



Director of
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Prospects for US-Chinese Relations During President Reagan's Visit to China

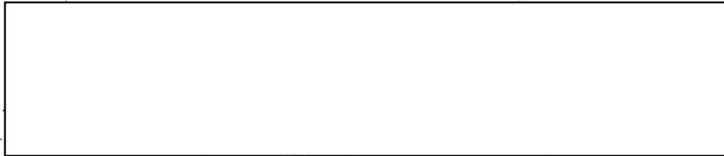
Special National Intelligence Estimate

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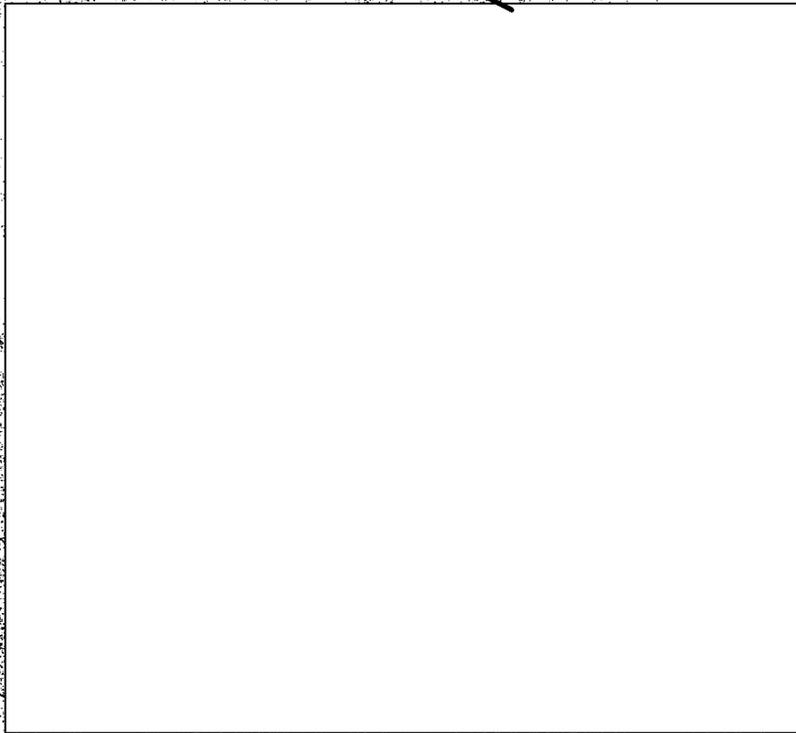
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**PROSPECTS FOR
US-CHINESE RELATIONS
DURING PRESIDENT REAGAN'S
VISIT TO CHINA**

Information available as of 30 March 1984 was
used in the preparation of this Estimate.

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THIS ESTIMATE IS ISSUED BY THE DIRECTOR OF CENTRAL INTELLIGENCE.

THE NATIONAL FOREIGN INTELLIGENCE BOARD CONCURS.

The following intelligence organizations participated in the preparation of the Estimate:

The Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the intelligence organization of the Department of State.

Also Participating:

The Assistant Chief of Staff for Intelligence, Department of the Army

The Director of Naval Intelligence, Department of the Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

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KEY JUDGMENTS

We believe that China will work to make the visit a success in both substance and appearance. Beijing's major expectations will be in the economic area—especially on prospects for trade and improved technology transfers—where it will attempt to remedy the “substantive” deficiencies that Premier Zhao perceived in his visit to the United States. In particular, the Chinese want to gain greater access to US technology and investment capital to enable them to further their modernization programs. We doubt they will reciprocate for any US concessions.

Perhaps Beijing's primary objective in receiving the President will be to solidify a personal relationship at the highest levels of the two governments to give a sense of continuity to relations with the United States. To achieve this, the Chinese are likely to make certain that the visit has the appearance of significant accomplishment. They will invest the visit with ceremonial pomp and lavish detail in order to convey a favorable impression to the American public.

Beijing probably believes that the President, in this election year, would like to portray his trip to China as a clear success, thus giving China extra room to exploit it to their benefit, particularly by pressing for concessions in the economic and technology areas. It may also press for a general Presidential affirmation of US willingness to consider the transfer of advanced military technology.

Taiwan remains the one issue on which the relationship could founder. The Chinese hope the United States will handle its relations with Taiwan in a way that allows Beijing to pursue broader objectives with the United States. Although Beijing already has protested the announced level of US arms sales to Taiwan for fiscal year 1985, they may also press the issue vigorously during the visit. Given the recent growth of Chinese concern over possible support in the United States—especially in the Congress—for Taiwan independence, the President is likely to be pressed by the Chinese leaders for reassurances that the United States adheres to a one-China policy. Furthermore, they may specifically ask for an administration commitment to oppose any Congressional actions in support of Taiwan independence.

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The Chinese are likely to engage in strategic discussions with the President somewhat broader in scope than those undertaken during Zhao's visit, but the Chinese will attempt to avoid projecting a public image of collaboration with the United States. The Chinese leaders will probably use these talks to urge a greater US role in Kampuchea and Afghanistan. The Chinese will reaffirm their interest in stability on the Korean Peninsula and support the North Korean interest in tripartite talks.

Beijing clearly believes that Chinese interests are best served for the foreseeable future by productive and stable relations with the United States, but there are also equally clear constraints on how far it is willing to permit those relations to develop. One such limit is its need to be perceived by the rest of the world as not under US (or Soviet) influence. There are sharp limits on the extent to which China will cooperate with the United States on strategic issues. This is more than merely a tactic to enable Beijing to show that it pursues an "independent" foreign policy. It represents the balance that China is attempting to strike in its foreign policy as it moves somewhat closer to the United States but continues to pursue other goals that at times conflict with US policies.

Beijing opened its dialogue with the United States in the early 1970s to obtain a strategic counterweight to Soviet power. This remains a basic consideration as Beijing formulates its policies toward the United States. China will use its contacts with the United States—especially the President's visit—to attempt to underscore the commonality of US-Chinese security concerns regarding the Soviet involvement in Afghanistan and Southeast Asia. Beijing may also hope to increase pressure on Moscow to make concessions on issues of major security concern to China but does not appear optimistic about a breakthrough.

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DISCUSSION

Recent Developments in US-Chinese Relations

1. The atmosphere surrounding US-Chinese relations has improved substantially over the past year. Although still circumscribed by differences in a number of areas, these relations have passed through several difficult periods to achieve a new stability and direction. The successive visits to China in 1983 of the Secretaries of State, Commerce, and Defense, as well as visits to Washington of five Chinese ministers during the same period, helped revitalize these relations and laid the groundwork for the exchange of visits between President Reagan and Premier Zhao.

2. While far from complete, the process of stabilization advanced during the past year largely because Beijing recognized that its interests are served better by healthy Sino-US relations than by continued mutual acrimony. It appears that China made this adjustment sometime in the spring of 1983—following the Secretary of State's talks in Beijing—after a period in which it had managed a number of relatively minor irritants in a way that suggested a willingness to allow relations to stagnate.

3. Several factors encouraged this shift toward improving relations. The Chinese realized that the present administration might well be returned to office for another term in 1984. At about the same time, the United States eased controls on the transfer of technology to China. These two events appear to have convinced the Chinese leaders that it was both necessary and possible to do business with the Reagan administration. The Chinese were also concerned last spring that the administration was beginning to accord a lower priority to relations with China. Beijing may have believed that this was at least in part the result of the generally sour tone that it had given to relations.

4. In addition to these calculations were those relating to the USSR. In the spring of 1983, Beijing appeared dissatisfied with the pace of bilateral talks with the USSR, and it may have concluded that the apparent impasse in Chinese-US relations had reduced

Moscow's incentive to reach agreements with China. At the same time, Chinese public statements suggested some concern that the USSR and the United States might be moving toward a moderate reduction in their bilateral tensions, a step that could weaken Chinese freedom of maneuver between the superpowers. Subsequent events, in particular the KAL incident, convinced China that there was no immediate prospect of a reduction in US-Soviet tensions. Moreover, Beijing was reassured by the firm US position at INF talks opposing regional sublimits that discriminated against the East Asian countries.

5. Improved relations with Washington also appeared attractive because of China's recognition that Soviet power around China's periphery continued to increase with the upgrading of forces poised against China and Japan, the steady deployment of SS-20s in the East, the continued expansion of the Soviet Pacific Fleet, and steady expansion of the Soviet presence in Vietnam.

6. As a result of these factors, China has muted somewhat its criticisms of the United States, with the exception of a period in late November and early December 1983 when a flareup over Congressional actions relating to Taiwan momentarily appeared to jeopardize the exchange of visits between Zhao and the President. Beijing quickly backed off from its implied threats—voiced by party Chairman Hu Yaobang in Tokyo—to cancel Zhao's visit, but only after it received what it could regard as reassurances on US policy toward Taiwan.

7. Chinese domestic politics have also played a role in setting the tone of Beijing's responses to US actions. We are, however, unable to determine what weight to give this factor. It appears, for instance, that residual opposition to improved relations with Washington began to emerge at the time of the November flareup over Taiwan and may have sharpened the Chinese response to US actions by fusing itself with the current campaign against spiritual pollution. At present, however, we believe that Deng is able to contain the

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opposition and will probably continue to be able to do so over the coming months, in part because there is agreement among Chinese leaders concerning the strategic importance of the relationship.

The United States in China's "Independent" Foreign Policy

8. The recent improvement in Sino-US relations has taken place within the context of a readjustment of Chinese foreign policy over the past three years. Described by Beijing as "independent," this foreign policy has sought to accommodate conflicting desires and interests in a manner that gives Beijing maximum flexibility and room for maneuver between the superpowers. The main features of this policy have been efforts to ease tensions with the USSR, moves to improve Chinese standing in the Third World, greater contacts with the industrially advanced countries, and a redefinition of interests in dealing with the United States.

9. This readjustment was caused by a number of factors, including Beijing's uncertainty over US policies toward Taiwan; concern over policies in the Third World, which increased the cost to China of close identification with the United States; and indications of a Soviet desire to ease tensions with China. China continued to share with the United States the perception that the Soviet Union represented its primary security threat, but it was no longer seen as either necessary or desirable for China to be seen in a "united front" with the United States against Moscow. Behind these tactical circumstances there was also a broad Chinese theoretical reassessment of the world situation. This reassessment has been based on Beijing's perception of a slow but progressive economic and political weakening of both the United States and the USSR in relation to the rest of the world. In the Chinese view, over the long term this situation will diminish the ability of the superpowers to dominate the world scene and to control their respective blocs. This, in turn, has led China to believe that over the next decade and more there will be progressively greater opportunities for other powers, including China, to seek gains and to assert their own interests with less reference to the United States and the USSR.

10. This same perception has led the Chinese to believe that they can maneuver more freely between

the United States and the USSR. Thus, for instance, in dealing with the USSR China has concluded that the Soviets' own economic, political, and military problems have made the threat of an immediate Soviet attack on China less likely, enabling China to permit tensions to ease and to pursue such goals as increased trade. China has also concluded that it can and should criticize US international conduct in areas such as the Middle East and southern Africa, both to distance itself from the United States and to attempt to provide an outside source of support to those groups that do not want close association with either Washington or Moscow.

11. Beijing has followed this approach actively in Western Europe, where it publicly has opposed new missile deployments of both superpowers.

[REDACTED] In condemning both US and Soviet "hegemonism," Beijing has given moral support to the European peace movement.

12. One of the difficulties that Beijing has created for itself has been that of structuring relations with the United States in a manner compatible with its revised perspectives on the international situation—the so-called independent foreign policy. In recent years Chinese policy has sought to strike a workable balance between the strategic importance of Sino-US relations and China's ambitions to be independent in the world. This has led to inconsistencies in Chinese behavior and has accounted for some of the continuing tension in Sino-US relations. Currently, the Chinese leaders have moved toward closer relations with the United States, without, however, muting their independent foreign policy line. This has occurred in part because China has a less immediate fear of a Soviet attack and also as a consequence of its perception that the United States is no longer on the defensive in dealing with the USSR in the world.

What China Seeks From the United States and the Visit

Beijing's Goals for President Reagan's Visit

13. We believe that China will work to make the visit a success in both substance and appearance. Beijing's major expectations will be in the economic

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area—especially on prospects for trade and improved technology transfers—where it will attempt to remedy the “substantive” deficiencies that Zhao perceived in his visit to the United States. There also will be greater attempts to achieve breadth in political and strategic discussions, but the Chinese will avoid projecting a public image of collaboration with the United States. In addition, Beijing is almost certain to seek reassurances that US support for a one-China policy has not changed.

14. Perhaps Beijing's primary objective in receiving the President will be to solidify a personal relationship at the highest levels of the two governments. This will be done in the expectation that the current administration will probably be in office through 1988. The Chinese appear anxious at this point to give a sense of continuity to relations with the United States, attaching great importance to the establishment of good personal relationships between leaders. Deng probably has initiated this effort, hoping to leave to his successors a solid US-Chinese relationship at the political and personal levels. To achieve this, the Chinese are likely to make certain that the visit has the appearance of significant accomplishment. They will invest the visit with ceremonial pomp and lavish detail to convey a favorable impression to the American public.

15. *Expanded Trade and Technology Transfer.* Unlike President Nixon's visit to China in 1972, when the Chinese wanted to discuss strategic concerns, Beijing will probably attempt to use the favorable atmosphere that they have generated this time mainly to press for progress in the economic sphere. In particular, they want to gain greater access to US technology and investment capital as part of their effort to obtain from the outside world the equipment and capital that will enable them to further their modernization programs. They hope that the United States will provide broad access to its modern technology and to its capital markets to assist them to achieve this goal. We doubt, however, that they will reciprocate for any such US concessions. China also looks to the United States to continue to provide specialized education to its future technicians and managers; there are currently over 10,000 Chinese students in the United States, almost all of whom are in the areas of science and technology.

16. Access to US trade and capital markets is important to China both intrinsically and as a means

of leverage to gain greater access to the technology and investment capital of other advanced countries. Since China is determined to avoid the appearance of close association with any single advanced country, including the United States, Beijing hopes to deal with all of the advanced countries of the West and also, to a limited degree, the USSR. China, moreover, sees that good relations with the United States will greatly ease access to the Japanese and the West Europeans. Finally, China also looks to the United States to lead the way in easing COCOM restrictions on technology exports.

17. Beijing probably believes that the President, in this election year, would like to portray his trip to China as a clear success, thus giving them extra room to exploit it to their benefit, particularly by pressing for concessions in the economic and technology areas. One tactic they might pursue, for example, would be to delay substantive negotiations on unresolved current issues (for instance, the possibilities of nuclear, investment, or tax treaties) until the President arrives, hoping for last-minute US concessions to obtain signatures on important agreements during the trip. Although there will certainly be an element of pressure in Chinese tactics, this pressure will be controlled by Beijing's current calculation that its interests are best served by good relations with the United States and that it will gain more over the longer term by restraint than by confrontation.

18. In addition to possibly seeking final agreement on a number of treaties, the Chinese are likely to pursue expanded economic relations in other areas:

- They will certainly press for greater relaxation of US controls on access to advanced technology, perhaps presenting a wish list. They are likely to cite statistics selectively on license applications and on allegedly low rates of approvals of items contained in various lists submitted to the United States over the years.
- They will also press for greater administration support for changes by Congress that would make China eligible for concessional loans from the United States.
- The Chinese leaders will devote some time during the visit to probing US thinking on Chinese membership in international financial

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institutions. Depending on progress already made in talks with officials of the Asian Development Bank and with its members, China may use the visit to press the United States to take a more active stand on Chinese membership in the Bank, and it will make clear its willingness to allow Taiwan to remain in the Bank in some form. The visit of Treasury Secretary Regan to China in March will provide a clearer picture of Chinese intentions in this area.

19. China is also likely to raise trade issues. Having limited the import of US agricultural commodities in retaliation for US limitations on China's access to the US textile market, Beijing will press the President to ease these restrictions. It will hold out prospects for a revival of the growth in US exports to China, but will at least implicitly tie this to the need for the United States to curtail its restrictions on the entry of Chinese goods to the US market. It is possible that Beijing will raise the issue of its membership in GATT, and US willingness to support its membership.

20. During the visit the Chinese may reaffirm their interest in US arms technology and military exchanges and press for a further relaxation of US controls, but we believe that the bulk of these talks will continue to take place between military experts on the two sides and with US manufacturers. They may press for a general Presidential affirmation of US willingness to consider the transfer of advanced military technology. Beijing may use the President's visit to announce dates for the visit to the United States of Defense Minister Zhang Aiping, a step that might give impetus to the transfer of military technology. China is also discussing arms purchases with a number of West European countries, and we believe that it hopes to diversify its sources of supply and to avoid becoming closely associated as an arms client with any Western country, including the United States.

21. *Reassurance on the Taiwan Issue.* Taiwan will remain the single issue upon which the relationship could founder. It is the one issue on which the Chinese have required assurances from the United States since the relationship began in 1971, and it will continue as such for the foreseeable future. At the present time, the Chinese hope the United States will handle its relations with Taiwan in a way that allows Beijing to pursue broader objectives with the United States.

22. Nonetheless, the President will be read a firm statement on Chinese policy toward Taiwan. The Chinese understand the limits of US tolerance for such lectures, but the great importance of this issue and its extreme political sensitivity in China will require a lengthy exposition of Chinese views, probably by Deng himself. Although the Chinese may reiterate general warnings concerning Taiwan, we believe that they will not make specific demands or lay down ultimatums. Substantively, Beijing will put its strongest emphasis on the need for palpable reductions in arms sales to Taiwan. They may revert to earlier efforts to draw the United States into prior consultations concerning the level of each year's sale of arms to Taipei.

23. The Chinese have already protested the announced level of US arms sales to Taiwan for fiscal year 1985. They may press the point more vigorously during the President's visit. The strength of Beijing's statements during the visit will be based on its judgment concerning US long-term intentions in this area, and the Chinese will seek reassurances from the President that there will be a decline over time in the levels and quality of US arms sales to Taipei.

24. Given the recent growth of Chinese concern over possible support in the United States—especially in the Congress—for Taiwan independence, the President is likely to be pressed by the Chinese leaders for reassurances that the United States adheres to a one-China policy, that it will not inject any role of officiality into its contacts with Taiwan, and that it will not encourage those supporting independence for Taiwan. Furthermore, they may specifically ask for an administration commitment to oppose any Congressional actions in support of Taiwan independence. They may also strongly urge that US officials cease discussing in public the subject of Taiwan.

25. Overall, the Taiwan portion of the President's talks will be frank, but probably nonconfrontational, and will be aimed at keeping the record clear with both the United States and the hardliners in Beijing. The latter need reassurance that Chinese interests have been safeguarded. The Chinese will also attempt to demonstrate that their policies for reunification with Taiwan are reasonable. They will probably repeat what Deng told a private American delegation in February: China envisages some form of "confederation" with Taiwan that would constitute "one China

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Highlights of Sino-US Commercial Relations

	<u>US Firm Name</u>	<u>Nature of Relationship</u>	<u>Value *</u> <u>(million US \$)</u>
1980	E-S Pacific	Joint venture: Great Wall Hotel, Beijing	36
	Foxboro	Joint venture: produces electronic instruments	5
1981	Beatrice Foods	Joint venture: Guangmei Foods	5
	Westinghouse	Steam generator technology	31
	Combustion Engineering	Power plant boiler technology	NA
1982	ARCO/Santa Fe	Oil exploration, South China Sea	NA
	Lotus	Coal-mining equipment	7
1983	Kowin Development	Joint venture: Jinhua Hotel, Xian	5
	Bechtel Corp.	Feasibility study for coal mines	NA
	Baker Marine Corp.	Joint venture to build/lease drilling rigs	10
	American Motors Corp.	Joint venture to produce four-wheel-drive jeeps	16
	Solid State Scientific	Wafer fabrication equipment for digital watches (pending approval)	8
	Owens-Illinois, Inc.	Modernize a glass container plant	NA
	Beloit Corp.	Papermill machinery	7
	R. J. Reynolds	Joint venture to produce cigarettes	6
	McDonnell-Douglas	Two MD-80 jetliners	40
	Amaee Holding Corp.	Joint venture: supplies offshore oil facilities	NA
	Fluor	Consultancy and design for coal mines	NA
	Emhart Corp.	Machinery to upgrade tire plant	NA
	S. Samash & Sons	Joint venture: produces silk fabrics	NA
	General Electric	220 diesel-electric locomotives	200
	Harnischfeger	Power shovel technology and equipment	NA
John Deere	Farm equipment and technology	NA	
Chevron/Texaco	Oil exploration	NA	
IBM	11 Mainframe 4300-series computers	NA	
Boeing	Five 737s and one 747 jetliner	140	

* For joint ventures, listed value is US firms' share of capital assets.

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with two systems." In essence, the Chinese have probably decided that they stand a better chance of favorably influencing US policies on Taiwan—particularly on the issue of arms sales—by demonstrating "reasonableness" on the question of reunification rather than by uttering threats. Consequently, as during Zhao's visit, the Chinese will probably back off from an initially hard line on Taiwan and tacitly acknowledge by the end of the visit that relations can continue to improve as long as the United States lives up to the three communiqués dealing with Taiwan issued between 1972 and 1982.

26. *Strategic Issues.* The Chinese are likely to engage in strategic discussions with the President somewhat broader in scope than those undertaken during Zhao's visit. The Chinese leaders will probably use these talks to urge a greater US role in Kampuchea and Afghanistan. Beijing may be concerned that the MIA issue might induce the United States to ease its pressure on Hanoi on the Kampuchean issue, and thus the Chinese leaders may press for more active and visible US support for the anti-Vietnamese coalition in Kampuchea. The Chinese will reaffirm their interest in stability on the Korean Peninsula and support for the North Korean interest in tripartite talks. China, however, almost certainly will continue to resist being drawn into any talks, in the initial phase at least, and will continue to support the North Korean bargaining position that currently calls for confederation and opposes cross recognition.

27. It is possible that the Chinese leaders will also advise the United States to take steps to reduce tensions with the USSR. For instance, the Chinese may cite the concrete advantage in an early INF agreement that would reduce or at least freeze SS-20 deployments in the East. Beijing's concern over the consequences of the growth of US military power was strikingly evident in conversations that Deng and Zhao separately held in February 1984 with a private US delegation. Both leaders revealed concern over what the United States may do with the military strength it has acquired and seemed to hold the United States at least partially responsible for the aggravation of international tension in recent years. In the same conversations, Deng stated his concern that a more active US policy will not be in China's interests and, in particular, could lead the United States to look to Taiwan as

an "unsinkable aircraft carrier," that is, as a strategic asset that the United States would be unwilling to abandon. Zhao, moreover, revealed extreme Chinese sensitivity to the implication of US dominance in the US-Chinese relationship and underscored Beijing's continuing need to be respected and to be perceived as an equal in relations with the United States. We believe that this is intended to signal Chinese concern that the United States will be held responsible by large parts of world opinion for any further worsening of the international atmosphere and that China would find it increasingly difficult to be seen cooperating with the United States under these circumstances.

28. Zhao's willingness to discuss Sino-Soviet relations during his visit to Washington in January 1984 and China's announcement of these discussions marked a striking departure from recent Chinese practice. We believe that Beijing did this to signal displeasure with Moscow's continued buildup around China's periphery, Moscow's tactics in the bilateral talks, such as a failure to make basic concessions, and to pressure the Soviets to begin to meet Chinese demands in these talks. The extent to which China will be willing to consult, and to be seen consulting, with us on strategic issues during the visit will be determined in part by the state of Sino-Soviet relations and particularly by the results of the fourth round of Sino-Soviet talks in March.

29. We doubt that there will be anything approaching a breakthrough in Sino-Soviet relations prior to the President's visit, and thus the Chinese leaders will probably give the President a fairly extensive account of their differences with the USSR. Such a discourse will be intended in part to reassure the United States. At the same time, however, if Sino-Soviet relations are discussed, Beijing may again announce this fact publicly to prod the Soviets and to try to demonstrate that the Chinese enjoy a high degree of maneuverability within the strategic triangle. The Chinese may also see a renewed willingness to discuss Soviet affairs with the United States as an incentive for the United States to be more forthcoming on bilateral US-Chinese issues.

Constraints on US-Chinese Cooperation

30. Beijing clearly believes that Chinese interests are best served for the foreseeable future by productive and stable relations with the United States, but there are also equally clear constraints on how far it is willing to permit those relations to develop. One such

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limit is its need to be perceived by the rest of the world as not under US (or Soviet) influence. Another is its very practical need to keep tensions with the Soviet Union at a manageable level.

Domestic and International Public Opinion

31. China will be highly conscious of the various audiences, including the Soviets, who will be observing how it handles the President's visit. Much of Beijing's conduct will be determined by this factor. This will place limits on the substance of the talks and will influence the public characterization of the President's visit. We believe that Deng and his colleagues are conscious of the need to demonstrate clearly and repeatedly to opposing domestic leadership elements the benefits that China derives from relations with the United States and that they want to be seen as vigilantly protecting Chinese interests on sensitive issues such as Taiwan. This, we believe, will continue to impose limits on the development of ties between China and the United States and often makes the achievement of almost any significant agreement a lengthy and arduous task.

The Limits on Strategic Cooperation With the United States

32. The Chinese, during Zhao's visit to Washington in January 1984, went further than they had in recent high-level visits to the United States to highlight areas of agreement with the United States. Nonetheless, they have kept up private and public criticisms of US policies in various areas of the world, and they continue to label the United States a "hegemonist" power. Thus there are sharp limits on the extent to which China will cooperate with the United States on strategic issues. This is more than merely a tactic to enable Beijing to show that it pursues an "independent" foreign policy. It represents the balance that China is attempting to strike in its foreign policy as it moves somewhat closer to the United States but continues to pursue other goals that at times conflict with US policies.

33. Underscoring these conflicts with some US policies, Beijing has publicly stated that it will not establish a strategic partnership with the United States. China will keep its distance from the United States on

selected world issues, will oppose some US policies intended to counter the USSR, and will not engage in such activities as joint planning. Nonetheless, China does tacitly cooperate with the United States on selected strategic issues of joint concern. It will continue to do so while attempting to maintain wide options in dealing with the USSR and the Third World.

Containing Tensions With the Soviets

34. The Soviet threat has always been a key factor in Chinese calculations relating to the United States. Beijing opened its dialogue with the United States in the early 1970s to obtain a strategic counterweight to Soviet power, and this remains a basic consideration as Beijing formulates its policies toward the United States. China is equally conscious, however, of the need not to overly alarm the Soviets about the possibility of a US-Chinese alliance directed against the USSR. This has led to a carefully balanced approach in which China seeks to hold Moscow at bay by strengthening ties with the United States, but not to the point that Moscow would be unwilling to pursue some relaxation of tensions with Beijing.

35. Thus, a major Chinese objective in recent years has been to maintain a distance—but not equidistance—from each of the superpowers and to conduct relations with each that are neither "hot nor cold." Beijing's desire to maintain at least a degree of evenhandedness in its contacts with the United States and the USSR was demonstrated most recently by the attendance of Vice Premier Wan Li at Andropov's funeral, Chinese participation in the fourth round of talks with the Soviets in Moscow in March, and the Chinese invitation to First Deputy Premier Arkhipov to visit China in May.

36. China will use its contacts with the United States—especially the President's visit—to attempt to underscore the commonality of US-Chinese security concerns regarding the Soviet involvement in Afghanistan and Southeast Asia. Beijing may also hope to increase pressure on Moscow to make concessions on issues of major security concern to China but does not appear optimistic of a breakthrough. At the same time China will also continue to take steps to ease tensions with Moscow, believing that an expanded dialogue with the USSR enables it to demonstrate that China pursues an independent foreign policy.

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