STAT
Approved For Release 2007/06/22 : CIA-RDP99-00498R000100040054-1

TOP SECRET SECRET CONFID[redacted]

STAT

CIA OPERATIONS CENTER

Date. 7 Apr 76
Item No. 9
Ref. No.

NEWS ANALYSIS SERVICE

STAT

DISTRIBUTION I

[redacted]

[redacted]R939
R A4878)[redacted]IYCZYRIYC
[redacted]TENG - AMERICAN[redacted]
WASHINGTON, APRIL 7, REUTER - CENTRAL INTELLIGENCE AGENCY (CIA) DIRECTOR GEORGE BUSH SAID TODAY HE DID NOT EXPECT RECENT DEVELOPMENTS IN CHINA TO ADVERSELY AFFECT U.S. RELATIONS WITH PEKING.

MR. BUSH, WHO HEADED THE U.S. MISSION IN PEKING UNTIL LAST JANUARY, ADDED THAT THE APPOINTMENT OF PREMIER HUA KUO-FENG TO SUCCEED LATE PREMIER CHOU EN-LAI ''SHOULD BE A STABLIZING INFLUENCE ON RECENT EVENTS'' IN CHINA.

MR. BUSH WAS REFERRING TO DEMONSTRATIONS IN PEKING EARLIER THIS WEEK WHICH WERE BELIEVED TO BE IN SUPPORT OF VICE-PREMIER TENG HSIAO-PING, WHO WAS DISMISSED FROM ALL HIS OFFICIAL POSTS TODAY.

MR TENG HAD BEEN WIDELY EXPECTED TO SUCCEED PREMIER CHOU, AFTER APPARENTLY BEING IN CHARGE OF CHINESE FOREIGN POLICY DURING PREMIER CHOU'S LONG BATTLE AGAINST CANCER.

MR. BUSH MADE HIS COMMENTS ABOUT THE DEVELOPMENTS IN CHINA TO REPORTERS AFTER TESTIFYING BEFORE A HOUSE OF REPRESENTATIVES ARMED SERVICES COMMITTEE, WHICH IS CONSIDERING LEGISLATION PROVIDING RETIREMENT BENEFITS FOR CIA EMPLOYEES.[redacted]
MORE 1200

Comment:

OVER

These comments represent the initial and tentative reaction of the CIA Operations Center and of the appropriate analytic component in the Agency.

Approved For Release 2007/06/22 : CIA-RDP99-00498R000100040054-1

Approved For Release 2007/06/22 : CIA-RDP99-00498R000100040054-1

±±±R940

R A4866)LIYCUIVCZC

±TENG - AMERICAN 2 WASHINGTON±

MR. HUA, WHO WAS NAMED ACTING PREMIER AFTER PREMIER CHOU'S DEATH IN JANUARY, IS LESS WELL KNOWN TO U.S. OFFICIALS THAN MR. TENG, WHO HEADED THE CHINESE SIDE IN DISCUSSIONS WITH PRESIDENT FORD DURING HIS VISIT TO PEKING LAST DECEMBER.

BUT STATE DEPARTMENT OFFICIALS SAID TODAY THEY HAD NO REASON TO BELIEVE HE WOULD ALTER CHINA'S FOREIGN POLICIES, AT LEAST TOWARDS THE UNITED STATES.

U.S.-CHINESE RELATIONS ARE BASED ON THE PERMANENT INTERESTS OF BOTH COUNTRIES, RATHER THAN ON PERSONALITIES, THE OFFICIALS SAID.

THE OFFICIALS RECALLED THAT MR HUA HAD DECLARED AT A PEKING BANQUET FOR FORMER PRESIDENT RICHARD NIXON IN FEBRUARY THAT U.S. -CHINESE RELATIONS WERE ON THE ONLY CORRECT COURSE.

AFTER HIS RETURN FROM CHINA, MR. NIXON SENT A 60-PAGE REPORT TO DR. KISSINGER AND PRESIDENT FORD ON HIS MEETING WITH MR. HUA, WHICH, THOUGH UNOFFICIAL, WAS THE FIRST IMPORTANT AMERICAN CONTACT WITH THE NEW CHINESE LEADERSHIP.

THE CONTENTS OF MR. NIXON'S REPORT WERE NOT DISCLOSED, BUT U.S. OFFICIALS STRONGLY INDICATED IT CONTAINED NO SURPRISES.

±

REUTER 1202

Approved For Release 2007/06/22 : CIA-RDP99-00498R000100040054-1