -- Anyway, our discussion here is conversation between old friends--not for publication.

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Senator Mansfield -- That's true, but when I pass it on, I'll do it in confidence.

Vice Premier -- I think that our relations should become friendlier step by step, but sometimes in our newspapers and at the U. N. we fire a few cannons.

Senator Mansfield -- We hear them.

Vice Premier -- But those cannons are empty. Have you read Mr. Ch'iao's speech at the U. N.?

Senator Mansfield -- I have, with interest. Mr. Fan made sure that I got a copy of it.

Vice Premier -- Have you read, also, the message of the Central Committee of our party, the Standing Committee of the National People's Congress, the State Council, and the Military Commission to the whole nation, the whole army and the people of the various nationalities in the country and the speech made by Premier Hua at the memorial meeting for Chairman Mao?

Senator Mansfield -- Yes. We read it and have a copy as it was carried in the Peking Review. We would appreciate copies of your other publications which I have not seen. Can we get copies?

Vice Premier -- That can be done.

Senator Mansfield -- If I may, I would be most happy to send the Vice Premier copies of the reports on Japan made in July and Southeast Asia made in August. I think we have some with us.

Vice Premier -- Thank you. If we are to carry on the great cause of Chairman Mao, it means that our internal and foreign policies will not change.

Senator Mansfield -- May I say, Mr. Vice Premier, that this has been a year of great tragedy with the passing of your great leader, Chairman Mao, the passing of your great soldier Chu Teh, and the passing of your great Premier Chou En-lai plus the Tangshan earthquake--all in one year--a tragic year.

Vice Premier -- These have been great losses. They were all old comrades of advanced age and had been ill for some time. That was a natural development and we were unable to stop it. Under the leadership of the Central Committee led by Premier Hua, we are determined to move forward.

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Senator Mansfield -- I am sure you will.

Vice Premier -- All difficulties can be surmounted. We have confidence because we have Mao thoughts and Chairman Mao lives forever in our hearts.

Senator Mansfield -- Mr. Vice Premier, could I call on Senator Glenn to see if he has any comments to make at this time?

Senator Glenn -- Thank you very much. I have been very much impressed with the breath of the conversation today. Early in the conversation today the Vice Premier very properly stressed the role of agriculture and food in helping the people of China get to a self-sufficient position, and I think in all nations around the world that that must be a first objective. Beyond that, what nations are able to do will be determined much by the fuel they get. We have had great resources that have been developed quite widely. Our geologists indicate that China has a great oil potential here and that will play a key role in China's development. Would you share your views on the development of fuel which I think will be a key factor not only in China but in the foreign relations throughout the countries all over the world and probably for the next generation?

Vice Premier -- We have enough oil to use now. Of course, we still have to develop it. The principle by which we develop it is self-reliance.

Senator Glenn -- That would be a very major factor in China's relationship with the rest of the world; how their energy resources are developed and how China wishes to use that in international trade and commerce. Are there plans at this time to move into that area rapidly?

Vice Premier -- Of course, our objective is to develop these resources as quickly as possible. As for the international aspects and international oil relations, our view has always been that this is a question of necessity and possibility and that is that we are willing to develop friendly contacts under the condition of self-reliance and according to the principles of necessity and possibilities.

There are some Third World countries who invite foreign investments and go in for multi-national corporations in tapping their oil and other resources. We do not intend to develop in that direction.

As for commercial contacts on the basis of equality and in the light of appropriate relations between necessity and possibility, we are willing to develop them. But in trade relations between our two countries, at the present time we are importing more from you than you are importing from us now. We are not in such a great haste.

Senator Glenn -- Flying over the great distances of China, it is so immense that I wonder if China even knows for sure what it actually has in this area.

Vice Premier -- Indeed, there are a lot of things I believe we do not know what we have, but I am sure that we will finally find out.

Senator Glenn -- You have vast resources that have yet to be developed and could be of tremendous assistance to your people.

Senator Mansfield -- And keep you self-sufficient and self-reliant.

Vice Premier -- We also export a little. For instance, we export a little oil now.

Senator Glenn -- If the reports we have seen from your geologists and what our own think of China, I think that situation could very well change within the next few years. I think China could become a large exporter of energy to the world.

Vice Premier -- That word "large" that you put before amount is not very reliable.

Senator Glenn -- I think as we sit here and talk about this, we have a world-renowned scientist who could give us all we need in the form of Dr. Chou Pei-yuan.

Senator Mansfield -- Indeed.

When I came over in 1972, your trade the year before just about balanced. I think the figure was \$2.3 billion in exports and \$2.1 billion in imports, and following Nixon's visit, you bought grain, airplanes from the United States and some technological equipment and some machinery imports from Japan and the imports increased and the result was that you reached an imbalance. That imbalance has now been corrected to some extent. Just what difference do you have on exports and imports on a yuan basis?

Vice Premier -- It is basically balanced.

Senator Mansfield -- Is your policy to equalize outflow with inflow?

Vice Premier -- Yes.

Senator Mansfield -- That way you avoid indebtedness.

Vice Premier -- It does not feel good to be in debt. We incurred debts to the Soviets at one time.

Senator Mansfield -- But you paid them back with interest.

Vice Premier -- Of course.

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Senator Mansfield -- I thought that was aid.

Vice Premier -- They also said it was selfless. They forced down the price of our exports to them and raised the price of their exports to us and termed that selfless.

Senator Mansfield -- And what is the balance of trade between the People's Republic of China and the Soviet Union today?

Vice Premier -- They are in debt to us now.

Senator Mansfield -- Have they paid you?

Vice Premier -- According to reason it seems they should. Of course, it is not so very large a debt. The debt we incurred to the Soviet Union was incurred during the war of Korea against U. S. aggression. When we fought you, we bought some ammunition from them. On the economic front, we also borrowed.

Senator Mansfield -- You used to have a big trade with the Soviet Union. Has your trade shifted away from the Soviet Union to other areas?

Vice Premier -- I think 80 to 90 percent of our trade goes to second and third world countries plus you. The Soviet Union is not very happy about that.

Senator Mansfield -- We are.

Vice Premier -- When are you leaving?

Senator Mansfield -- Tomorrow morning for Shanghai and then on Tuesday morning for Hong Kong and the Philippines.

Vice Premier -- You are going to the Philippines?

Senator Mansfield -- Yes.

Vice Premier -- We are on friendly relations with the Philippines.

Senator Mansfield -- The last time we saw the Marcoses, a year ago I believe, they showed us a film of Mrs. Marcos' visit with the late Chairman Mao Tse-tung--an excellent film in color and we were quite impressed with it. From there we will go to Indonesia and from Indonesia to home.

Vice Premier -- So, shall we conclude our discussion here?

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Senator Mansfield -- We are very grateful to the Vice Premier for receiving us and giving us the benefit of his candid views and answering our many questions.

Vice Premier -- But it is not for publication to the newspaper.

Senator Mansfield -- We don't meet with newspaper men. But we will report to the President and make a report to the Senate Foreign Relations Committee.

Vice Premier -- Because we have spoken to each other very candidly.

Senator Mansfield -- Yes, indeed.

Vice Premier -- Devious talk so devious that others do not understand you is very tasteless.

Senator Mansfield -- I agree and we are not among those you have in mind.

Vice Premier -- I am not a diplomat.

Senator Mansfield -- As we told Madame Vice Minister, we are in excellent hands with Madame Kang and her associates looking after us that we feel indebted to them and to the Chinese government. They are good shepherds.

Vice Premier -- You are a friend and when a friend comes, it is only correct that we try to be of help.

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Notes of a Pre-dinner Discussion Between Senator Mansfield and Feng Kuo-chu,  
Vice Chairman of the Shanghai Municipal Revolutionary Committee  
Shanghai, People's Republic of China, October 10, 1976

(The entire American group was present at the discussion, along with a number of local Chinese officials and the accompanying staff of the People's Institute of Foreign Affairs.)

The discussion began with an exchange of pleasantries and Feng's introduction of the local Chinese officials who were present.

Feng then related that the Party Central Committee had agreed to establish a memorial hall for Mao Tse-tung, to speed up the publication of the selected works of Chairman Mao, to collect and publish the full works of Chairman Mao--and, finally, had selected Hua Kuo-feng as Chairman of the Central Committee of the Chinese Communist Party and Chairman of the party's Military Commission. He went on to say that "we are determined to rally and support the decision of the Central Committee." He then said that "as far as foreign affairs are concerned, China will continue to implement the revolutionary foreign policy as formulated by Chairman Mao."

Feng said that Senator Mansfield would probably see posters as he goes along, some paying tribute to Chairman Mao and new ones proclaiming the Committee's decision about the memorial hall, the publication of Mao's works and the decision concerning Hua Kuo-feng. He then expressed his belief in the strength of the Chinese people, saying "the Chinese people will always remain strong; they can withstand any impact." He said that the working class in Shanghai have a slogan: "Even if the sky falls down we will shoulder it," You are, he said, "an old friend; I do hope you believe us."

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Senator Mansfield in reply said that "what has taken place in China since the revolution has been the regeneration of a people" and that the self-confidence they now have "has to be seen to be believed." The pace of development will quicken, he went on to say, expressing admiration for the self-reliance shown by the Chinese people in achieving what has been accomplished to date.

Feng responded, saying: "When a people is poor they will work harder for change. That is why they strive for change. When they are oppressed, they strive for revolution. The American people are a good people. Two hundred years ago your people also underwent such experiences."

(The discussion ended on this note and the group went in to dinner.)

MIKE MANSFIELD  
MONTANA

United States Senate  
Office of the Majority Leader  
Washington, D.C. 20510

*Maxie*  
~~*Confidential*~~  
*Jc*

November 4, 1976

Honorable Jimmy Carter  
President-Elect  
Plains, Georgia

Dear Governor:

It would seem to me that one of the major problems of foreign policy which will press in on the new Administration is our approach to relations with China. We may well be required by events in China and elsewhere in Asia to confront the fact of indecision in these relations ever since Nixon's visit in 1972.

As you know, I went to China shortly after Mao's death for my third visit to the People's Republic and spent three weeks traveling widely through the country. During the visit, I held conversations with leaders, which were of relevance to the present situation and our policies with respect thereto. As has long been my practice, when traveling abroad on official business, I gave the President a confidential report on my observations and impressions.

Since you will soon be dealing with these matters, I take the liberty, most respectfully, of transmitting a copy of the report on China which I gave to President Ford. I trust that you will find it of interest.

With all best personal wishes and warm regards, I am,

Respectfully,

*Mike Mansfield*

Enclosure

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