

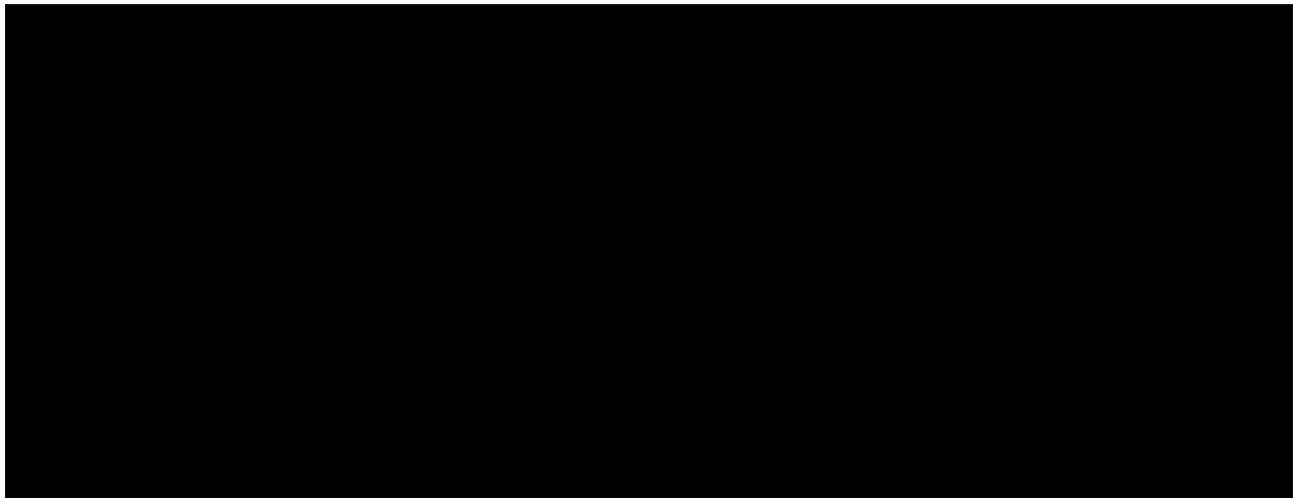
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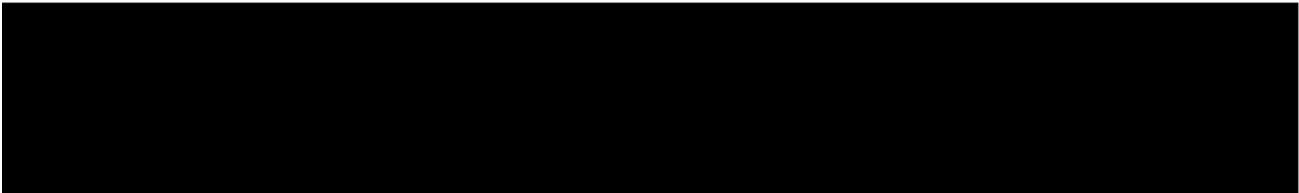
PERSIAN GULF: Situation Report



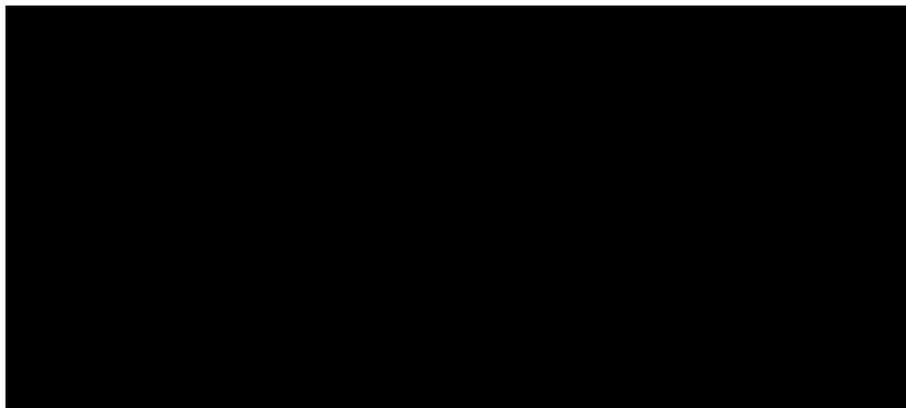
Beijing Denies US Arms Sales Charges

China refuted recent US statements accusing Beijing of continued arms sales to Tehran in a radiobroadcast to Iran last Friday. The Farsi-language broadcast charged Washington with "turning the sharp edge of its sword" on Beijing and trying to sow discord between China and the Persian Gulf states in order to shift blame for Gulf tensions onto Beijing. Beijing described the US charges as complete fabrications and argued that any country can find channels to purchase arms for a price. [REDACTED]

Comment: This broadcast is China's first public reaction to stories that appeared in the US press last week on Chinese arms sales to Iran. It was strongly worded but carried no threat of retaliation for the US decision to postpone consideration of liberalization of COCOM restrictions on China. By limiting its response to a broadcast to Iran, Beijing probably hopes to avoid fueling the debate with Washington over the arms sales issue while reassuring Tehran that China is not bending to US pressure. [REDACTED]



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