Approved For Release 2008/11/18 : CIA-RDP85T00875R001100130

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Secret

DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

Chinese Foreign Policy

Secret

118

31 January 1972
No. 0827/72

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
31 January 1972

INTELLIGENCE MEMORANDUM

Chinese Foreign Policy

1. For the past two years Chinese foreign policy has been outgoing, adroit, realistic in its appraisal of the possible, and carefully shaped to the demands of normal state-to-state diplomacy. That it has not always been thus needs hardly be stressed. At times Peking has sacrificed diplomatic give and take to strident propaganda, has emphasized the primacy of revolutionary activity around the world, or has all but sealed itself off from normal intercourse with much of the globe. Yet even when their rhetoric has been harshest, the Chinese have been prudent--even cautious--in action. Their most decisive moves, in Korea and along the Indian border, have been, in Chinese eyes at least, defensive in nature. Their wildest flights of rhetoric have generally been a means of concealing disappointment or even impotence, rather than the prelude to new and impulsive action. Their celebration of revolutionary activity has largely been confined to the propaganda sphere; where material aid has been involved the risks have been relatively small. Indeed, a good part of this aid can probably be related to the pressures of Peking's decade-long duel with Moscow, rather than to innate Chinese faith in "revolutionary possibilities" abroad.

2. This does not mean that changes in the style of Chinese foreign policy have been unimportant. They have been very real and sometimes very

Note: This memorandum was prepared by the Office of Current Intelligence and was coordinated with the Office of National Estimates.

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sudden. But the perspective of over 22 years suggests that these changes have in large part reflected the pressures of domestic Chinese conditions and politics, although it is unquestionably true that they have often occurred in periods when Chinese foreign policies appeared to have lost momentum and effectiveness. Viewed in this perspective, the present style in Chinese foreign policy may have quite a long run ahead of it, since it appears to have survived intact the domestic shock of the purge of Lin Piao and already has a string of international successes to its credit, with the prospect of more to come. This would be especially true if the Chinese leaders consider the President's visit a success. Such a success would further enhance the prestige of Chou En-lai, who is probably the principal architect and certainly the principal executor of Peking's current approach to foreign affairs. Yet even when the style of Chinese foreign policy has changed, the basic aims of that policy have remained constant. Broadly speaking, these include a quest to ensure that China is considered and treated as a major power and that its views on world affairs are taken into account, an attempt to carve out for itself a sphere of influence in East and Southeast Asia (this is in effect a corollary of Peking's drive for Great Power status), concern for national security and protection of China's borders, recognition of Peking's irredentist claims to Taiwan, and, when consistent with the aims above, patronage of revolutionary movements elsewhere in the world.

3. These aims are in many respects more general than they are specific. They are aims which for the most part are "national" rather than "revolutionary" in nature and which parallel the aims of other states with Great Power pretensions. And (the "recovery" of Taiwan aside) they aim primarily at the extension of Chinese influence rather than at the physical expansion of the Chinese state. Moreover, there is a strong element of the defensive in several of the aims. All this of course does not mean that the ideological factor in the conduct of Chinese foreign policy can be ignored.

The Chinese leaders see the world through ideological glasses, and the lenses color everything they see. They are Communists, and they expect the eventual triumph of Marxism as the result of an inevitable historical process, although they do not appear to have any sort of time frame in mind. Even when their revolutionary rhetoric and posturing have been most excessive [redacted] 25X1 the Chinese leaders have 25X1 taken a relatively balanced and realistic attitude toward both opportunities and dangers. Peking has of course on occasion sacrificed relatively minor diplomatic advantages on the altar of revolutionary rhetoric--as when Chou in 1964 offended newly independent African states with his demand for further revolution--but lapses of this sort can be best explained in terms of China's over-riding concern with its rivalry with the Soviet Union. Moreover, when bilateral relations have been sacrificed in this way, the Chinese have made few, if any, gains on the revolutionary side of the ledger.

The Soviet Quarrel

4. Nearly all of China's long-term interests and aims are involved in the dispute with the Soviet Union (treated more fully in a separate paper). Moscow has been engaged in a campaign to isolate Peking diplomatically and to denigrate its Great Power pretensions. As part of this campaign Brezhnev in 1969 proposed an Asian "collective security pact" clearly directed against China--a move that if successful would create a Soviet sphere of influence in the Chinese back yard. The Russian military buildup in Siberia directly threatens Chinese security and China's northern borders, while Moscow has sought to undercut Peking's claims and pretensions in the ideological sphere. There is no visible solution to this formidable list of problems, nor is there much likelihood that Peking will seek solutions in a meaningful way while Mao Tse-tung lives. Mao is personally committed to the quarrel, and on this point in particular he demands unquestioning loyalty of his associates. But even if Mao were not in the picture, it is hard to envision a meaningful rapprochement between Moscow and Peking, although a

lessening of present tensions is possible. The challenge each country presents to the other is very real, and there is no way to exorcise the common border.

5. The dispute with Moscow, then, is a "given" in Chinese foreign affairs, and much of Peking's diplomacy is organized around this fact. But the Chinese, the weaker of the two parties, have been careful to keep the quarrel manageable. Chou En-lai's airport meeting with Kosygin in September 1969 led to virtual elimination of shooting incidents along the border, and the subsequent talks in Peking have kept tension from boiling up again. The Chinese behavior in these sessions--eagerness to keep talking but disinclination to negotiate outstanding issues--suggests that Peking now believes that a Soviet strike against China is not likely in the near or middle term. The Chinese obviously do not think they are out of the woods, but they appear to believe that the worst and most immediate danger is past. Indeed, their own diplomatic efforts in the past year and a half have been so successful that Peking's international "offensive" no longer appears to be merely a reaction to Soviet policies but in large measure an end in itself--an important step on the road to achieving Great Power status.

An Open Door Policy

6. In setting out to counter Soviet diplomatic ploys the Chinese found themselves with certain advantages. Peking had been partly isolated from the international community since the founding of the People's Republic. The Cultural Revolution had deepened that isolation markedly. This situation had created such an imbalance within the international community that the first signs of a diplomatic thaw in Peking encouraged a wide variety of governments to explore the possibility of improved relations with the mainland. These overtures have been met, for the most part, at least half way. The Chinese have adroitly played on the special interests of individual

countries, emphasizing common interests (and sometimes discovering them where they had not existed before) and minimizing differences, ideological and otherwise. They have espoused policies of less interest to them than to other, smaller nations--the 200-mile territorial sea limit, for example; and they have retailed themes certain to receive a warm welcome in many quarters--the need for "small and middle sized nations" to resist the superpowers, for example. They have stressed traditional diplomacy and bilateral relations, and their overtures to others have been discreet and selective, rather than blatant and all-inclusive. They have not been universally successful with this approach, but their successes have been frequent enough to build real movement in Chinese foreign policy.

Latin America

7. Part of the Chinese effort has been further afield than ever before. The Chinese have now for the first time established two embassies on the South American mainland; several other Latin American states are also considering establishing relations with Peking. The Chinese are maintaining a low posture now that they are ensconced in Latin America and seem perfectly content to allow others to come to them. The negotiations with Argentina, for example, have now dragged on for some time. Earlier, before the UN vote, the Chinese appeared to be more anxious, and their courtship of Peru was arduous in the extreme. Peking seems determined to live down its image as a fomenter of trouble. The Chinese have been very correct in their bilateral dealings, they have not encouraged extremist movements, and they have even offered loans to countries with which they have not yet established diplomatic relations--Ecuador, for example.

Africa

8. Peking is also being very correct in Africa, where it suffered serious setbacks in 1965, largely as a result of constant harping on revolutionary propaganda themes. This rebuff may have

been particularly galling because the Chinese had accompanied their revolutionary talk by very little action, much of which was ineffective. In any event, they appear determined not to make the same mistake twice. This tactic has restored them to a position roughly commensurate with that of the early 1960s: Peking now has 20 embassies on the continent, seven of them established in the past 15 months. As in Latin America, the Chinese diplomatic effort has been discreet and low-keyed, but particular emphasis has been placed on liberal Chinese grants and loans along with other forms of economic aid. The most spectacular aid project is unquestionably the Tan Zam railroad, which will eventually link the Tanzanian capital of Dar es Salaam with the Zambian copper fields. This is a major project by any standards, and it is particularly impressive given the limited nature of Chinese resources.

9. Peking seems to be somewhat more active in East Africa than it is elsewhere on the continent. The Chinese have just granted a large loan to Sudan. They are cultivating Ethiopia assiduously. They have developed what might almost be called a special relationship with Tanzania, where they are not only engaged in railroad building but also have a virtual monopoly on the training and supplying of the Tanzanian armed forces. Although this obviously gives Peking a position of real importance in Dar es Salaam, the Chinese have been almost painfully "correct," being careful not to give offense to the rather suspicious and prickly Tanzanian Government by throwing their weight about or by attempting to recruit or indoctrinate Tanzanians on a significant scale.

Middle East

10. The Chinese are also active in the Middle East, but this area ranks low on Peking's order of priorities. They have been cultivating Southern Yemen for several years and moved quickly to exploit Sudanese differences with Moscow last year (as noted above, they have recently granted a large

loan to Khartoum), but they recognize that they can be consistently outbid by the Soviet Union. For a time in 1969 and 1970, Peking seemed interested in attempting to flank Moscow on the left, but it has proved difficult to build a relationship with the more intransigent and radical Arab states, and the Chinese had begun to give up on the hopelessly fragmented and impractical fedayeen movement well before it was dealt a body blow by the Jordanian Army. Peking has on several occasions--most recently this past autumn--engaged the Egyptian Government in dialogue, but rapprochement has invariably foundered on the rock of Egyptian military dependence on Moscow.

Europe

11. Cultivation of the underdeveloped countries is not new for Peking; cultivation of the states of Europe is. Indeed, in some respects it would appear that the Chinese have recently been more interested in developments in Europe than in the "third world." This interest is catholic; it applies to states in Western as well as in Eastern Europe. It is in Europe that Peking's argument that "middle-sized" states have a common interest in standing up to the superpowers comes into its own. This theme strikes an especially responsive chord in Romania and in Yugoslavia, both at odds with the Soviet Union. Other East European states have remained fixed in the Soviet orbit; tentative Hungarian gestures toward Peking were viciously slapped down by Moscow last spring.

12. The Chinese aim with respect to Eastern Europe is transparent: to bedevil the Soviet Union and to distract its attention from the Chinese border. Peking's aims in Western Europe are a little more diffuse, but it is obviously mainly interested in promoting greater European independence of the United States. This helps explain recent, and fairly intense, Chinese interest in the Common Market. But in addition to hobbling and distracting the American colossus, China may genuinely see a certain limited community of interest with these

states--Britain and France in particular--which, like China, are "great powers" without being superpowers.

South Asia

13. Great Power relationships and balance of power considerations are even more evident in Peking's diplomacy toward the Indian subcontinent. China's special relationship with Pakistan, formed in the mid-1960s as a means of countering Indian power and Soviet influence in South Asia, had begun to weaken well before the recent war. Peking displayed great reluctance to offer strong propaganda support for Pakistani policy in East Bengal, and it had hinted to Islamabad more than a year ago that it might soon raise its representation in New Delhi to ambassadorial level. Chinese verbal support after hostilities began was rather tardy and not nearly as wholehearted as in 1965, and Peking showed a notable reluctance to make menacing military gestures toward India. In the aftermath of the fighting the Chinese have been less than eager to receive President Bhutto, and although they have withdrawn their diplomatic personnel from Dacca, they appear to have positioned themselves to announce recognition of Bangladesh after a suitable interval. The Chinese appear also to have concluded that India is unquestionably the dominant power on the subcontinent, and they may draw from that conclusion the corollary that Soviet influence on the subcontinent can only be countered by directly competing in New Delhi. Whether this is possible, of course, will in part depend on the evolution of Indian attitudes toward China.

Southeast Asia

14. Closer to home, the Chinese "open door" is only partly open. Relations with Burma, badly strained during the Cultural Revolution, have improved fairly steadily over the past two years and are now relatively cordial if not intimate. Burmese recognition of Bangladesh does not appear to have disturbed Peking. The Chinese have warmly, but still fairly cautiously, responded to gestures by Malaysia, Singapore and the Philippines, and have

offered some gestures of good will themselves; trade with Malaysia in particular seems destined to pick up. Where major political problems intervene, however, Peking has simply remained coldly aloof. The Chinese have ignored ambiguous and half-hearted Thai exploratory probes, and they have set such a high price on rapprochement with Indonesia that the issue is hardly a live one at this time. Peking has had little or nothing to say about Malaysian ideas about neutralization of Southeast Asia--except to intensify its cultivation of Kuala Lumpur.

Asian Allies

15. In 1969 Peking set about to repair the damage the Cultural Revolution had done to relations with both its Asian allies, North Vietnam and North Korea. This had largely been achieved by early 1971, but Peking's recent overtures toward the United States have to some degree upset the balance again. The two countries have reacted in opposite ways. Where Pyongyang hopes that the evolving relationship between Washington and Peking might lead to a change in the Korean status quo which North Korea has unhappily accepted for nearly 20 years, Hanoi fears the visit might result in Chinese acceptance of a status quo which North Vietnam has been actively trying to change for nearly as long a time. Nevertheless, the relationship between Peking and Hanoi, while clearly disturbed, does not appear as strained as in 1968, when the North Vietnamese first decided to talk in Paris. The Chinese have gone to considerable lengths to assure the Vietnamese that they will not deal behind their backs. Moreover, Peking is fully aware that if it upsets Hanoi too much, it is likely to push North Vietnam into the arms of Moscow.

16. Pyongyang, on the other hand, is now engaged in a "mini-thaw" of its own paralleling in some respects that of China. Moreover, Kim Il-sung has issued a firm endorsement of the Chinese invitation to the President; he is the only top Communist leader to have done so. The Koreans clearly expect Chinese efforts to gain US agreement to withdraw its forces from the Korean peninsula, and the Chinese have publicly made it clear they will do just

that. Peking may suspect, however, that a rapid phase-out of the American presence in Korea could lead to an increase in Japanese influence in the southern half of the peninsula--an undesirable development from the Chinese point of view.

Japan

17. Chinese attitudes toward Japan are particularly complex. Trade continues to increase, but recognition still remains some distance in the future. The Chinese are bending every effort to hurry things along. They have slightly modified their demands and packaged them attractively, and above all they seem prepared to deal with the "mainstream" faction of the ruling Liberal Democratic Party, including Premier Sato's heir apparent, Foreign Minister Fukuda. If, in the process of coaxing the Japanese into recognition, Peking can whipsaw Tokyo and Washington on this and the closely related Taiwan issue, so much the better. But Chinese calculations do not seem to rest on an attempt to drive a wedge between the United States and Japan, and Peking probably believes that the chances of doing so are fairly low. It is pursuing Japanese recognition because Japanese acknowledgement of mainland sovereignty over Taiwan would reduce the chances of a "one China, one Taiwan" solution to the problem of the island's future. In short, Japanese recognition is a means to an end, not an end in itself, and normalization of relations does not mean rapprochement.

18. In fact, the Chinese consider Japan a major foreign policy problem--perhaps their greatest problem after the USSR, although one that is not likely to become acute for some time. The Chinese leaders have not forgotten that Japan and China have fought two wars in the past 75 years, that Japan and China are natural competitors in Asia with Japan far ahead on the economic side of the competition, and that Japan like the Soviet Union is permanently China's neighbor. Even as Peking is wooing Japan in the home islands, it is warning against revived Japanese "imperialism" and playing on latent fears of Tokyo elsewhere in East, Southeast, and South Asia.

The United States

19. The fact that the United States is not physically an Asian power seems to be clearly in Peking's mind as the President's visit approaches. The Chinese appear to think that in practice the Nixon Doctrine will mean a less "forward" US posture in Asia. They probably also believe that a neo-isolationist mood is gaining strength in the United States and that this will result in the US Government paying less immediate attention to the Far East. In these circumstances the Chinese almost certainly feel less menaced militarily by the United States, and they probably believe that an exploration of general Asian problems as well as of bilateral issues is now in order.

20. Whether or not an understanding is achieved, the very fact that discussions are taking place tends to upset the Russians. This, of course, is a major object of the exercise for the Chinese, and certainly the overriding consideration when the idea of a high-level visit was first mooted. But the Chinese have certainly not forgotten that Washington can still menace China without assuming a "forward" posture in Asia; moreover, an ideological gulf separates the two countries. Nevertheless, Peking is making unprecedented efforts to prepare itself and the Chinese populace for the President's visit, and it clearly considers that high stakes are riding on the trip.

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Addendum: "People's Wars"

21. In many respects China has for half a decade been disengaging from active material support, as opposed to propaganda celebration, of foreign revolutionary movements. This disengagement has been uneven, but the general trend seems clear. The preoccupations of the Cultural Revolution played a large part in this general movement, but since that upheaval ended a conscious decision seems to have been taken to stand further back from most forms of revolutionary activity. Such a decision is not inconsistent with Maoist doctrine, which claims that to succeed true revolutionary movements must rely on their own resources.

22. The most clear-cut Chinese action in this area has been a move to disengage from support of "Marxist-Leninist" (i.e., pro-Chinese) Communist splinter groups in Europe, Latin America, and elsewhere. The Chinese have disowned such groups, cut off any subsidies to them, and have insisted that they would not mediate disputes among them. They have also steered clear of most heterodox insurrectionary groups around the world. They have privately denounced the Tupamaros and similar bands in Latin America, they kept hands off last year's insurrection in Ceylon, and they have not encouraged self-proclaimed "Maoists" in East Bengal or in India.

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Some Chinese aid still flows to the fedayeen movement, but this too has been drying up (as is the movement itself, of course). On the other hand, Peking continues to give a small amount of aid to anti-Portuguese guerrillas based in Zambia and Tanzania, mostly in the form of small arms and a minimum amount of training. This seems designed to keep Peking's anti-colonialist as well as its revolutionary credentials valid.

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23. The exception to this pattern--and it is an important one--is in Southeast Asia. But even in this area the returns are mixed. The Chinese do little or nothing for Communist insurgent movements in the Philippines and Indonesia, and although a radio station broadcasting in the name of the Malayan Communist Party exists on Chinese soil, Peking is not offering material aid to the insurgents in that country. In the case of the two remaining insurgencies--those in Burma and Thailand--not only are there supporting radio stations on Chinese soil, but Peking is also actively aiding the rebels, offering them both training and arms. Both the Burmese and the Thai Communist parties have long and intimate ties with Peking, and some of the leaders of each party reside in China.

24. The Thai Government has long been hostile to Peking and is involved in the Indochina war; there is therefore every reason for the Chinese to continue to support the insurgents. In the case of Burma, however, a different set of circumstances prevail. Material Chinese aid was first supplied the rebels only at the height of the Cultural Revolution, and Peking and Rangoon have since moved a great distance toward rapprochement. There are therefore practical reasons for the Chinese to cut off supplies to the insurgents, and for some time important Burmese officials believed this was happening. Last month, however, a major, long-drawn-out battle took place between the insurgents and government forces, indicating that the insurrection was very much alive.

25. There have been signs that a number of revolutionary movements have been unhappy with recent developments in Chinese foreign policy--and that the Burmese insurgents in particular resented Ne Win's recent trip to Peking, at Chinese invitation. The Chinese have evidently been prepared to brazen out general left-wing unhappiness over the President's visit, but at the same time have shown extreme sensitivity about their revolutionary clients in Southeast Asia. Late last spring Chou En-lai specifically mentioned the Burmese Communist

Party when giving voice to this concern. In short, Peking probably is not willing to risk the displeasure of its clients in the delicate period just before the President travels to China. If, however, Peking backs away from "people's wars" even in their own back yard, the first signals may appear along the Burmese border.