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# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection Name** MEESE, EDWIN: FILES

**Withdrawer**

LOJ 1/23/2007

**File Folder** CHINA TRIP 1984 (2)

**FOIA**

F02-019/1

**Box Number** CF0375

COHEN, WARREN

16

| ID    | Doc Type | Document Description                                                                                 | No of Pages | Doc Date  | Restrictions |
|-------|----------|------------------------------------------------------------------------------------------------------|-------------|-----------|--------------|
| 32555 | MEMO     | DONALD T. REGAN TO THE PRESIDENT, RE TRIP TO CHINA, JAPAN, AND KOREA<br><i>R 1/28/2008 F02-019/1</i> | 4           | 3/27/1984 | B1           |
| 32560 | LIST     | OF TOPICS FOR LUNCHEON DISCUSSION<br><i>R 7/17/2008 F02-019/1</i>                                    | 1           | ND        | B1 B3        |
| 32563 | MEMO     | GEORGE P SHULTZ TO THE PRESIDENT, RE CHINA TRIP<br><i>R 12/18/2007 NLRRF2002-019/1</i>               | 4           | 4/3/1984  | B1           |
| 32565 | LIST     | OF PARTICIPANTS<br><i>PAR 7/17/2008 F02-019/1: PAR UPHELD 11/8/2012 M381/1</i>                       | 1           | ND        | B1 B3        |
| 32568 | AGENDA   | FOR SPECIAL BRIEFING ON CHINA<br><i>R 7/17/2008 F02-019/1</i>                                        | 1           | ND        | B1 B3        |
| 32577 | LIST     | OF PARTICIPANTS<br><i>R 7/17/2008 F02-019/1</i>                                                      | 1           | ND        | B1 B3        |

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F: Asia

THE SECRETARY OF THE TREASURY  
WASHINGTON 20220

March 27, 1984

MEMORANDUM FOR THE PRESIDENT

SUBJECT: My Trip to China, Japan, and Korea

I have just returned from a ten-day trip to the Far East. Following is a summary of the highlights of the trip.

I. China

The fourth session of the U.S.-China Joint Economic Committee (JEC) which I co-chaired with my Chinese counterpart, Finance Minister Wang Bingqian, went well. The meeting took place in an atmosphere of positive anticipation of your visit next month. In addition I had private meetings with Premier Zhao, Foreign Minister Wu, Finance Minister Wang and Trade Minister Chen. In my private meeting with Premier Zhao Ziyang, he asked me to convey to you that he and other Chinese leaders attach great importance to your visit and intend to make it a success. So you can expect a warm, friendly greeting, and unless something intervenes between now and then, cordial discussions of some complicated issues. He sees your visit as an opportunity to enhance mutual trust, to advance the dialogue you started in January beyond the level of generalities, and to undertake some new initiatives, perhaps on arms sales to Taiwan and/or removing impediments to economic cooperation.

Tax and Investment Negotiations: At the conclusion of the JEC, Finance Minister Wang and I initialled our bilateral income tax treaty. The treaty will be ready for you and Premier Zhao to sign, but implementation will require Senate ratification.

In our private meeting, Premier Zhao said he wanted a bilateral investment agreement ready for your visit and accordingly would give his side a "push." I indicated I would do the same. A Chinese team arrived in Washington yesterday for a "make or break" round of negotiations with USTR. There are several difficult issues outstanding, but I am modestly optimistic that there will be an agreement for you to sign during your visit.

I also stressed to the Chinese that they must honor agreements they have already made, particularly the grain agreement, in order that we can confidently negotiate new agreements.

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BY LOJ 1/28/08

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- 2 -

Other Economic Issues: As for removing perceived U.S. economic impediments that the Chinese cite, there is little we can or should do. The items surfaced primarily in the first JEC session. China wants exemption from COCOM review of technology exports, but I indicated that such decisions require COCOM unanimity. China would also like lower tariff rates (generalized preferences) from the United States, as they receive from the Europeans and the Japanese. We cannot do so for several reasons, the least of which is that U.S. law first requires GATT membership. The PRC is not in the GATT and joining it is a long, complex process for a non-market economy.

Economic Modernization: When you arrive in China, you will see a country undergoing economic development and modernization. For example, substantial construction is taking place throughout Beijing, and one does not see the dire poverty of many LDCs. This development is a result of the modernization and reform program the Chinese began in 1979. This ambitious program, however, may encounter difficulties on at least two counts. First, some internal opposition to modernization and reform remains; second, China's growth rate, estimated at 4-5 percent per annum, is straining several sectors of the economy, particularly energy and transportation. It will take several more years to determine whether China's modernization can become a permanent tenet of its policies and orientation.

Bilateral Assistance: The day after I left, Prime Minister Nakasone arrived in China for a three-day State visit and brought with him a \$2 billion low interest loan package to finance several major projects. It is clear that the Chinese want similar concessional loans from the United States. The message I delivered was that even if we are successful in getting Congress to eliminate obsolete language from our Foreign Assistance Act, a bilateral aid program simply was not possible. For resources to help carry out its modernization program, China has to look to our private sector, augmented by Exim, OPIC, and CCC programs. I also told them that OPIC would be sending a private sector investment mission to the PRC in the fall to explore investment opportunities. If private sector investment occurs, we should get as much credit in our bilateral relationship as do Japan and others when they provide government-subsidized loans.

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- 3 -

Taiwan: The Taiwan issue did not arise in a controversial manner. Premier Zhao briefly mentioned the arms sale issue, but neither he nor other Chinese officials mentioned U.S.-PRC defense matters. Foreign Minister Wu brought up China's desire for membership in the Asian Development Bank and Taiwan's position if China joins. I gave him our standard answer, i.e., some arrangement must be made for each to have Bank membership.

## II. Japan

My trip to Japan was very unsatisfactory. At your direction and under the Vice President's coordination, we have been seeking greater international use of the yen and a more open, market-oriented domestic Japanese financial system in order to strengthen the yen and thereby help reduce our trade deficit. The Treasury-Ministry of Finance Working Group established last November during your visit to deal with this problem concluded its second meeting during my visit, but without any progress. All of the issues have been surfaced and discussed prior to and at the time of the Williamsburg Summit, but we still do not have any results.

I met with Economic Planning Agency (EPA) Director General Komoto, who was acting Prime Minister in Nakasone's absence. I also met with Minister of Finance Takeshita, the Central Bank Governor, and the Acting Minister for Foreign Affairs. In all meetings, I emphasized that for three years we have been patient, through one Japanese election or another, waiting for the right time for Japan to open up to U.S. products and liberalize its capital markets. I stressed in no uncertain terms that we could wait no longer, now we had an election and that now is the time for bold action if protectionist steps in our country are to be avoided. In addition, I told Finance Minister Takeshita bluntly that I was extremely dissatisfied with the lack of progress on yen/dollar issues.

While all the Ministers with whom I met generally agreed with me on the need for prompt action, it remains to be seen whether this will be translated into results. On the yen/dollar issues, the next meeting of the working group is scheduled in Washington for mid-April. We should know by then whether we are going to get action or just more talk.

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- 4 -

### III. Korea

My one and a half day stop in Korea was extremely useful. President Chun warmly recalled your visit there last November, and stressed the close political, economic and defense ties between Korea and the United States. The Korean economy is booming, with 9-1/2 percent real growth and less than 2 percent inflation. In my discussions with Deputy Prime Minister Shin and Finance Minister Kim, we focussed on Korea's development plans and the need for the liberalization of their trade and banking sectors. I emphasized that progress in both areas is critical since, in spite of their impressive economic performance, they still have many restrictions, and U.S. firms are not granted fair access to Korean markets. Shin and Kim both responded positively on these points. I stressed our appreciation of their sending a buying mission here last month to purchase \$2 billion in U.S. goods. This will help to rectify the trade deficit we had with them in 1983.

I also had an emotional and very moving trip to the DMZ to visit our troops and to see first hand the great responsibility they bear. It was, as you saw, a grim reminder of the tensions that still exist and of the constant strain placed on the Korean people and their economy.



Donald T. Regan

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THE WHITE HOUSE

WASHINGTON

April 5, 1984

LUNCHEON BRIEFING ON CHINA

DATE: April 6, 1984

LOCATION: White House Residence

TIME: 12:00 - 1:30 p.m.

FROM: ROBERT C. MCFARLANE *RCM*

I. PURPOSE

To give you a "feel" for China and topics pertinent to the trip (Tab A) by hearing informally the personal experiences and views of those members of the Administration who are helping to manage the U.S.-China relationship.

II. BACKGROUND

In addition to the forthcoming NSC meetings in preparation for your trip to China, two informal luncheons are scheduled-- this one with government experts on China and another one on Wednesday, April 11, with experts from outside the government. These meetings are designed to draw on the personal experiences of these individuals to give you a "feel" for dealing with the Chinese. At Tab B is Secretary Shultz's memo to you on your trip to China.

III. PARTICIPANTS

List of participants, with a brief description of their China experience, is at Tab C.

IV. PRESS PLAN

White House Photo

V. SEQUENCE OF EVENTS

Secretary Shultz will introduce various subjects, call on one of the participants to address it briefly, and then open the matter to discussion.

Attachments:

Tab A List of Topics  
Tab B Secretary Shultz's memo  
Tab C List of Participants

Prepared by:  
David N. Laux

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Declassify on: OADR By 601 White House Guide es, August 28, 1997 NARA, Date 1/23/07 cc Vice President

Ed Meese  
Jim Baker  
Mike Deaver

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~~SECRET~~~~SECRET~~LIST OF TOPICS FOR LUNCHEON DISCUSSION

- Personal history of Deng Xiaoping and other Chinese leaders the President will meet--Gries/Sigur/Laux.
- How to handle informal conversation at banquets--Sigur/Wolfowitz.
- How Chinese deal with foreign visitors--Gries.
- How much freedom is there in China?--Wolfowitz.
- The Cultural Revolution - What was it like and what is its continuing impact on China--Gries/Laux/Sigur.
- Internal Economic Reforms - How much has changed and what problems remain? Are the reforms irreversible?--Olmer/Gries/Laux.
- What things are happening in student exchanges? What kinds of students are visiting the U.S.? The Dalian Management Training Institute--Laux/Olmer.
- The cultural climate in China. The effect of recent Western contacts on China. The effect of the anti-pollution campaign--Wolfowitz/Gries.
- How ordinary Chinese live. Inequality and status in China--Gries.
- Sino-Soviet relations - are the two likely to draw closer together?--Sigur/Wolfowitz/Armitage.
- China's relations with other Asian countries, particularly Japan--Sigur.
- The police and security apparatus - aspects for the President's party--Gries/Armitage.
- The army and its role in China--Armitage.

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THE SECRETARY OF STATE  
WASHINGTON

April 3, 1984

MEMORANDUM FOR: THE PRESIDENT  
FROM: George P. Shultz *GPS*  
SUBJECT: Your China Trip: Setting and Issues

I. THE SETTING

Your visit to China will be the first by a U.S. President since the normalization of diplomatic relations in 1979 and the first since President Ford's trip in 1975. It marks the opening of a more mature stage of our relationship, a stage marked by mutual recognition of both our common interests and our differences.

Too often in the past we alternated between euphoria and depression, either minimizing our differences and thinking that China was about to become a close ally or, alternatively, exaggerating differences when they did arise and fearing the whole relationship might be in jeopardy. The task of your Administration has been to put U.S. relations with the PRC on a stable and realistic long-term course, one that recognizes the great importance and potential of this relationship but that does not minimize the differences and problems between us.

Our differences arise not merely over Taiwan but also from the profound differences between our political and economic systems. These differences can be managed because both countries have a great interest in a positive relationship. However, maintaining and improving our relations must be based on mutual efforts. It cannot be purchased by U.S. concessions on Taiwan. We have a great stake in this relationship. But so do the Chinese, both because of what the United States can do to assist their modernization efforts and because of the dangers that Soviet expansionism poses.

Your seven hours of talks in Beijing with China's four top leaders -- political strongman Deng Xiaoping, Chief of State Li Xiannian, Communist Party General Secretary Hu Yaobang, and Premier Zhao -- will reinforce the themes developed in our discussions with the Chinese over the last eighteen months, themes which were explicitly underscored in your own meetings with Premier Zhao in mid-January. Both your private statements

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to Chinese leaders and your two scheduled major addresses will convey that the United States:

- regards China as a friendly, non-allied country and wishes to advance our ties on that basis;
- stands ready, willing and able to support China's modernization efforts, particularly through our private sector;
- attaches continued importance to coordinating efforts to resist the Soviets and their proxies, as in Afghanistan and Kampuchea, or to reduce tensions, as in Korea; and
- will abide by our commitments vis-a-vis Taiwan but will expect patience in handling this complex issue.

The Chinese have made it abundantly clear that they want your visit to be a success, as Premier Zhao said to Don Regan two weeks ago. They have been accommodating on logistical arrangements for your visit; they yielded ground on a bilateral tax treaty which you will sign; they geared up, on Premier Zhao's instructions, to try to conclude a bilateral investment treaty; they avoided a serious civil aviation confrontation by issuing a temporary authorization to Northwest Airlines to begin passenger service to China; they conducted businesslike consultations with us on textiles, the most acrimonious of all our bilateral economic issues; and, during recent working-level talks on possible U.S. military sales, they have displayed renewed though cautious interest in the strategic dimension of our relations.

Beijing pushed hard for your visit and wants several things from it. First, China's reformist leadership -- Deng, Hu and Zhao in particular -- has a personal and political stake in presenting to doubting opponents the appearance and reality of a thriving bilateral relationship with the U.S.

Second, having apparently concluded both that they had earlier misread your China policy -- and also that you are likely to win reelection -- they want to solidify a personal relationship with you.

Third, they will use the favorable atmosphere to press you to: note Chinese concerns on Taiwan (especially over arms sales and over manifestations of stronger support in Taiwan and in the U. S. Congress for Taiwan "independence" formulas); ease further the restrictions you have already relaxed on exports of advanced technology; pledge support for Chinese access to concessional U.S. financing; ease restrictions on Chinese textiles; and, perhaps, intervene to break the impasse in our nuclear and investment negotiations. Foreign Minister Wu recently cited these issues, along with

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amending the Foreign Assistance Act and renewing the Maritime Agreement, as "issues of importance" to China.

Finally, the Chinese will want to use your visit to gain leverage over the Soviets but also to promote China's coveted image of a developing nation that pursues an independent foreign policy. China's rhetoric stresses this "independent" stance, even at times linking the U.S. and Soviets as "hegemonist" powers. But despite recent efforts to ease Sino-Soviet tensions, Beijing clearly sees the USSR as the principal threat to its security and sees the need for good relations with us to counter that threat. Moreover, the Chinese know that only the U.S. and the West can provide the high technology, advanced training, investment capital, and managerial expertise that are needed for their modernization efforts.

## II. ISSUES

1. Taiwan. The Chinese have muted their public criticisms of us, and let pass with minimum complaint our 1983 arms sales. But Zhao pressed you in January on the Taiwan Relations Act and expressed concern over growing support in the U.S. for various formulas favoring Taiwan independence. Deng has aired a "confederal" scheme to resolve the Taiwan question which he may seek to draw you into in your Beijing discussions. In response, your best course of action is to reaffirm our consistency with past commitments; the need now for the Chinese to resolve this issue peacefully between themselves and not by coming to us; and the attendant need for patience and confidence-building.

2. Korea. The Chinese will anticipate a continuation of your dialogue with Zhao in January on ways we might work in tandem to reduce tension on the Korean Peninsula. We have recently sought again to explore Chinese willingness and ability to be helpful -- either as direct participants or "from the sidelines" -- should multilateral talks get underway. The Chinese did not respond, and have displayed little inclination or ability to involve themselves in multilateral discussions at this juncture. We should at minimum reaffirm our interest in creating the conditions for stability on the Peninsula and remind the Chinese that our presence in South Korea provides stability in the face of North Korean threats that serves their interests as well.

3. Concessional financing. Premier Zhao has asked for U.S. concessional loans for major power projects, including nuclear plants. Don Regan told him in March that although we are

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seeking to remove the legislative prohibition on aid to China, we have no bilateral aid program planned and China would have to rely on the World Bank and private sources.

4. Discriminatory measures. Along with the aid prohibition, China's leaders have criticised the lack of preferential tariffs (GSP), annual review of most favored nation status (under the Jackson Vanik amendment), COCOM controls on technology, textile restrictions, dumping and countervailing duty petitions, and the court suit for repayment of Huguang railway bonds. We see these as the result of security, political, or economic factors which do not reflect any "discrimination" against China, and we have no plans or latitude to change these policies.

5. Grain Trade. You will want to make clear that China must meet its commitment under our Long Term Grain Agreement to purchase and ship 12 million tons of U.S. grain by the end of 1984. The Chinese failed to fulfill their 1983 commitment on time, and our data on shipments indicate the Chinese may fall short again this year. Fulfillment of the commitment affects a major part of U.S.-China trade and its fulfillment is important for the credibility of China's other past or future commitments.

6. Export Controls. Chinese leaders appreciate your liberalization of export controls last year, but will question its implementation and complain that China is the only friendly country whose exports are reviewed by COCOM. The statistics on licensing and the new technical levels of exports show that the policy is being successfully implemented, although we are still making improvements. We do not believe that there is the necessary consensus among our allies to drop China from COCOM nor do we believe that this course is advisable from the standpoint of security.

7. Asian Development Bank. Since November 1982, China has been talking to the U.S., Japan, and the President of the ADB about membership. China does not seek to expel Taiwan from the ADB, but does seek a change to "associate member" status for Taiwan. This would require modification of the ADB charter, which Bank members oppose. Moreover, resolutions by Congress have called for Taiwan to retain full membership. We have told the Chinese, most recently during the Regan visit, that they should work out arrangements acceptable to all parties with the Bank President.

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PARTICIPANTS

(b) (1)  
(b) (3)

The President

The Vice President - Head of the U.S. Liaison Office in Beijing  
from October 1973 to December 1974.

Secretary of State George Shultz

Mr. Edwin Meese

Mr. James Baker

Mr. Michael Deaver

Mr. Robert C. McFarlane

Mr. Richard G. Darman

Dr. Gaston Sigur - Special Assistant to the President and Senior  
Director of Asian Affairs, NSC. On leave as head of the  
Sino-Soviet Institute at George Washington University.  
Dr. Sigur lived in Japan for 11 years where he headed the  
Asia Foundation (3 years in Afghanistan in similar  
capacity). A Japanese linguist. Dr. Sigur has visited  
China eight times since 1978.

Mr. Paul D. Wolfowitz, Assistant Secretary of State for East Asia  
and Pacific Affairs since December 1982. He has accompanied  
Secretaries Shultz and Weinberger on their trips to China.

Mr. Lionel Olmer, Under Secretary of Commerce for International  
Trade. His areas of responsibility include technology  
transfer matters and trade relations with China. Mr. Olmer  
accompanied Secretary Baldrige to China and followed it with  
a trip to Tibet last May.

Mr. Richard L. Armitage, Assistant Secretary of Defense for  
International Security Affairs. Southeast Asian specialist.  
Pursued business interests in Southeast Asia from 1976 to  
1978, and in 1979 established a consulting firm specializing  
in Southeast Asian affairs. He has made five trips to  
China.

Mr. David Gries, CIA, National Intelligence Officer for East  
Asia. China specialist and linguist. [redacted]

[redacted] He has made three trips since  
1980 with Secretaries Shultz and Weinberger and Director  
Casey.

Mr. David N. Laux, Director of Asian Affairs, NSC. China  
specialist and linguist. Six months in China as Commercial  
Counselor setting up the Foreign Commercial Service there.  
Formerly Director of Chinese Affairs at Department of  
Commerce [redacted]

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NLS FD2-0191 #32565

By [redacted], NARA, Date 7/17/08

## REQUEST FOR APPOINTMENTS

To: Officer-in-charge  
Appointments Center  
Room 060, OEOB

Please admit the following appointments on 6 April, 1984  
for The President of White House:  
(NAME OF PERSON TO BE VISITED) (AGENCY)

The President

The Vice President

Secretary George P. Shultz

Messrs. Meese, Baker, and Deaver

Mr. Robert C. McFarlane

Mr. Richard G. Darman

Dr. Gaston Sigur

Mr. Paul Wolfowitz

Mr. Lionel Olmer

Mr. Richard Armitage

Mr. David Gries

Mr. David Laux

### MEETING LOCATION

Building White House

Requested by Florence Bagnall

Room No. Residence

Room No. 302 Telephone 5746

Time of Meeting 12:00-1:30 p.m.

Date of request 5 April 1984

Additions and/or changes made by telephone should be limited to three (3) names or less.

APPOINTMENTS CENTER: SIG/OEOB - 395-6046 or WHITE HOUSE - 456-6742

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System II  
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THE WHITE HOUSE

WASHINGTON

April 13, 1984

LUNCHEON MEETING WITH THE NATIONAL SECURITY COUNCIL  
ON YOUR CHINA TRIP

DATE: April 16, 1984

LOCATION: Roosevelt Room

TIME: 12:00 p.m. - 1:30 p.m.

FROM: ROBERT C. MCFARLANE (Cv)

I. PURPOSE

To review U.S.-Chinese relations and "walk thru" events in preparation for your 1984 trip to China.

II. BACKGROUND

This is the first opportunity since Premier Zhao Ziyang's visit in January 1984 to focus on the overall context of U.S.-Chinese relations. We need to review what our own goals are for this relationship, and what our specific objectives are for your visit.

We should review the draft NSDD (Tab C), which would be issued prior to your departure.

The agenda for the NSC Luncheon Meeting is at Tab A.

III. PARTICIPANTS

List at Tab B.

IV. PRESS PLAN

No press coverage or announcement of this meeting.

V. SEQUENCE OF EVENTS

See Agenda at Tab A.

Attachments:

Tab A      Agenda for NSC Luncheon Meeting  
Tab B      List of Participants  
Tab C      Draft NSDD

cc: Vice President  
Messrs. Meese, Baker & Deaver

Prepared by:  
David Laux

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White House Guidelines, August 28, 1997  
By 691 NARA, Date 1/23/07

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System II  
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NATIONAL SECURITY COUNCIL LUNCHEON MEETING

Monday, April 16, 1984  
12:00 p.m. - 1:30 p.m.  
Roosevelt Room

SUBJECT: Review of U.S.-Chinese Relations, in Preparation for  
the President's Trip to China, and  
"Walk-through" of Events

AGENDA

1. Introduction (2 min.) . . . . . Robert C. McFarlane
2. Overview Film (25 min.) . . . . . Robert C. McFarlane
3. Current state of U.S.-Chinese relations and  
our objectives for the President's visit to  
China. (10 min.) . . . . . Secretary Shultz
4. Military relations and prospects  
(5 min.) . . . . . Secretary Weinberger
5. Economic and financial issues (5 min.) . . . Secretary Regan
6. Trade relations and prospects, and  
technology transfer progress and problems  
(4 min.) . . . . . Secretary Baldrige
7. Agricultural issues (2 min.) . . . . Deputy Secretary Lyng
8. Energy: US cooperation in Chinese development  
of oil, coal, hydropower and other energy  
resources (2 min.) . . . . . Deputy Secretary Boggs
9. Textile and other trade issues and  
prospects for investment agreement  
(2 min.) . . . . . Deputy Trade Representative Murphy
10. Discussion (10 min.)  
To include review of draft NSDD . . . . . Principals
11. Review of Events, Including Meetings with  
Li and Zhao (20 min.) . . . . . Secretary Shultz
12. Conclusion (3 min.) . . . . . Robert C. McFarlane

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White House Guidelines, August 28, 1997  
By 101 NARA, Date 1/23/07

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NSC Luncheon Meeting  
April 16, 1984  
12:00 p.m. - 1:30 p.m.

PARTICIPANTS

The President

OVP

The Vice President  
Adm. Daniel Murphy

STATE

Secretary George P. Shultz  
Asst. Sec. Paul Wolfowitz

TREASURY

Secretary Donald T. Regan

OSD

Secretary Caspar W. Weinberger  
Asst. Sec. Richard Armitage

AGRICULTURE

Deputy Secretary Richard E. Lyng

COMMERCE

Secretary Malcolm Baldrige  
Under Sec. Lionel Olmer

ENERGY

Deputy Secretary Danny J. Boggs

CIA

Mr. William J. Casey

USTR

Amb. Peter Murphy

JCS

Gen. John W. Vessey, Jr.

UN

Amb. Jeane Kirkpatrick

USIA

Director Charles Wick

White House

Mr. Edwin Meese  
Mr. James A. Baker  
Mr. Michael K. Deaver  
Mr. Robert C. McFarlane  
Mr. Richard G. Darman  
Mr. Michael McManus  
Mr. Larry Speakes  
Mr. Edward Hickey

NSC

Mr. William Martin  
Dr. Gaston J. Sigur  
Mr. David Laux

Mr. Joseph LaPorta  
(showing of film only)

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## THE WHITE HOUSE

WASHINGTON

### THE PRESIDENT'S VISIT TO THE PEOPLE'S REPUBLIC OF CHINA

Over the past year, we have witnessed an improvement in U.S.-China relations. The recent visit to the United States by Premier Zhao Ziyang and my return visit to China are in themselves strong indications that the relationship is moving forward in areas of mutual interest. We want my visit to continue this progress. (S)

Because of the importance of this relationship and the sensitive aspects of managing our relations with both the People's Republic of China and Taiwan, it is essential that our strategies and policies be coherent and that our actions be consistent and mutually reinforcing. (S)

#### Objectives

In our relationship with China we seek:

- To promote a China that remains independent of the Soviet orbit. (S)

- To encourage China's efforts to modify and liberalize its totalitarian system, introduce incentives and market forces in its economy, and continue expanding its ties with the major industrialized democracies. (S)

- To help China modernize, on the grounds that a strong, stable China can be an increasing force for peace, both in Asia and in the world, if the two objectives above are realized. (S)

To achieve these overall objectives we should emphasize the following themes during this very important visit:

#### Political/Diplomatic Relationship

First, on political/diplomatic issues we should aim:

- To reaffirm our commitment to regard China as a friendly, non-allied nation and to consolidate and advance our bilateral relationship on that basis. (S)

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Authority: D.VAN TASSEL, NSC 8/1/96

BY LA 1/23/07

- To enhance Chinese understanding of the United States and carry the message of American friendship directly to the Chinese people by further developing the rapport between U.S. and Chinese leaders, and by direct talks to the Chinese people, carried over Chinese television and radio, as well as in the press. (S)

- To reaffirm our intention to abide by the various joint communiques we have signed with the Chinese, including the one of August 1982 on arms sales. At the same time we should reconfirm our moral and legal commitment to maintain unofficial relations with the people of Taiwan, including the continued sale of defensive arms. We believe the "resolution" of the Taiwan issue is a matter for the Chinese people to settle themselves, and our only concern is that it be done peacefully. A continued peaceful approach by Beijing to Taiwan is fundamental to our position on Taiwan arms sales and to the whole framework of our relations. (S)

- To send a quiet signal to our friends in Asia, as well as to the Soviets and others, that U.S.-China ties can prosper on a foundation of realism and mutual interest. (S)

- To seek ways of expanding and perhaps institutionalizing regular U.S.-Chinese consultations and coordination on issues where our interests are similar or parallel (e.g., USSR, Korea, Afghanistan, Kampuchea). (S)

- To expand the personal involvement of top Chinese leaders in the Sino-U.S. relationship. This effort should be focused on those members of the Politburo Standing Committee who have not yet visited (especially Hu Yaobang), the four Vice Premiers, and the heads of appropriate ministries and government agencies. (S)

#### Economic/Trade/Scientific and Technological/Cultural Relationship

Second, in this area we should seek:

- To articulate our readiness to lend support to China's ambitious modernization effort, especially through our liberalized technology transfer policy. (S)

- To make every effort between now and the end of my visit to conclude an agreement of cooperation on the peaceful uses of nuclear energy which meets our non-proliferation objectives and our legal requirements. (S)

- To express our disappointment over the Chinese failure to abide by the terms of our bilateral grain agreement in 1983 and our expectation that they will henceforth abide by the terms of the agreement. (C)

- To encourage the Chinese to look beyond immediate problems in some areas to the longer-term potential of their economic

relationship with the U.S., and to assure them that we view the relationship in this perspective. (C)

- To attempt to create an atmosphere in which we can conclude, on terms which provide for mutual benefit, the various bilateral agreements and treaties still pending, especially a comprehensive bilateral investment treaty (BIT), and a renewal of the Maritime Agreement. (S)

- To build on the substantial trade benefits that both countries have derived over the past few years. (S)

- To work for the removal of U.S. legislative language formulated in earlier years, lumping China together with the USSR, which prohibits U.S. assistance to China. While we have no plans now for U.S. government loan programs, the restriction is inconsistent with our present bilateral relationship. (C)

- To promote greater industrial and commercial cooperation by urging the Chinese to expand the areas of cooperation under the new Technological and Industrial Cooperation Accord through the establishment of protocols in specific industrial sectors, especially energy, transportation and telecommunications; and by the announcement of several Presidential Trade Missions to China to take place over the next two years, sponsored by the U.S. Department of Commerce. (C)

- To dramatize our cooperation in Scientific and Technological areas by offering the Chinese a program of cooperation in space research which would include the possibility of a Chinese astronaut accompanying a Chinese experiment on a flight of a U.S. Space Shuttle. (S)

- To increase the already large student exchange program, and to seek improved access for American scholars in China to research materials, more commensurate with that enjoyed by Chinese scholars in the U.S. (S)

- To increase cultural exchanges in athletics and the arts. (C)

#### Strategic/Military Relationship

Third, in the area of strategic and military relations, we should strive:

- To explore possibilities for raising the level of strategic dialogue and expanding U.S.-PRC cooperation against the common threat posed by the USSR. We should brief Chinese leaders on Soviet military expansion in Asia, their likely future weapons development, Soviet efforts to expand their influence throughout the world, and arms control matters. (S)

- To discuss the need to take measures in concert to enhance prospects for stability on the Korean peninsula. We should brief the Chinese on our view of the threat posed by North Korea, and discuss with them ways to bring the North into bilateral talks with the Republic of Korea aimed at reducing tensions. (S)

- To restate our determination to work together with them to upgrade certain defensive military capabilities. Transfer of appropriate levels of technology, civilian and military, consistent with other strategic interests and international obligations, is necessary and desirable in pursuit of this objective. (S)

- To continue to expand the exchange of military VIP's and specialist delegations, include setting a date for the visit to the U.S. of the Chinese Minister of Defense. (S)

Our overall strategy should be to develop our relationship by highlighting the areas of agreement and potential cooperation, while maintaining a firm but quiet stance on issues involving our own principles and commitments not subject to compromise. (S)

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THE WHITE HOUSE

WASHINGTON

April 13, 1984

SPECIAL BRIEFING ON CHINA

DATE: April 17, 1984  
LOCATION: Situation Room  
TIME: 1:00 p.m. - 2:00 p.m.  
FROM: ROBERT C. MCFARLANE (11)

I. PURPOSE

To review the sensitive issues (not appropriate for coverage in the NSC luncheon meeting) that are likely to arise in your meetings with Chinese leaders.

II. BACKGROUND

This is the first opportunity since the special briefing for Premier Zhao Ziyang's visit in January 1984 to focus on the sensitive aspects of US-China relations. In particular, we think your meeting with Hu Yaobang and especially your meeting with Deng Xiaoping will be important. The chances are good that Deng may make some new proposals to you with respect to Taiwan or Korea, or both.

III. PARTICIPANTS

List at Tab B.

IV. PRESS PLAN

No press coverage or announcement of this meeting.

V. SEQUENCE OF EVENTS

See Agenda at Tab A.

Attachments:

Tab A Agenda for Special Briefing  
Tab B List of Participants

cc: Vice President  
Ed Meese  
Jim Baker  
Mike Deaver

Prepared by:  
David Laux

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By 101 NARA, Date 1/23/07

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Tab A

SPECIAL BRIEFING ON CHINA

Tuesday, April 17, 1984  
1:00 to 2:00 P.M.  
Situation Room

SUBJECT: China--Review of Sensitive Issues Likely to Arise  
During the President's Meetings with Chinese Leaders

AGENDA

1. Introduction (2 min.) . . . . . Robert C. McFarlane
2. Videotape on Chairman Deng Xiaoping and General Secretary  
Hu Yaobang (14 min.) . . . . . Robert C. McFarlane
3. Discussion of Deng and Hu and the President's meetings with  
them. (5 min.) . . . . . Secretary Shultz
4. Taiwan (10 min.) . . . . . Secretary Shultz
5. Korea (10 min.) . . . . . Secretary Shultz
6. Update on Intelligence, Afghanistan, and  
Kampuchea (4 min.) . . . . . Mr. Casey
7. Nuclear Cooperation Agreement (2 min.) . . . Secretary Shultz
8. Space Proposal (2 min.) . . . . . Robert C. McFarlane
9. Military Relations (3 min.) . . . . . Secretary Weinberger
10. Strategic/USSR/INF (3 min.) . . . . . Robert C. McFarlane
11. Conclusion (5 min.) . . . . . Robert C. McFarlane

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SPECIAL BRIEFING ON CHINA

April 17, 1984  
Situation Room, 1:00 - 2:00 p.m.

Participants

The President

White House

Mr. Edwin Meese, II  
Mr. James A. Baker, III  
Mr. Michael K. Deaver  
Mr. Robert McFarlane

STATE

Secretary George P. Shultz  
Asst. Sec. Paul Wolfowitz

NSC

Mr. Robert M. Kimmitt  
Dr. Gaston J. Sigur  
Mr. David N. Laux

OSD

Secretary Caspar W. Weinberger  
Asst. Sec. Richard Armitage

CIA

Mr. William J. Casey  
Mr. David Gries

ICS

Gen. John W. Vessey, Jr.

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BY LOT NARA DATE 7/17/07

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THE WHITE HOUSE  
WASHINGTON  
April 13, 1984

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LUNCHEON BRIEFING ON CHINA

DATE: April 14, 1984  
LOCATION: White House Residence  
TIME: 12:30 to 2:00 p.m.  
FROM: ROBERT C. MCFARLANE *rcm*

I. PURPOSE

To build on the base established in the luncheon briefing received last Friday from government experts on China. This luncheon will be with some prominent non-government experts on China, who will draw on their personal experience to give you their views of China and our bilateral relationship.

II. BACKGROUND

This is the second of two informal luncheon briefings scheduled for you, in addition to the forthcoming NSC meeting and special briefing, to help prepare you for your trip to China. These meetings are designed to draw on the personal experiences of China experts to give you a "feel" for dealing with the Chinese. A list of topics is at Tab A.

III. PARTICIPANTS

A list of participants is at Tab B.

IV. PRESS PLAN

White House photo.

V. SEQUENCE OF EVENTS

I will introduce the topics and speakers, and open various subjects for general discussion.

Attachments

Tab A List of Topics  
Tab B List of Participants

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## Suggested Topics

### Introductory Remarks

Secretary Shultz

Bridging the Cultural Gap: psychological and cultural factors in dealing with the Chinese.

Betty Lord

The Sweet and Sour of U.S.-China Relations:  
Why the relationship has been up and down and  
will probably continue to be. Some thoughts  
on the future of the relationship.

Winston Lord

The Younger Generation in China and Concerns  
of the Elders About Them

and

The Chinese View of Critical Issues in  
U.S.-China Relations and Some Domestic  
Factors Influencing the Direction of  
Chinese Foreign Policy

both by Robert Scalapino

Sino-Soviet Relations, and the Chinese  
View of Their Defense Requirements and a  
Military Relationship with the U.S.

Brent Scowcroft

What It's Like to Negotiate with the Chinese

Richard Solomon

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PARTICIPANTS

The President  
The First Lady  
Secretary George Shultz  
Mrs. George Shultz  
Mr. Edwin Meese  
Mr. James Baker  
Mr. Michael Deaver  
Mr. Robert C. McFarlane  
Mr. Richard G. Darman  
Mrs. Betty Lord, author of Spring Moon.

Mr. Winston Lord, President of the Council on Foreign Relations;  
former NSC staffer.

Mr. Robert Scalapino, Robson Research Professor of Government,  
and Director of the Institute of East Asian Studies, University  
of California, Berkeley. Editor of Asian Survey. Author of  
numerous publications on China. Taught at Beijing University  
for two months in 1981.

Mr. Brent Scowcroft, Lt. General, Air Force, retired. Former  
National Security Advisor to President Ford.

Mr. Richard H. Solomon, Director, International Security and  
Policy Research, RAND Corporation. Former NSC staffer for  
China, 1971-76. Author of numerous publications on China,  
including:

Mao's Revolution and the Chinese Political Culture  
A Revolution Is Not a Dinner Party  
The China Factor (editor)  
Contract study on Chinese Political Negotiating  
Behavior

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