

CHINA-U.S.-SOVIET RELATIONS

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ISSUE DEFINITION

In 1979, a time of clear downturn in U.S.-Soviet relations over such sensitive issues as SALT, Soviet troops in Cuba, and the Soviet invasion of Afghanistan, the Carter Administration moved ahead with a series of measures designed to improve relations with Moscow's major adversary in Asia, the People's Republic of China (P.R.C.). In August 1979, the Administration supplemented its earlier decision on normalizing diplomatic relations with China by putting aside a barrier in U.S. law to provide official American technical support, by pledging to work with Congress to provide expeditiously most-favored-nation (MFN) tariff treatment and Export-Import Bank loans, and by pledging to provide U.S. Government guarantees to American businessmen investing in China. In Jan. 1980, the Administration began extensive defense cooperation with China and announced it was willing to sell China an array of non-lethal military equipment.

The offers to China prompted considerable criticism from the U.S.S.R. and provoked debate among American policy makers in Congress and elsewhere about the broader implications of U.S.-China cooperation for U.S. interests vis-a-vis the Soviet Union and in world affairs.

Analysts on one side of the issue applauded efforts to improve economic, political, and military relations with China and urged the United States to go further to provide China with sophisticated technology, including weapons, and to cooperate more closely in defense planning and foreign policy strategy with China against the U.S.S.R.

On the other side of the debate were those observers who argued that an American "tilt" toward China and away from the Soviet Union could result in unforeseen Soviet or Chinese actions that could seriously undermine broader American foreign interests. They were especially critical of what they saw as efforts by some officials in the Administration and Congress to "play the Chinese card" -- a loosely defined concept which has referred to the building of closer U.S. political, economic, technical, or military ties with China for the purpose of gaining greater U.S. leverage against the Soviet Union.

Since that time, the debate has remained intense as U.S. policy has moved closer to a military and strategic alignment with China against the U.S.S.R. and its allies.

BACKGROUND AND POLICY ANALYSIS

The debate over American-Chinese-Soviet relations is not new but has existed at least since President Nixon made the American opening to China and prompted strategists in the West, as well as in Moscow and Peking, to begin to think in terms of a triangular relationship among the three large powers. Americans were unable to come to a consensus on how the United States should behave in the triangular relationship, and they disagreed particularly on what effects a forthcoming American China policy -- a U.S. "tilt" toward China -- would have on broader U.S. interests vis-a-vis the Soviet Union.

This lack of agreement remained somewhat academic for U.S. policy makers in the Congress and elsewhere until the hurdle of Sino-American diplomatic normalization was overcome. Only after the establishment of full diplomatic

relations between China and the United States on Jan. 1, 1979, could American planners realistically consider using significant improvements in American economic, political and strategic ties with China against the U.S.S.R. Even if American policy makers have no intention of playing one communist power off against the other, the opportunities for new initiatives toward China that have followed from recognition compel them to consider more carefully how such initiatives would be perceived by the Soviet Union and would affect broader U.S.-Soviet relations.

Recent efforts of American leaders to arrive at a proper balance in the U.S. policy toward China and the Soviet Union have been seriously complicated because these leaders, as well as other informed Americans, have not agreed on how U.S. cooperation with China would be likely to affect the Soviet Union. Three widely divergent schools of thought have emerged on this issue, and their differences have not shown promise of early reconciliation.

One school of thought, which has not enjoyed a large following, has judged that U.S. cooperation with China has little impact on the U.S.S.R. Members of this group therefore have thought that, on one hand, it would be futile for the United States to try to use its ties with China in order to improve the American position vis-a-vis the Soviet Union, and on the other hand, that the evolution of U.S.-P.R.C. relations per se would be unlikely to prejudice U.S. interests vis-a-vis the Soviet Union. In effect, they urge the United States to pursue improved relations with Peking for their own sake, not for any presumed effect -- positive or negative -- they would have on the U.S.S.R.

A second and much larger school of thought has judged that U.S. policy toward China has had a substantial effect on the Soviet Union and it has favored U.S. initiatives designed to manipulate that policy and other issues concerning Sino-Soviet affairs in ways that would stimulate continued rivalry and friction between the two Communist states. These observers have believed that Sino-Soviet rivalry has been advantageous for the United States and that U.S. leaders should do what they can do to insure a continuation of that competition. The spokesmen have stopped well short of advocating U.S. efforts to provoke armed conflict between China and the Soviet Union, noting in particular that such a war would run the risk of prompting a global conflict involving the United States and could also seriously upset U.S. security, economic, and other interests in East Asia.

At the same time, some members of this group have claimed that substantial reconciliation between Moscow and Peking would reduce the perceived leverage that the United States has gained by having better relations with each of the two communist powers than they have with each other. They have asserted that such a reconciliation would allow the U.S.S.R. to direct military power away from China and toward U.S. interests in Europe and the Middle East, would expose the Japanese to more direct Soviet pressure, and would reduce incentives for Peking and Moscow to compete for better relations with the United States.

Though this group is generally thought of as a homogeneous one, there is one fundamental difference among them. Some have favored an evenhanded American policy designed to improve relations with both Moscow and Peking. These spokesmen advocated, for example, that the United States follow its normalization of diplomatic ties with Peking and welcome for Chinese Vice Premier Deng Xiaoping, with a SALT agreement and summit meeting with Soviet leaders. They claimed that such a "balanced" approach assured the United States of the most advantageous position in the triangular relationship,

inasmuch as both communist countries would presumably continue to see their interests as served better by improved relations with the United States than by improved relations with each other.

This faction has recently lost ground to others in this group who have disavowed interest in a balanced approach. They have stressed that the Soviet Union is a far greater threat to the United States than China, which many of them have seen as a de facto ally of the United States against the Soviet Union. As a result, they have asserted that the United States should actively encourage China to remain on the American side, opposed to the U.S.S.R., and should do so by assisting in the buildup of China's political, economic and military strength against the Soviet Union. Some of these spokesmen have called on the United States to solidify political relations with China on the basis of the principle of "antihegemony" (i.e., opposition to Soviet expansion abroad) seen in the Sino-American communiques of 1972 and of 1978; they have supported U.S. efforts to back China in confrontation with the Soviet Union over such issues as the Sino-Vietnamese conflict and Soviet involvement in Laos and Afghanistan; they have called for an increase in American technical interchange, loans and trade with China designed to assist Peking's recent modernization program and to build China's economic strength vis-a-vis the Soviet Union; and they have claimed that the United States should alter its arms sales policy and encourage West European countries and U.S. manufacturers to sell sophisticated arms to China.

Meanwhile, members of a third school of thought have warned against what they have seen as the dangers in the United States trying to direct China policy in ways supposedly advantageous for U.S. interests vis-a-vis the Soviet Union. They have generally favored a cautious U.S. approach to improved relations with China, in order to allow the United States to prepare for and manage better the possible unfavorable impact of such improved ties on broader U.S. foreign policy interests. In urging caution, these spokesmen have used two major lines of argument. Some have maintained that the United States really has little ability to control policy making in either Peking or Moscow and that a manipulative American policy could therefore result in unforeseen Chinese or Soviet actions with consequences contrary to American interests. Thus, for example, a number of analysts have claimed that U.S. leaders adopted a policy in favor of China and against the Soviet Union during 1978 and early 1979 in order to pressure the U.S.S.R. to become more accommodating regarding American interests in SALT, East-West conflict in Africa and other U.S.-Soviet issues. In fact, however, while the Soviet Union was said to have persisted in its policies against U.S. interests, Peking is seen to have used its closer ties with Washington for its own ends. The Chinese reportedly exploited them as signs of American support for China in Peking's dispute and military confrontation with Vietnam during late 1978 and early 1979.

Other spokesmen have noted that the complexity of recent international events has made it very difficult for U.S. leaders to see clearly the precise effects of improved American relations with China against the U.S.S.R. As a case in point, these spokesmen have sometimes argued against substantial U.S. support for China's technological and strategic modernization efforts. They have noted that such support may have the effect of causing the Soviet Union to feel the need for closer relations with the United States, but they have added that it is also possible that Peking might be inclined eventually to use its new power forcefully in areas sensitive to the United States -- such as Taiwan, Korea, and Japan.

MONDALE VISIT TO CHINA

Debate among the proponents of these widely differing points of view on U.S.-China-Soviet relations came into sharper focus after Vice President Mondale's visit to China in August 1979 and the concurrent downturn in American-Soviet relations over SALT, Cuba and other issues. Earlier in 1979, American leaders in Congress had focused primarily on the bilateral aspects of Sino-American relations, examining problems concerning future American trade and other exchanges with China and future U.S. dealings with Taiwan. The broader implications of U.S. China policy for relations with the Soviet Union tended to receive only secondary attention, especially since it appeared to many leaders in the United States and abroad that the Administration was trying to balance its forward movement on relations with China with a summit meeting and SALT agreement with Soviet leaders.

U.S. pledges to China during Mondale's visit and the decline in U.S.-Soviet relations seemed to alter substantially -- in favor of China and against the U.S.S.R. -- past U.S. policy in the triangular relationship. (This policy seemed to change even further in the minds of some observers when the Administration disclosed on Oct. 1, 1979, simultaneously with President Carter's speech to the nation announcing U.S. military countermoves to the presence of a Soviet brigade in Cuba, that the United States -- for the first time -- was sending the U.S. Defense Secretary to China to discuss matters of mutual concern. While announcing the trip to China, administration spokesmen still insisted that U.S. policy toward the Sino-Soviet powers remained basically in balance.) During Vice President Mondale's trip to China, the Administration unilaterally adopted four separate measures which significantly would improve economic relations with China and would not be provided to the U.S.S.R. for the foreseeable future. At least three of these measures required support of the Congress.

Services to China

In August 1979, just prior to Vice President Mondale's departure for China, administration officials informed the press that President Carter would now allow China to receive U.S. technical services under the terms of Section 607(a) of the Foreign Assistance Act of 1961, as amended. This would allow any agency of the U.S. Government to furnish services and commodities on an advance-of-fund or reimbursement basis to China. The section limits such aid to "friendly" countries, but administration spokesmen maintained that in August 1979 President Carter had determined that the P.R.C. was a friendly country for the purpose of receiving such services.

Most-Favored-Nation (Nondiscriminatory) Tariff Treatment

The Congress was required to vote on a Sino-American trade agreement, granting MFN tariff treatment to China, which was submitted by the Administration to Congress in October 1979, as promised by Vice President Mondale in remarks to Chinese leaders in Peking.

Under terms of the Trade Act of 1974, MFN status can be granted to the P.R.C., after approval by Congress, in the context of a Sino-American bilateral commercial agreement valid initially for three years. The agreement must, among other things, contain safeguards against market disruption, contain agreements for the settlement of commercial disputes, make provisions for bilateral consultations, and secure protection for the

individual property rights of U.S. nationals equivalent to those contained in the Paris Convention for the Protection of Industrial Property. The Sino-American commercial agreement, which the Carter Administration signed with the Chinese in July 1979 and which it submitted to Congress for approval in October 1979, met these requirements.

Moreover, under the Jackson-Vanik amendment the MFN status may not be presented to any nonmarket economy (i.e., Communist) country that denies its citizens the right or opportunity to emigrate, or imposes more than nominal exit fees or taxes on documents or individuals. President Carter notified Congress that he was waiving these provisions when he submitted the Sino-U.S. trade agreement to Congress. Such waivers are authorized by law in certain circumstances, but the waiver authority is subject to annual Congressional review and the possibility of a one-House veto.

The Congress passed the U.S.-China trade agreement on Jan. 24, 1980.

Export-Import Bank Credits

Vice President Mondale pledged to the Chinese leaders that the United States would also provide China on a case-by-case basis with up to \$2 billion in Export-Import Bank credits over the next five years. The Export-Import Bank Act of 1945 as amended prohibits any credit transaction by the bank directly or indirectly involving a Communist country, unless the President determines that such a transaction is in the national interest; more importantly, Eximbank credit transactions (export credits and credit guarantees) are also subject to the Jackson-Vanik ban and may in general not be extended without a waiver to nonmarket economy countries which curb their citizens right to emigrate. President Carter's waiver in this regard in Oct. 1979 concerning the Sino-American trade accord also applied to Eximbank credits.

Investment Guarantees

Vice President Mondale also promised Chinese leaders that the Carter Administration would seek approval from Congress for investment guarantees from the Overseas Private Investment Corporation (OPIC) for Americans wishing to invest in China. Such approval was granted in August 1980. Like export credit transactions, investment guarantees are also subject to the Jackson-Vanik provision.

Soviet Criticism

Vice President Mondale's visit to China evoked new expressions of apprehension from Moscow over the Carter Administration's China policy. Moscow commentaries saw the increasing Sino-American cooperation evident in the Vice President's trip as a clear indication that the Administration intended to play the "China card" against the U.S.S.R. The commentaries represented an apparent hardening of the Soviet line against U.S.-China policy.

Soviet commentators gave special attention to what they saw as closer Sino-American collaboration in foreign policy and in areas of strategic interest to the U.S.S.R., especially East Asia. Highlighting the Vice President's statement in Peking to the effect that any nation that seeks to weaken or isolate China is acting against American interests, Soviet commentators characterized the pronouncement as a thinly veiled warning to the U.S.S.R. They also noted the Vice President's pledges of closer U.S.

economic and technical cooperation with China. Following past practice, they saw these promises not so much as immediate dangers to the U.S.S.R., but as longer term concerns to Soviet interests inasmuch as they will serve to build up China's economic strength, which Soviet leaders judge will be used eventually to support Chinese forces in future confrontations with the U.S.S.R.

U.S.-CHINA STRATEGIC COOPERATION

Even critics of the U.S. efforts to establish closer relations with China generally agreed that U.S.-Chinese economic cooperation was less likely to antagonize the U.S.S.R. and compromise other U.S. long-term interests than U.S.-Chinese security ties. At present, an apparently increasing number of American policymakers in the Administration and Congress are calling for increased Sino-American cooperation of an incrementally more strategic nature. They want the United States to provide China with advanced technology in such areas as electronics, computer science, mining, and oil drilling. Some have added that the United States should not only allow West European countries to sell arms to China, but should engage in such trade on its own. Many suggest that the United States could better protect its interests in Asia from Soviet "expansion" by working more closely in foreign policy and defense planning with China against the U.S.S.R. They judge in particular that the United States, Japan and other noncommunist Asian states should consult carefully with China in order to build a common front to prevent the expansion of Soviet influence and power into such areas as Indochina, Afghanistan, the Indian Ocean, and the Western Pacific.

Some of these policy makers judge that such U.S. moves will not only shore up American strategic interests in Asia but will also prompt the Soviet Union to be more accommodating toward the West and more cautious in trying to gain advantage over the United States in other parts of the world. Most recently, several policy makers reportedly have called for the United States to use the prospect of defense cooperation and the transfer of arms to China as a means to cause the Soviet Union to reassess and perhaps pull back from its military involvement abroad.

Opposed to these spokesmen are those American planners who are less sanguine about China's intentions and are seriously concerned about possible Soviet countermeasures to Sino-American strategic cooperation. Some of them point out that China remains one of the most unpredictable major powers in world affairs, showing in the past a notable willingness to use force, as well as conventional diplomacy, in order to achieve foreign objectives. They note in particular that the unity of the Chinese leadership remains a major unpredictable element in Chinese foreign policy, and that a major shift in the policies of either of the Soviet Union or the United States could result in a substantial change in Chinese policies. Thus, for example, they note that if the United States adopted a decidedly pro-China tilt in American foreign policy and sold arms to China, the result might be a violent Soviet response against the weaker link in the Sino-American "alliance" -- China -- that could seriously damage the interests of the United States, China, Japan and other states important to the United States in the maintenance of stability and prosperity in Asia. Perhaps of more immediate importance, some of these observers add that closer Sino-American strategic cooperation at a time when Chinese leaders are threatening to use force once again against Moscow's ally, Vietnam, would only serve to increase the likelihood of a

major East-West confrontation breaking out in a part of Asia that is no longer seen as of vital importance to American interests.

Soviet Invasion of Afghanistan; Brown Visit to China

The debate on U.S.-Chinese strategic cooperation has been influenced heavily by altered American and Chinese views of Soviet intentions following the Soviet invasion of Afghanistan in late December 1979. Peking reacted strongly to the Soviet move, stating that it posed a direct threat to Chinese security and marked the most serious escalation of Soviet "expansionism" in over a decade. The Chinese reaction implied that Peking wished to see the United States adopt a more active approach to the Middle East-South Asian region in order to counteract the Soviet "threat"; and it signaled what some have seen as an even keener Chinese interest in pursuing closer strategic cooperation with the United States than in the past -- an interest that was reflected during Chinese discussions with Defense Secretary Brown in Peking in January 1980. It also demonstrated stronger Chinese suspicion of Soviet motives in international affairs -- a development that resulted in Chinese suspension on Jan. 20, 1980, of the Sino-Soviet talks which began on China's initiative in the fall of 1979.

The Soviet action and resulting furor in the United States undercut the arguments of those American policymakers who had favored an evenhanded approach toward the Sino-Soviet powers. China's strongly anti-Soviet reaction also offset the arguments of those Americans who had been suspicious that China could not be trusted to maintain an anti-Soviet posture in coordination with the United States.

A new American approach to the Sino-Soviet powers -- and the apparent demise of the former evenhanded strategy -- were apparent in Secretary Brown's weeklong visit to China in January 1980. Although the full details of the visit were not readily available, several of its accomplishments strongly indicated that the United States would side closely with China in common efforts to offset Soviet power in Asia. According to various press accounts:

- (1) The United States agreed to sell a ground station enabling China to receive data of possible military use from American satellites.
- (2) The United States told China of its willingness to sell the P.R.C. an array of non-lethal military equipment, which could be expanded in the future.
- (3) The United States and China coordinated closely their parallel strategies in support of Pakistan and in backing other unspecified efforts -- perhaps including support for anti-Soviet Afghan forces -- to thwart Soviet expansion in southwest Asia.
- (4) The United States informed China that it would welcome Chinese military help against Vietnam in whatever form Peking might choose, if Vietnamese forces crossed from Cambodian territory into Thailand.

Haig Visit to China

Secretary Haig's visit to China on June 15-17, 1981, furthered U.S.-China strategic cooperation against the U.S.S.R. and Soviet-backed governments, especially in Indochina and Afghanistan. Haig announced that the United States was now willing to consider the sale of lethal military equipment to China, on a case-by-case basis.

U.S. Military Transfers to China. The U.S. announcement that it was now willing to sell lethal military equipment to China caused some observers in the Congress and elsewhere to examine what role -- if any -- Congress would play in future U.S. exports of defense articles and services to the P.R.C. Under present law, arms sales to China would be subject to several restrictions, some of which involve the Congress.

The Arms Export Control Act contains several provisions that would govern transfers of defense articles to foreign countries, including:

- (1) Section 38(a), which, among other things, requires that defense articles or services to be transferred must have an export license issued by the Administration.
- (2) Section 36(b), which allows the Congress to disapprove by concurrent resolution the transfer of any "major defense equipment" worth \$7 million or more, or any other defense articles or services worth \$25 million or more.
- (3) Sections 38(b)(3) and 36(c), regarding commercial transactions, which allows the Congress to disapprove by concurrent resolution transfers of "major defense equipment" valued at \$100 million or more.
- (4) Section 3, which sets forth a series of criteria a country must meet in order to be eligible to receive defense items under the Act, notably the country's agreement not to make unauthorized transfer of defense articles supplied under the Act or to permit them to be used for purposes other than those for which they were originally furnished.

At the same time, the Foreign Assistance Act, Section 620(f), would appear to limit the furnishing of U.S. grant military assistance to any Communist country unless the President issues a narrowly defined waiver. This section specifies that the President must determine and report to Congress that: such assistance is vital to U.S. security; the recipient country is not controlled by the international communist conspiracy; and such assistance will further promote the independence of the recipient country from international communism. The phrase "Communist country" expressly includes the P.R.C.

Section 505(b) of the Act limits the ability of the President to grant defense articles at a cost in excess of \$3 million in any fiscal year in the absence of a waiver by him. According to this section, the President must determine that the recipient country conforms to the principles of the U.N. Charter, that the articles transferred will be used to defend the country or the free world; that the recipient country is making reasonable efforts to build up its own defense, and that the increased ability of the recipient country to defend itself is important to the security of the United States.

Regarding the possible sending of military advisors to China, Section 515 of the Foreign Assistance Act states that no military assistance advisory

group, military mission, or other organization of U.S. military personnel performing similar military advisory functions under the Act or the Arms Export Control Act may operate in a foreign country like China unless specifically authorized by Congress.

Meanwhile, Congress in recent years has used legislative vehicles to impose restrictions on arms transfers to specific foreign countries. Turkey, Argentina, and Chile are countries which have been affected by these restrictions.

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CHRONOLOGY OF EVENTS

- 10/31/81 -- P.R.C. Foreign Minister Huang Hua ended two days of talks in Washington with no sign of progress on the contentious issue of U.S. advanced weapons sales to Taiwan. It was also announced that no date has been set for the much-delayed trip to the U.S. to discuss military sales by Vice Chief of Staff Liu Huaqing.
- 10/19/81 -- Sources in Moscow reported that the U.S.S.R. has proposed to China that the two countries revive talks about improving relations, or at least reopen the border negotiations that were broken off three years earlier.
- 08/28/81 -- Ending three days of talks with top Chinese leaders, former President Jimmy Carter praised President Reagan for his decision to consider the sale of lethal military equipment to China.
- 08/13/81 -- The Reagan Administration has postponed a visit to the United States of a P.R.C. military delegation scheduled for August because, according to press reports, the Administration has not yet decided how far it wants to go in selling arms to China. Later reports said the delay was caused by Chinese unwillingness to send the delegation at a time of uncertainty over U.S.-Taiwan policy.
- 07/02/81 -- CCP Vice Chairman Li Xiannian said that China is ready to purchase military technology from the United States in order to produce its own arms. He added that it is possible China would accept American technicians in China to train Chinese in the use of military technologies.
- 06/29/81 -- Pravda authoritatively condemned Secretary Haig's trip to China and his announcement of closer U.S.-China military relations as a "dangerous game" that demands an unspecified "resolute rebuff."
- The House Foreign Affairs Committee's Subcommittee on Asian and Pacific Affairs sent a letter to President Reagan urging him not to sell advanced fighter aircraft to Taiwan and to approach arms sales to China with "the greatest caution."

- 06/17/81 -- Secretary Haig ended three days of talks with Chinese leaders in Peking which focused in part on closer strategic cooperation against the U.S.S.R. and U.S.S.R.-backed regimes, especially in Indochina and Afghanistan. Haig also announced that the United States was now willing to consider the sale of lethal military equipment to China. Meanwhile, it was disclosed in Washington that the U.S. had been operating an intelligence monitoring station in Western China for over a year. The station was designed to replace stations targeted against the U.S.S.R. which were closed in Iran in 1979.
- 06/10/81 -- Pentagon officials told the press that the Reagan Administration had decided to consider any requests China may submit for U.S. weapons. While acknowledging that this willingness represents a change from past policy, the officials stressed that no decision had been made about actually selling arms to Peking.
- 06/05/81 -- State Department officials told the press that the National Security Council agreed the previous day to promote a sense of measures to ease trade and other economic relations with China and to open the way for discussions with the P.R.C. on U.S. arms sales, no decision was made on possible U.S. aid to China.
- 05/13/81 -- China media announced that Secretary of State Haig will visit China during his first tour of East Asia in June 1981. Western press reports said that some U.S. officials want the agenda to include the sale of U.S. anti-tank and anti-aircraft missiles to China.
- 04/05/81 -- Defense Secretary Weinberger said in London that the U.S. response to Soviet intervention in Poland could include the sale of U.S. weapons to China.
- 03/23/81 -- Former President Gerald Ford met in Peking with Deng Xiaoping to discuss the Reagan Administration's policy toward China. The visit capped several recent steps by the Administration, including a formal meeting with the Chinese ambassador by President Reagan on Mar. 19, to reassure China on U.S.-China relations. Ford reportedly discussed the sale of U.S. arms to Taiwan and to the P.R.C. during his China visit.
- 02/20/81 -- Secretary of State Haig held his first formal meeting with the Chinese ambassador in what Chinese media called a "very friendly" atmosphere.
- 02/06/81 -- The Reagan Administration announced for the first time that it would honor the "solemn undertakings" made by the United States in agreeing to normalize relations with China in December 1978. The

announcement, by a State Department spokesman, was seen as a gesture to China, whose officials had been seeking reassurances of the new Administration's commitment to the normalization process.

- 01/04/81 -- Senate Deputy Majority Leader Ted Stevens said in Peking after two days of talks with Chinese leaders that he would not "rule out" U.S. sales of weapons to China as a means to counter Soviet "aggressiveness" in world affairs.
- 12/02/80 -- Peking media strongly criticized the reported remarks on U.S.-China-Taiwan relations of Ray Cline, a member of Ronald Reagan's foreign policy advisory board, during Cline's visit to several Asian cities, including Taipei. Peking took particular issue with the Taiwan Relations Act, which Reagan Administration spokesmen, including Cline, said would provide the basis for closer American relations with Taiwan in the future.
- 10/22/80 -- China and the U.S. signed an agreement providing for the annual Chinese purchase of at least 6 million tons of U.S. grain from 1981 through 1984.
- 10/15/80 -- Peking strongly protested a recent U.S. agreement with Taiwan granting Taiwan's unofficial representative in the U.S. privileges and immunities similar to those given foreign diplomats.
- 09/21/80 -- The New York Times reported that China asked the U.S. for permission to buy police equipment from American manufacturers, touching off a dispute in the Carter Administration over whether such sales should be permitted in view of China's human rights record.
- 09/10/80 -- A delegation of senior U.S. Defense Dept. research experts capped a visit to China with the announcement that the Carter Administration had approved hundreds of export licenses for the sale of advanced U.S. electronic gear and military support equipment to China.
- 08/23/80 -- Vice Presidential candidate George Bush ended several days of talks with top Chinese leaders and departed Peking amid Chinese media commentaries strongly critical of Presidential candidate Ronald Reagan's avowed interest in closer U.S.-Taiwan relations.
- 07/10/80 -- President Carter held an hour-long meeting with Chinese Premier Hua in Tokyo. They reportedly discussed bilateral issues as well as Soviet and Vietnamese policies in Asia.
- 05/29/80 -- Chinese Vice Premier Geng Biao ended four days of talks with top-level U.S. leaders on future Sino-U.S. military cooperation. As a result of the talks, the Carter Administration allowed American companies to begin negotiations to sell to China a wide range of non-lethal equipment including air defense radar, helicopters and

transport planes, and secure communication equipment.

- 03/17/80 -- Chinese Vice Foreign Minister Zhang Wenjin began talks in Washington with high-level U.S. officials on increased U.S.-China security cooperation, especially concerning parallel efforts to curb Soviet power in Asia and regarding possible U.S. sales of non-lethal military equipment to China. At the same time, the Administration prepared a lengthy list of the types of non-lethal military equipment it was prepared to sell to China.
- 01/24/80 -- The Congress approved the China-U.S. trade agreement granting most-favored-nation tariff treatment to China.
- The Pentagon announced that Secretary Brown had told the Chinese earlier in the month that the United States was now willing to sell China non-lethal military equipment, including trucks, communications gear, and certain types of early-warning radar. An official at the Pentagon reportedly added that the list could be expanded in time to include transport planes and battlefield computers.
- 01/20/80 -- China announced the suspension of talks on normalizing Sino-Soviet relations which began in 1979 in Moscow.
- 01/13/80 -- Defense Secretary Brown left China after a week of talks with Chinese leaders on closer Sino-American strategic cooperation in Asia, especially against Soviet moves in Afghanistan and Soviet-backed expansion by Vietnam and Indochina.
- 12/31/79 -- Peking's strong reaction to the Soviet invasion of Afghanistan included an official warning that the Soviet action "poses a direct threat to China's security. This cannot but arouse the grave concern of the Chinese people."
- The House Ways and Means Committee voted 24 to 8 to approve the U.S.-China trade agreement.
- 10/23/79 -- President Carter submitted the U.S.-China trade agreement to Congress for approval. The President also issued a proclamation declaring that recent Chinese actions allowed him to waive the restrictions of the Jackson-Vanik amendment for China.
- 10/16/79 -- State Department Soviet expert Marshall Shulman told a House Foreign Affairs Committee hearing that the Administration would seek passage of a trade agreement with China without seeking passage for a trade agreement with the U.S.S.R. He said consideration of a trade accord with Moscow would have to await Senate approval of the SALT agreement.
- 10/15/79 -- The State Department criticized China for

sentencing a prominent dissident to a 15-year jail term. The action marked the first time the U.S. Government of President Carter was known to have formally criticized China's treatment of human rights.

- 10/01/79 -- The Carter Administration disclosed that Defense Secretary Brown would visit China later in 1979. The report of the first visit by a U.S. Defense Secretary to China came on the same day that President Carter announced U.S. military moves to counter the presence of Soviet troops in Cuba.
- 09/27/79 -- Sino-Soviet negotiations designed to improve relations between the two communist powers opened in Moscow. The start of the talks culminated a 6-month period of preliminary diplomatic interchange between the two sides on the agenda, location and diplomatic level of the negotiations.
- 08/29/79 -- Vice President Mondale left Peking after several days of meetings with top Chinese leaders and the signing of Sino-American accords on cultural exchanges and cooperation in hydroelectric power. Mondale told the Chinese that the Administration would seek the approval of Congress in 1979 for the recently negotiated U.S.-China trade agreement and would also seek Congressional approval for OPIC guarantees for Americans investing in China; he added that the United States was prepared to establish Export-Import bank credit arrangements for the P.R.C. on a case-by-case basis up to a total of \$2 billion over a 5-year period.
- 07/07/79 -- The United States and China signed a trade agreement which, if endorsed by Congress, will provide most-favored-nation tariff treatment for China.
- 05/14/79 -- Secretary of Commerce Kreps capped her visit to China by initialing a Sino-American trade agreement. Earlier in her visit, Secretary Kreps signed a U.S.-P.R.C. agreement on financial claims and frozen assets which had been initialed during Secretary Blumenthal's visit to China in March 1979.
- 03/02/79 -- Secretary of the Treasury Blumenthal announced at the end of his week-long visit to Peking that the Chinese had agreed to pay Americans \$80.5 million in settlement of outstanding claims.
- 02/17/79 -- Charging numerous border incursions by Vietnamese, the Chinese announced they had launched a "counterattack" in order to teach the Vietnamese a lesson. The U.S. sought to prevent eruption into a wider war by calling on both nations to

withdraw their troops behind their own borders and cautioning the Soviet Union against direct involvement.

- 02/04/79 -- U.S. and P.R.C. leaders hailed the normalization of their diplomatic relations during Chinese Vice Premier Deng Xiaoping's visit to the United States from Jan. 29 to Feb. 4, 1979. The two sides announced in a joint press communique that they had agreed to conclude trade, aviation, and shipping agreements, and they used the communique to reiterate their joint opposition to international "hegemony."
- 12/15/78 -- President Carter announced that the United States would establish diplomatic relations with the P.R.C. as of Jan. 1, 1979, would break its diplomatic ties with the Nationalist Chinese administration on Taiwan on that date, and would terminate its defense treaty with Taiwan a year later.
- 11/24/78 -- The New York Times reported that the Carter Administration had approved a request by France to sell an American-designed nuclear power plant in China.
- 11/03/78 -- Secretary of State Vance said that the United States would not sell military weapons to China or the Soviet Union but indicated that the United States would not oppose the sale of military weapons to China by West European countries.
- 10/31/78 -- The Washington Star reported that the United States had agreed to sell China a communications satellite that will improve telephone and television links in China.
- 07/26/79 -- The Washington Post reported that, while the Carter Administration was continuing a moratorium on most high-level official trips to the Soviet Union, it has approved new official missions to China, including a trip by Energy Secretary Schlesinger.
- 05/23/78 -- National Security Adviser Brzezinski departed Peking after three days of talks with top Chinese leaders.
- 05/09/78 -- A violation of the Sino-Soviet border by Soviet border guards prompted the first public exchange between Moscow and Peking over a specific border incident in four years.
- 10/31/77 -- Secretary of State Cyrus Vance told editors of U.S. News and World Report that it would be a "great mistake" for the United States to supply military equipment or assistance to either China

or the Soviet Union, and noted that the leaders of neither country had expressed an interest in acquiring such equipment.

- 06/23/77 -- The New York Times reported that the Carter Administration had decided -- at least for the time being -- against selling military technology to China.
- 02/28/77 -- The New York Times reported commentary by sources in Washington That Peking had shown renewed interest in purchasing Western weapons to help modernize the Chinese communist army.
- 10/29/76 -- The U.S. State Department announced that it would allow the private sale of sophisticated Cyber 172 computers and support systems to China and the Soviet Union.
- 02/21/72 -- President Nixon began a seven-day visit to China. The United States and China issued a joint communique on February 26 in Shanghai which indicated that negotiations would continue toward normalization of relations, efforts would be made to increase the level of trade, and bilateral exchanges would be increased. Both sides affirmed opposition to "hegemony" in Asia.

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