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## Ronald Reagan Library

Collection Name		GREGG, DONALD: FILES			Withdrawer			
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File Fo	older		ILITARY/ARMS SA	LES (MARCH 198	1-JUNE	FOIA		
		1981)				F99-056		
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ID	Doc Type	<u>.</u>			No of Pages	Doc Date	Restri	ictions
35975	CABLE	17024	4Z MAR 81		2	3/17/1981	B1	В3
		D	2/17/2023	M907 #35975	•			
35976	MEMO	JIM LILLEY TO RICHARD ALLEN RE TAIWAN		1	4/2/1981	B1	В3	
		R	9/10/2018	M907/1				
35977	REPORT	RE TA	RE TAIWAN (MISSING P. 12)		14	3/27/1981	В1	В3
		D	2/17/2023	M907 #35977	•			
35978	PAPER	RE TAIWAN (ANNOTATED)		2	ND	B1		
35979	CABLE	20074	200748Z APR 81			4/20/1981	B1	
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35980	MEMO	DON FERGUSON TO MR. ARMACOST RE APPLICATION (ANNOTATED)		2	5/8/1981	B1		
		R	2/27/2019	M907/1				
35981	PAPER	RE AI 35980	PPLICATION (ATTA )	ACHMENT TO	2	ND	B1	

The above documents were not referred for declassification review at time of processing Freedom of Information Act - [5 U.S.C. 552(b)]

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

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Collection Name GREGG, DONALD: FILES Withdrawer CAS 5/15/2007 File Folder TAIWAN MILITARY/ARMS SALES (MARCH 1981-JUNE **FOIA** 1981) F99-056 **JESPERSEN Box Number** 10 1D Doc **Document Description** No of **Doc Date Restrictions** Type **Pages** 35982 PAPER **RE TAIWAN** 5/8/1981 **B2** B1**B3** 35983 CABLE **RE TAIWAN** 5/22/1981 B1 **B3** 2/17/2023 M907 #35983 D 35984 CABLE 031411Z JUN 81 6/3/1981 B1 B<sub>2</sub> **B**3 PAR 2/17/2023 M907 #35984

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TAIWAN

NEW YORK TIMES 23 MARCH 1981 Pg.17

FOREIGN AFFAIRS

# Friends By Sale Of Arms

By Flora Lewis

HARRIMAN, N.Y., March 22 — Even Congressional critics of the sale of advanced fighter planes to Taiwan, such as New York's Representative Stephen Solarz, now feel there isn't likely to be any significant opposition to it in the Administration.

And yet, senior U.S. military officials say Taiwan has no real military need for the plane, dubbed FX, while Northrup and General Dynamics compete for the exact model to be chosen. The greatest pressure to sell, some say, comes from the industry and from the political lobby still pushing to upgrade relations with Taiwan.

This is another, clearer example of the way the U.S. is stumbling ahead with key foreign policy decisions, perceiving them in terms of an arms race instead of on the basis of need and support for a considered foreign policy.

A group of experts on China and from the government, academic, news, military and business communities spent a long, intensive weekend at Arden House here discussing "The China Factor" in American policy. Predictably, the most controversial issues were the arms sale to Taiwan and security cooperation, including possible weapons sales, to Peking.

Nobody underestimated the complex implications of the decisions ahead. They affect not only relations with Peking and Taiwan, but with the Soviet Union, the whole string of traditional allies in Asia, and even European allies vying for business.

But there were differences on what should weigh most heavily on the bottom line. Even those who think of China above all as a useful, strategic counterbalance to the Soviet Union, a "card" to be played in warning Moscow to behave sedately, felt that Taiwan had to be taken into account. And those most eager to protect Taiwan's interests agreed that there had to be some balance to sustain improved relations with Peking. Most wanted to deal with the "China factor" on its own merits.

The argument came down to whether more arms sales are a good way to cement friendship with both parts of what remains theoretically "one China," or whether military restraint is preferable. It parallels the argument about arms sales in the Middle East and other areas. The notion that friends are to be won by arms reflects a shameful poverty of ideas in international relations.

In a way, it does make some sense for strictly military men, but not because anybody's security is improved. All armed forces like having the newest weapons, just as civilians enjoy new household appliances, and a certain warmth can be developed between suppliers and users. Being the supplier—which involves training assistance, maintenance, and provision of spare parts—affords the American military some contacts and some insights into other military establishments.

But that is the strictly military intelligence side of the scale. It is balanced by the frictions and resentments provoked, willy-nilly U.S. participation in other countries' factional infighting and, worse, the increased dangers that result from encouraging arms races.

The special irony of a China arms race is that the justification is not even vaguely military.

Peking's forces are weak and growing weaker as its old weapons grow older. But short of a massive supply, which the U.S. simply couldn't provide, or the most advanced technology, which it wouldn't provide, the experts agree that whatever Washington does won't make a real military difference, though it might well be taken as an of-

fensive act by the Soviets.

Taiwan, on the other hand, has never been safer since the Chinese revolution. Peking has drastically cut its defense budget and demilitarized Fujian Province across the Taiwan Straits. The Chinese made these decisions for their own reasons, mainly to free resources for economic development. Nonetheless they serve to enhance Taiwan's security.

So the motives behind the argument are all political and industrial. They aren't even foreign policy arguments expressed unnecessarily in weaponry. To a large extent, they are domestic U.S. political arguments in which ideological factions have veiled themselves in lofty strategic rhetoric.

This is neither a wise nor a safe way to deal with a dangerous world. Failure to develop basic principles of how we want to get on with other countries, whether friends, mere acquaintances or foes, can't be papered over by dishing out military supplies.

The Reagan Administration's China policy remains fuzzy after the campaign bloopers and contradictions, and its policy toward the Soviet Union so far consists of rough words but no guidelines on major issues such as SALT and Euromissiles. The first need is to think out and spell out these policies.

The reaction in both Peking and Moscow to arms sale decisions will depend largely on whether or not the policy context is first made clear. The Administration has ruled out high-level meetings with Moscow until it has clarified its own view of the issues.

This is sound. Now it should rule out new arms sale decisions affecting both Taiwan and Peking until it has a China policy. And when it does, one expert has suggested, Secretary of State Haig should fly to Peking to explain it. That, too, would be sound.

WASHINGTON STAR
22 MAR 81 (23)Pg.G-1
DANIEL O. GRAHAM

# Moving Into Space-Age Warfare

Lt. Gen. Daniel Graham, USA retired, was director of the Defense Intelligence Agency until 1976. He served as a defense adviser to Ronald Reagan during the presidential campaign. He is co-chairman of the Alliance for Peace Through Strength, an adjunct of the American Security Council.

This is excerpted from an interview with journalist Dan Gregory.

Gregory: The plan selected by President Carter for deploying MX missiles has come under attack. Your views?

Graham: The problem is that MX is the grotesque child of bad strategy. It's grotesque to take a missile that's designed for counterforce—that is, to hit certain of the most dangerous Soviet weapons before they can hit you—and then deploy it in a system that is supposed to absorb all the effects of those weapons before you fire. That's a grotesquery, from a military standpoint.

And then to put \$50-60 billion into that grotesquery is absolutely stupid. The MX deployment scheme should be rejected, not because its going to endanger the pronghorn antelope or the desert tortoise, but because it is the final offspring of very bad strategy.

They say we need the MX to protect because the Minuteman has become vulnerable. If I were a Minuteman missile I wouldn't consider the MX to be doing much about my vulnerability. How do you protect the Minuteman from its vulnerability? Well, the best thing to do is to defend. Get some kind of effective defense. How best to do that is the way that puts the most doubt in the Soviet general staff's mind: With a space-born defense.

Look at it this way. What do you do by putting out more things for the Soviets to shoot at? That's what you do with MX. There's one missile and you go to great expense to move it around to 23 different places that it might fire from. The worst problem you give the Soviets, assuming they can't figure out where the missile is, is that they have to shoot at 22 more things than they would have

(See WARFARE, Pg.8-F)

7-F -

#### WARFARE -- CONTINUED

liked to have to shoot at. How do they solve that problem? They add 44 more warheads to their inventory because two warheads dedicated to each one of those targets will insure - 85, 90 per cent insure - that it will be destroyed. So the Soviets have a pure arithmetic problem, the way we've been going about things.

But look what happens if you add an active defense. Now, I'm not talking about a perfect one that says "no missiles hit the ground," but just one that takes out any significant portion, say 10, 20 per cent of the Soviet striking force. Now the Soviets don't know how many of their warheads would get through and, what's worse for them, they don't know which ones would get through. And now you've got a formula that's not straight arithmetic, it's all full of permutations, combinations, and probabilities, which sharply reduces any assurance in the Soviet general staff's mind that they could attack MX or our bombers or our submarines in port with any assurance. And that doubt in the mind of the aggressor is the essence of deterrence, so that's how you repair your deterrent.

Q: Even as it came into being, many people accepted MAD (mutually assured destruction) only as a stop-gap until improved technology would provide something more concrete in the way of strategic protection. Is MAD now obsolete or is it

becoming so?

A: There was about a year in the history of man when MAD looked like it might work. And even Khrushchev thought so for awhile. But it only lasted for a year that there was any possibility of MAD working because then technology began to make these weapons usable in a true military fashion rather than in the sort of "I'm going to blow up your city if you blow up my city, context.

Yes, we are at a real watershed in military affairs. If the United States does not change its strategic framework of thinking about these things, and allows the contest to remain in that technical area where the Soviets have learned how to compete very well and, as a matter of fact, beat us in those technologies because their mass more than makes up for what small technical advantages we have, then the Soviets are bound to win it. They're bound to win that contest and their strategic superiority over the United States will grow.

We must recognize the strategic watershed we have reached and put together a new strategic framework that is compatible with both the historical situation and the technical situation we're in today. If we don't do that I'm afraid we're not going to succeed and we're just going to

fall further and further behind the Soviets.

If the Reagan administration's budget is simply a matter of incremental add-ons to all the various programs in the Pentagon, many of which - all of them were conceived within the framework of bad strategy (some of them are still good even though conceived within the framework of a bad strategy) but if that's all we do, just add to programs already going instead of making those fundamental changes required, we can wind up after five years or a decade of putting tremendous funds into those programs being worse off than we are today.

Q: You have predicted a major change of emphasis in this country's nuclear strategy within the decade,

away from . . .

A: Away from straight destructive nuclear offensive capability to a sophisticated combination of defense and offense. And if done properly it is my contention that it's going to be cheaper than trying to meet the Soviets in the "mass" contest formasses of missiles and masses of airplanes and masses of ships and so forth. We've got to end-run them technologically but that we won't do unless we change the strategic framework in which we think.

I told you that within 10 years we will change. The problem is that if we don't change soon enough within the 10 years we are going to continue to allow the Soviets advantages that are going to be very detrimental to the Western world and the United States.

We can establish a space-borne defense against Soviet nuclear threats quicker, with less money and with more popular support than we can do anything else to change the strategic balance. I see signs all over now that we're likely to go in that direction, provided we can overcome a lot of bureaucratic turfguarding and program managers' biases toward ongoing programs.

#### Q: You are referring to laser satellites?

A: I am referring to a thoroughgoing space effort which would involve some small, manned military vehicles in space that are multipurpose, could do a number of things including defending the installations we already have in space, satellites and so forth, inspecting Soviet satellites, destroying Soviet satellites if necessary, and intercepting some portion of a Soviet attack force using high-powered chemical lasers.

In addition, there is the possibility of what really constitutes a highpowered one-shot laser minefield. It's a satellite that you put up in the way of a Soviet attack that would shoot down great numbers of Soviet missiles and warheads if they tried

to fire at us, a satellite that you could put up in times of danger.

I would couple the whole thing with the first steps toward acquiring solar energy platforms which would allow us, on an unlimited basis, to acquire power that's not dependent upon the OPEC nations or, as a matter of fact, upon any non-replenishable source of carbon fuels.

All of these things in a package are well within our technical grasp and if we do it we will re-establish strategic superiority over the Soviet Union or anybody else, and, furthermore, help to solve other basic strategic problems in the United States, such as our energy problem.

Q: You're talking about a radical departure. And the Soviets are ahead of us in anti-satellite technology.

A: In the application of space technology to military matters they lead us because they have been doing this and they have an anti-satellite capability. The technology that they're using is relatively primitive, it's no problem in terms of sheer technology. But they're ahead of us in applying the available technology to the problem of attacking objects in space.

We can overcome that very quickly and go well beyond them, and move the contest in a number of ways that even the most dovish American ought to agree with me

are good.

One is, you move the contest with the Soviets out of the realm of sheer mass of offensive capability, into the high-technology arena where the United States should be able to and, I am convinced, will be able to stay ahead of the Soviets, and that's in a contest to control cislunar space.

Secondly, you reduce the urge to constantly stockpile more and more offensive nuclear weapons which, I understand, is a great problem for

The third thing is, you move the first and perhaps the only battle in a future central war into outer space where you're not blowing off chunks of the face of the planet.

But from a strictly military point of view, the greatest advantage is that you force the Soviets to compete with the United States in an arena in which they compete badly, and that is in high technology.

Somebody is going to establish a strategic superiority in space. The Soviets know that. They're working on it very hard. And we, with far better tools at hand to establish that dominion, have failed to do so. And we must - because if we don't, they will and from then on, whoever controls that high ground of space if going to have a tremendous edge, no matter what other level of confrontation occurs.

#### MEMORANDUM

SECRET

#### NATIONAL SECURITY COUNCIL

April 2, 1981

INFORMATION

MEMORANDUM FOR:

RICHARD V. ALLEN

FROM:

JIM LILLEY

SUBJECT:

CIA Analysis of Peking's Reaction to U.S.

Arms Sales to Taiwan (S)

This memorandum (Tab A) prepared by CIA at my request requires no specific action. I recommend that you read it because it is an excellent analysis of the problem. I suggest you read the summary and the red underlined portions in the text at a minimum. (S)

This kind of well-reasoned and balanced analysis is why we should rely on CIA and not on the political tracts that come out of the State Department and the academic community. (S)

The upshot of this memorandum in my view is:

- -- If the U.S.-China relationship is put on a good solid basis, it will probably withstand continuing arms sales to Taiwan. (S)
- -- The arms sales to Taiwan should probably not be done for a few more months if we buy the scenario in this analysis. I do, with one reservation. I believe we can let pipeline items flow to Taiwan earlier. (S)
- -- We should get a high-level representative to Peking by June. They have invited Haig, but it is doubtful that he can make it. Even if he does it will be at the end of a long trip to New Zealand and Manila. As you and I know, you have to be fresh to take on the Chinese. (S)
- -- Walter Stoessel of State might be the answer. If he goes we should go with him. (S)

This memorandum catches the sensitivity of the Chinese to arms sales. We cannot let them dictate our policy towards Taiwan but we have to pay close attention to the fact that everything we do resounds in Peking. (S)

Review on 4/2/87

BY LW M907/1 #35976 31/01/8

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# **Ronald Reagan Library**

Collection Name Withdrawer

LAUX, DAVID: FILES CAS 5/15/2007

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TAIWAN MILITARY/ARMS SALES (MARCH 1981-JUNE 1981) F99-056

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Box Number

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

35977 REPORT 14 3/27/1981 B1

RE TAIWAN (MISSING P. 12)

- B-1 National security classified information [(b)(1) of the FOIA]
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ID	Document Type	No of
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35978 PAPER

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**B**1

RE TAIWAN (ANNOTATED)

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E.O. 12065: GDS 4/20/87 (CROSS, CHARLES T.) TAGS: PINT, TW TAGS: PINT, SUBJECT: TAIWAN PRESS REPORTING ON ARMS SALES TO TAIWAN

- 1. (U) OVER THE WEEKEND THERE WERE A NUMBER OF REPORTS IN THE TAIWAN PRESS QUOTING US SOURCES ABOUT ARMS SALES, PARTICULARLY OF FIGHTER AIRCRAFT TO TAIWAN. ON APRI 18 BOTH CHINA TIMES (CT) AND UNITED DAILY NEWS (UDN) ON APRIL SPECIAL WASH CORRESPONDENTS REPORTED THE REMARKS OF A "HIGH-RANKING OFFICIAL OF THE STATE DEPARTMENT", PRE-SUMABLY THE SAME OFFICIAL AND POSSIBLY THE SAME INTER-VIEW. ACCORDING TO THE CT, US POLICY IS TO SUPPLY. TAIWAN WITH WEAPONS IN ACCORDANCE WITH THE TAIWAN RELATIONS ACT. ARMS SALES WERE VERY COMPLICATED AND HAD PROFOUND POLITICAL IMPLICATIONS. HOWEVER, THE US WOULD FULFILL THE PROVISIONS OF THE TRA AND AT THE SAME TIME STRENGTHEN RELATIONS WITH THE PRC. THE OFFICIAL REPORTEDLY ADMITTED THAT WOULD BE DIFFICULT, BUT NOT IMPOSSIBLE. THE UDN CORRESPONDENT REPORTED THE ADDITIONAL INFORMATION THAT THE OFFICIAL SAID THE SALE OF THE F-X FIGHTER IS UNDER STUDY.
- ON APRIL 20 THE CT RAN ITS WASHINGTON CORRESPON-DENT'S STORY OF AN ARTICLE IN "AVIATION AND SPACE TECHNOLOGY WEEKLY" OF APRIL 6 REPORTING THAT TAIWAN TECHNICIANS AND PILOTS WILL VISIT GENERAL DYNAMICS TO BE BRIEFED ON AND TEST F-16/79 FIGHTERS.
- IN A GRAB-BAG APRIL 18 UPI ARTICLE FROM WASHINGTON ON THE NEW POLICY ON ASSISTANCE TO ARMS SALESMEN, THERE WAS APPARENTLY A STATEMENT TO THE EFFECT THAT, "THE REPUBLIC OF CHINA HAS BEEN TOLD THAT IT CAN BUY THE F-16-79." NOT SURPRISINGLY THIS CLAIM MADE THE HEADLINE FOR THE STORY IN ALL THE NEWSPAPERS.

#### (C) COMMENT:

SO FAR ALL OF THE NEWS STORIES ARE FROM WASHINGTON, THE LOCAL PRESS APPEARS TO HAVE STANDING INSTRUCTIONS TO RUN SUCH STORIES REGARDLESS OF THEIR RELIABILITY. WHILE SUCH PUBLICITY DOES NOT CONFLICT WITH WHAT WE HAVE HEARD FROM HIGH OFFICIALS THAT THE GOVERNMENT ITSELF WILL REFRAIN FROM BRINGING ITS CASE TO THE PRESS FOR THE TIME BEING, IT IS AN INDICATION THAT TAIWAN WILL REPLAY HERE FOR DOMESTIC POLITICAL REASONS WHATEVER APPEARS IN THE PUBLIC DEBATE IN THE US WHICH SEEMS FAVORABLE TO IT. CROSS

> DECLASSIFIED NLRR 1907 # 35979

With deep appreciation,
Polun Liu
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COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

Communication Division

Office in New York

159 Lexington Avenue, New York, N.Y. 10016

Telephone: (212)725-4950

No. 81-031 Thursday April 23, 1981

FOR IMMEDIATE RELEASE

#### WASHINGTON PROPOSES TO SELL US\$500 M. WORTH OF ARMS TO ROC IN FISCAL 1982

The Reagan Administration has formally proposed to sell \$500 million worth of arms, on a cash basis, to the Republic of China in fiscal 1982 for "air and naval defense."

In its proposal on security assistance submitted to the U.S. Congress, the Defense Department said the objective of the cash sales program with the Republic of China "is to provide equipment for self-defense on a restricted basis, with the highest priority assigned to Taiwan's air and naval defense."

"In fiscal 1982," the Pentagon said, "Taiwan will have access to selected items of military equipment for defensive purposes and to operations and maintenance items."

The department told Congress that specific military sales requests from Taipei will be "carefully reviewed" to ensure that actual sales "pose no arms control problems, either in terms of arms control efforts relating to Taiwan or to regional stability."

The proposed amount of \$500 million is identical to that in the current 1981 fiscal year.

Million worth of commercial exports to Taiwan to be licensed under the Arms Export

Control Act. This doubles the amount estimated for fiscal 1981.

#### PREMIER SUN RECEIVES GOV. DALTON & REP. KRAMER

Premier Sun Yun-suan Wednesday received Virginia Gov. John N. Dalton, Mrs. Dalton, and eight members of his trade mission at the Executive Yuan (Cabinet).

Premier Sun expressed his hope that Taiwan Province and Virginia State, which had established sisterhood ties, will devote more efforts to promote trade relations between the two countries.

Head Office: 133 Po Ai Road, Taipei, Taiwan, Republic of China Offices in U.S.A.: Washington, D.C.; New York; Los Angeles; Chicago; San Francisco; Atlanta; Houston; Seattle; Honolulu

Taiwan

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LDX MESSAGE RECEIPT DEPARTMENT OF STATE

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MRR M907 #35990

Memorandum

BY

To :

EA - Mr. Armacost

From

EA/RA/TC - Non Ferguson

Subject: Application for Ship Design Program for Taiwan

(License # GC-5522)

During 1979 a number of U.S. electronics companies and naval architects submitted bids to the Taiwan Authorities for a Taiwan frigate program. We approved their initial license requests to submit bids, and have approved subsequent license applications based on the original approvals.

Taiwan has selected Westinghouse and M. Rosenblatt as the prime contractors for the naval systems and ship design contracts respectively. Both companies are now submitting formal advisory opinion requests for USG approval of their specific proposed designs.

The program, as it now is envisioned, galls for the design and subsequent Taiwan construction of a frigate, about 2,000 tons, outfitted for an ASW mission and armed with 76mm gunmounts, and Sea Sparrow missiles 1/, with ASROC (or 11k 44 torpedoes, or Bofors gun-launched depth charges) for ASW work. Each frigate would carry one small helicopter for sonobouy seeding.

Although the Rosenblatt design calls for certain shorebombardment and amphibious landing support capabilities (see attached proposal), we can construct our approval in such a way as to rule out these capabilities. 2/

1/ Taiwan has not yet requested the Sea Sparrow. DSAA advises me those it is not as sophisticated a weapon as the I-Chaparral which we have already approved for Taiwan.

2/ The following wording would be used in the PM/MC notification of approval

"This approval does not in any way imply USG approval for the inclusion of any system specifically designed for shore-bombardment of amphibious support. Of course, license applications for individual systems will be founded by the Department on a case by case basis."

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#### USG Control

We have debriefed Westinghouse (the systems contractor) on the project, and have been assured that the USG will have complete control over Westinghouse's selection of weapons systems before they are discussed with Taiwan.

Westinghouse is aware that if they were to select systems for Taiwan and work them into the Rosenblatt design before the USG approves them, it could easily result in costly redesign efforts.

#### **Visibility**

Westinghouse is keeping visibility low -- for fear that publicity could jeopardize their project. No corporate publications refer to the project. In fact, engineers working on the project are instructed to discuss it only with other employees on the contract.

Taiwan's contracting office (in is) the "United Ship Design Ship Design Development Center" (USDDC), whereas previous. contracts had been handled by Taiwan's Navy. Perhaps Taiwan has recognized the advisability of low visibility. USDDC has instructed Westinghouse/Rosenblatt not to identify Taiwan as the purchaser in open communications.

I feel that the Westinghouse/Rosenblatt proposal should be approved because

- -- Taiwan has a requirement for an ASW capability, and this project could meet that requirement;
- -- It does not involve the transfer of a major US weapons system to Taiwan but rather provides a Taiwan-contracted design for a Taiwan-built vessel;
- -- We will have firm control, in the design stage over any U.S. systems incorporated into the ship.
- -- All parties are sensitive to the visibility problems.

Approve	Disapprove	

Drafter: EA/RA/TC - JJTkacik 5/8/81 x27710

Cleared: EA/C - CWFreeman EA/RA - Col Sauvageo

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**B**1

RE APPLICATION (ATTACHMENT TO 35980)

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
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- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
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	RE TAIWAN					
				B3		

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

**B**3

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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# w4

#### NATIONAL SECURITY COUNCIL

May 26, 1981

#### ACTION

MEMORANDUM FOR ALLEN LENZ

FROM:

JIM LILLEY

SUBJECT:

Response to Request for Support for Defensive

Aircraft for Taiwan

Attached at Tab A is the letter drafted by State for Morton Blackwell's signature, with my changes. Request that this be forwarded to Mr. Sorg.

My change reflects the important point which we must make repeatedly that arms sales to Taiwan are made in the <u>U.S.</u> not in Taiwan's national interest.

Also, the Taiwan request is not recent but was made almost 2 years ago.

Gregg and Kimmitt concur. No answer from Schweitzer.

#### RECOMMENDATION:

That you forward Tab I to Mr. Sorg.

Approve	Disapprove

cc: Bob Kimmitt

Don Gregg

Bob Schweitzer

2934 MEMORANDUM

#### NATIONAL SECURITY COUNCIL

May 26, 1981

MEMORANDUM FOR LESLIE SORG

FROM:

ALLEN LENZ

SUBJECT:

Response to Request for Support for Defensive Aircraft for Taiwan

Attached is a draft letter to be sent to Michael J. Kogutek in response to his request for support for sale of defensive aircraft to Taiwan.

Mr. Michael J. Kogutek National Commander The American Legion Washington Office 1608 "K" Street Washington, D.C. 20006

#### Dear Mr. Kogutek:

Thank you for your letter to the President of March 26, 1981, expressing the Legion's support for Taiwan's requests for defensive aircraft.

We are aware of the need, as expressed in the Taiwan Relations Act, to "make available to Taiwan such defense articles and services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability." Our primary consideration in evaluating arms sales to Taiwan will be our own national interest and we will be guided by the terms of the Taiwan Relations Act in reviewing Taiwan's request for defensive weapons, including aircraft.

This is, however, an important issue, involving relatively advanced aircraft designs which incorporate highly advanced avionics systems, and must be reviewed thoroughly before a decision can be made. In the meantime, be assured that your interest is fully appreciated and that this question will continue to receive close attention at the highest levels of the Government.

Sincerely,

Morton Blackwell



NATIONAL COMMANDER

818109

March 26, 1981

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The President The White House Washington, D. C.

Dear Mr. President:

I wish to advise you of The American Legion's support for the recent request by the Republic of China for defensive aircraft. Taiwan has been a staunch ally to, and a strong trading partner of, the United States for over three decades.

We believe favorable consideration is essential to insuring the independence of the Republic of China and sustaining our historic and mutually beneficial relationship with her.

Sincerely yours,

! Hogutek

National Commander

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NLRRM907 #35984

BY RW NADA DATE 21144027

SUBJ: DIA INTELLIGENCE APPRAISAL 82-81, 3 JUN 81. (U)
THE SUMMARY PORTION OF THIS APPRAISAL IS PROVIDED HERBUITH AS AN
ADVANCE SYNOPSIS OF THE HARD-COPY VERSION, VEICE IS BEING FUBLISHED.
TODAY.

TAIWAN: MILITARY MODERNIZATION. (0)

- 1. (U) THE US ANNOUNCEMENT ON 16 DECEMBER 1978 OF ITS INLENTION TO RECOGNIZE THE PEOPLE'S REPUBLIC OF CHINA AS THE SOLE LALAT GOVERNMENT OF CHINA AND TO TERMINATE THE US-TAIWAN MUTUAL DEFENSE TREATY CAUSED TAIWAN TO TAKE ACTIONS TO INSURE ITS SECURITY. IT ALSO TOOK ADDITIONAL STEPS TO OBTAIN SOPHISTICATED WEAPONS AND EQUIPMENT FROM THIRD COUNTRIES TO BECOME LESS DEPENDENT ON THE US.
- TAIWAN HAS APPROACHED WEST EUROPEAN AND OTHER COUNTRIES IN ITS SEARCH FOR WEAPONS AND EQUIPMENT NOW WITH-HELD BY THE US. MANY CONTACTS PROVED FRUITLESS; HOWEVER, DURING THE FIRST HALF OF 1979, TAIWAN IMPORTED A LIMITED AMOUNT O. ARMS AND AMMUNITION TAIWAN HAD PRE-VIOUSLY RECEIVED THE GABRIEL II ANTISHIP MISSILE AND ASSOCIATED TECHNOLOGY FOR DOMESTIC PRODUCTION OF A SIMILAR MISSILE, THE DRONE REE. CONTACTS WITH SOUTH AFRICA HAVE BEEN INC EASING, BUT IT IS UNCLEAR IN WHAT AREAS THESE WOULD BE MUTUALLY RENEFICIAL. ESPECIALLY MILITARILY.
- 3. (U) DOBING THE FIRST HALF OF 1979, TAIWAN DISCLOSED THAT IT HAD IMPORTED ARMS AND AMMUNITION TOTALING \$2 MILLION FROM THE NETHER-LANDS. A PACKAGE WAS NEGOTIATED IN MID-AUGUST 1980 FOR THE PURCHASE OF TWO SUBMARINES. BECAUSE THE NETHERRIANDS APPROVED AN EXPORT LICENSE FOR THESE ITEMS, BEIJING REQUESTED THAT DIPLOMATIC RELATIONS

SIT:

EOB: CREGG, LILLEY WHER COMMENTS:

PAGE 01

DIA WASHINGTON DC// 1284 DTG: 3314112 JUN 8° PSN: 030516 TOR: 154/14427 CSN: CRIB22

李朱琴摩泰幸 5 5 6 7

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EÉTWEEN THE NETHERLANDS AND CHINA BE DOWNGRADED.

4. (S) BEFORE ACHIEVING SELF-SUFFICIENCY IN WEAPONS, TAIPEI WILL 3.3(b)(1)
CONTINUE

TO MODERNIZE ITS DEFENSE INDUSTRY AND ARMED FORCES. AS TAIWAN CONTINUES TO SEEK MILITARY
HARDWARE
CHINA CAN BE EXPECTED TO PRESSURE ALL OF
TAIWAN'S WEAPONS SUPPLIERS TO DENY LEMS FOR TAIPEI.

(REVW 10 DEC 10)

BT

PAGE 02 OF 02 DIA WASHINGTON DC// 1224 DTG: 0314117 JUN 21 PSN: 030616 TOR: 154/14427 SSN: CRI022

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