

CONFIDENTIAL

CHINA

GR 500

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DESKBY 160830Z

FM MOSCOW 151700Z MAY 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 274 OF 15 MAY

INFO PRIORITY PEKING, HONG KONG, WASHINGTON, DOT/CREDA,
DOT/ESBOT AND MODUK AND DOI..

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16/5*

PEKING TELNOS 430 - 432: SINO - BRITISH RELATIONS.

1. I AGREE WITH HM AMBASSADOR PEKING THAT WE SHOULD NOT LET OUTSIDE POWERS LAY DOWN THE RULES OF THE GAME. WE DO NOT NEED TO. MOST OF THE POLICIES HE RECOMMENDS - WITH THE PARTIAL EXCEPTION OF ARMS SALES - ARE IN LINE WITH THOSE OF OUR ALLIES AND NEED NOT IN SUBSTANCE COMPLICATE THE ANGLO-SOVIET RELATIONSHIP. BUT JUST BECAUSE THE SOVIET LEADERSHIP ARE SO NEUROTIC ABOUT CHINA, THE WAY OUR POLICIES ARE DEVELOPED AND PRESENTED IS ALMOST AS IMPORTANT AS THE SUBSTANCE. IT MAY THEREFORE BE HELPFUL IF I OFFER SOME COMMENT, PARTICULARLY ON THIS LATTER ASPECT.

2. THE RUSSIANS WOULD ACCEPT MR CRADOCK'S ASSESSMENT (PARA 5 OF HIS TELNO 430) THAT OPPOSITION TO THE SOVIET UNION REMAINS THE CORNERSTONE OF CHINESE FOREIGN POLICY. THEY WILL THEREFORE ASSESS IN THIS CONTEXT THE MOTIVES OF ANY THIRD COUNTRY WHICH THEY SEE AS SEEKING TO STRENGTHEN CHINA, AND THEY WILL BE OVER-READY TO CONCLUDE THAT HE WHO HELPS MY ENEMY IS MY ENEMY. SO POLICY TOWARDS CHINA HAS TO BE SEEN AS RELEVANT TO THE EQUILIBRIUM BETWEEN THE BEST PLATFORM FROM WHICH TO DEAL WITH THE SOVIET UNION.

3. WE ARE NOW AT A PARTICULAR SENSITIVE STAGE, WHEN THE RUSSIANS ARE LOOKING FOR THE FIRST EVIDENCE OF PRESENT BRITISH GOVERNMENT POLICY. MINSUNDERSTANDING IS MOST LIKELY TO OCCUR IF WE APPEAR TO THE RUSSIANS TO BE ACCORDING GREATER PRIORITY TO OUR RELATIONS WITH CHINA THAN TO OUR RELATIONS WITH THE SOVIET UNION, OR GREATER PRIORITY TO OUR RELATIONS WITH

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CHINA THAN IS ACCORDED BY OTHER MAJOR WESTERN COUNTRIES, OF IF WE PUBLICLY PRESENT OUR CHINA POLICY IN TERMS OF THE STRATEGIC BALANCE. WE ARE MOST LIKELY TO PROMOTE OUR INTERESTS IN CHINA WITHOUT DAMAGE TO OUR RELATIONSHIP WITH THE SOVIET UNION IF WE:

- (A) TAKE OUR CHINA POLICIES PRAGMATICALLY AND DO NOT ACT IN A HURRY UNLESS THE REASONS FOR URGENCY ARE SELF-EVIDENT;
- (B) SEEK AS FAR AS POSSIBLE TO BALANCE INITIATIVES TOWARDS CHINA WITH INITIATIVES TOWARDS THE SOVIET UNION (A RECONFIRMATION OF MR GROMYKO'S OUTSTANDING INVITATION TO PAY AN OFFICIAL VISIT TO BRITAIN IS A CASE IN POINT);
- (C) KEEP BROADLY IN LINE WITH OUR PARTNERS AND ALLIES (AND MORE ESPECIALLY WITH THE AMERICANS, FRENCH AND GERMANS) ON THESE ISSUES WHICH AFFECT RELATIONS BETWEEN CHINA, THE SOVIET UNION AND THE WEST, AND
- (D) RECOGNISE THAT THE QUESTION OF ARMS SALES TO CHINA IS AN EXTREMELY SENSITIVE ONE, WHICH COULD DO SERIOUS DAMAGE TO OUR RELATIONS WITH THE SOVIET UNION IF IT APPEARS TO GAIN DISPROPORTIONATE WEIGHT IN THE OVERALL BRITISH/CHINESE RELATIONSHIP.

4. I HOPE THAT IN THIS WAY WE CAN GET THE BEST OF BOTH WORLDS WE HAVE IMPORTANT INTERESTS IN CHINA. BUT ON THE CRUCIAL ISSUES AFFECTING WESTERN SECURITY IT IS THE SOVIET UNION WHICH IS IN THE KEY POSITION, AND OUR ABILITY TO EXERCISE INFLUENCE - BOTH DIRECTLY AND IN COOPERATION WITH OUR PARTNERS AND ALLIES - WILL BE THE MORE IF WE ARE ABLE TO MAINTAIN AN EFFECTIVE WORKING RELATIONSHIP BETWEEN LONDON AND MOSCOW.

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FM PEKING 110925Z MAY 79

TO PRIORITY FCO

TELNO 432 OF 11 MAY

INFO HONG KONG, WASHINGTON, DOT/CREDA (CRE4), DOT/ESBOT, DOI,
MODUK.

MIPTS: SINO-BRITISH RELATIONS.

1. AGAINST THIS BACKGROUND I HOPE YOU WILL AGREE THAT CHINA SHOULD OCCUPY AN IMPORTANT PLACE IN OUR SCHEME OF THINGS AND THAT WE SHOULD VIGOROUSLY PUSH FORWARD OUR BILATERAL RELATIONS, BROADLY ON CURRENT LINES. THE FOLLOWING SPECIFIC ASPECTS WILL, I SUGGEST, NEED ATTENTION.

2. WE NEED TO MAINTAIN THE EXCHANGE OF HIGH LEVEL VISITS. THE FIRST STEP WILL, I HOPE, BE TO INFORM THE CHINESE THAT WE CAN RECEIVE HUA GUOFENG IN THE UK ON THE DATES HE HAS SUGGESTED I.E. 29 OCTOBER TO 3 NOVEMBER. HE WILL NO DOUBT PRESS FOR A RETURN VISIT FROM THE PRIME MINISTER. I HOPE THAT WILL BE FAVOURABLY CONSIDERED, BUT THE FIRST STEP MIGHT BE A VISIT FROM YOU YOURSELF, SAY AT THE END OF THE YEAR. THE LAST VISIT BY A CONSERVATIVE FOREIGN SECRETARY WAS IN 1972. A VISIT BY THE SECRETARY OF STATE FOR TRADE (OR FOR INDUSTRY) WOULD BE APPROPRIATE EARLY IN 1980 WHEN WE SHOULD HAVE BEEN ABLE TO SEE MORE CLEARLY HOW THE PRESENT ECONOMIC READJUSTMENT PHASE IS AFFECTING PLANNING AND IMPORTS. WE ALSO HAVE AN INTEREST IN BUILDING ON CONTACTS MADE AT MINISTERIAL LEVEL IN SUCH AREAS AS EDUCATION, SCIENCE AND HEALTH.

3. A CONTINUED EFFORT WILL BE REQUIRED TO EXPLOIT COMMERCIAL OPPORTUNITIES AND ENSURE THAT WE GET IN ON THE GROUND FLOOR OF MODERNISATION. CURRENT CHINESE CAUTION IN ECONOMIC PLANNING IS A FURTHER REMINDER THAT OUR BUSINESSMEN WILL NEED TO BE PERSISTENT AND AVOID EXAGGERATED EXPECTATIONS. DESPITE STIFF COMPETITION THE COMMERCIAL PRIZES REMAIN BIG ONES, HOWEVER, AND WHATEVER

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THEY ARE TO DO THE CHINESE WILL NEED TO MAKE STEADY ADVANCES IN SUCH FIELDS AS ENERGY, TRANSPORT, IN PARTICULAR RAILWAYS, AND PETROCHEMICALS. THEIR PRESENT PREFERENCE FOR MODERNISING EXISTING PLANT AS AGAINST BUILDING BRAND NEW INSTALLATIONS SHOULD WORK TO OUR ADVANTAGE AS AGAINST THE JAPANESE, EG IN STEEL.

4. THE AREA OF DEFENCE SALES WILL REQUIRE SPECIAL ATTENTION. THE CHINESE PARTICULARLY LOOK TO US AND THE FRENCH IN THIS AREA. WE DO NOT KNOW WHAT PROPORTION OF AVAILABLE FINANCE WILL GO TO DEFENCE SECTOR OF THE MODERNISATION PROGRAMME AND IT IS LIKELY THE CHINESE WILL HAVE TO TAKE IT SLOWLY. BUT THERE ARE CONSIDERABLE OPPORTUNITIES FOR THE SUPPLY OF AIRCRAFT, NAVAL VESSELS AND EQUIPMENT BEYOND CHINA'S CAPACITY TO DESIGN AND MANUFACTURE WITHOUT HELP. WE NEED, HOWEVER, TO BE ABLE TO SPEAK CLEARLY ABOUT OUR INTENTIONS IN THESE AREAS. WE SHALL ALSO HAVE TO TAKE ACCOUNT OF ADVERSE SOVIET REACTION. BUT THERE IS NO PROSPECT IN THE FORESEEABLE FUTURE THAT CHINA WOULD INITIATE HOSTILITIES AGAINST THE SOVIET UNION. SHE FACES AND IS LIKELY TO FACE FOR A VERY LONG TIME OVERWHELMING MILITARY SUPERIORITY ON THAT FRONT. NOR DO I THINK UNCERTAINTIES ON FUTURE CHINESE POLICY TOWARDS VIETNAM SHOULD DETER US FROM SUPPLY OF MANY CATEGORIES OF MILITARY EQUIPMENT. THEY WILL BE VALUABLE EXPORTS IN THEMSELVES AND ARE LIKELY TO BRING US RELATED BENEFITS IN CIVIL FIELDS.

5. IN THE FIELD OF ENGLISH LANGUAGE TEACHING WE OCCUPY A POTENTIALLY STRONG POSITION WHICH WE SHOULD EXPLOIT, BUT IF WE ARE TO RECRUIT EXPERIENCED LANGUAGE TEACHERS FOR CHINA WE SHALL HAVE TO BE ABLE TO SUBSIDISE THEIR SALARIES AND PROVIDE LOGISTICAL AND MATERIAL SUPPORT. SOME FORM OF AID MONEY WILL THEREFORE BE NEEDED.

6. I AM GRATEFUL FOR THE GOODWILL OF THE DEPARTMENT OVER THE NEED TO INCREASE STAFF TO DEAL WITH THESE AND OTHER TASKS AS ACCOMMODATION AND OFFICE SPACE BECOMES AVAILABLE. THIS WILL UNFORTUNATELY TAKE TIME. MEANWHILE WE SHOULD BE THINKING AHEAD ALSO - AS OUR COMPETITORS HAVE ALREADY DONE - TO THE

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OPENING OF CONSULATES IN CHINA, PROBABLY IN SHANGHAI AND CANTON INITIALLY. THESE CAN FULFIL A TRADE PROMOTION FUNCTION IN A COUNTRY WHERE THE INTENTION IS INCREASINGLY TO DEVOLVE ECONOMIC DECISIONS. THE OPENING UP OF CHINA WILL ALSO BRING WITH IT

PROBLEMS OF THE PROTECTION OF BRITISH TRAVELLERS. IN THE CASE OF CANTON WE SHALL HAVE TO TAKE ACCOUNT OF THE HONG KONG ASPECT. BUT I DO NOT THINK THAT WE CAN FOR MUCH LONGER EXPECT TO LOOK AFTER BRITISH INTERESTS IN A COUNTRY CONTAINING NEARLY A QUARTER OF MANKIND FROM PEKING ALONE. FORTHCOMING OR ONGOING NEGOTIATIONS BY THE AMERICANS, WEST GERMANS, ITALIANS AND OTHERS SHOULD VERY SOON HAVE SMOOTHED THE PATH FOR NEGOTIATIONS OF OUR OWN.

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FM PEKING 110904Z

TO PRIORITY FCO

TELEGRAM NUMBER 431 OF 11 MAY 79

INFO PRIORITY HONG KONG, WASHINGTON, DOT (CRE4 ESBOT), DOI
MOD AND ECGD

MIPT: SINO-BRITISH RELATIONS

1. OUR BILATERAL RELATIONS HAVE ADVANCED RAPIDLY OVER THE PAST YEAR AND ARE AT THEIR BEST EVER. WE HAVE HAD A SERIES OF HIGH LEVEL VISITS IN BOTH DIRECTIONS. PREMIER HUA HAS ACCEPTED AN INVITATION TO VISIT BRITAIN (AS WELL AS FRANCE AND GERMANY) AND HAS PROPOSED A DATE AT THE END OF OCTOBER. THE DUKE OF KENT IS TO OPEN THE BRITISH ENERGY EXHIBITION IN PEKING IN JUNE. OVER THE LAST YEAR WE HAVE CONCLUDED A SCIENCE AND TECHNOLOGY AGREEMENT, AND ECONOMIC COOPERATION AGREEMENT PROVIDING FOR US DOLLARS 14 BILLION WORTH OF JOINT ECONOMIC ACTIVITY TO 1985, AND ARE NEGOTIATING AN AIR SERVICES AGREEMENT. WE EXPECT SOME 300-400 CHINESE STUDENTS AND GRADUATES IN BRITAIN IN 1979. WE HAVE TOLD THE CHINESE THAT WE ARE READY TO PROVIDE CERTAIN ITEMS OF DEFENCE EQUIPMENT AS PART OF A WIDER BALANCED RELATIONSHIP AND NEGOTIATIONS FOR SUPPLY OF HARRIER AND OTHER ITEMS ARE GOING AHEAD.

2. REFLECTING THE ABOVE AND CHINA'S NEED FOR HONG KONG EXPERTISE AND FOREIGN CURRENCY. HONG KONG-CHINESE RELATIONS ARE AT A HIGH POINT. IN RESPONSE TO THE FIRST EVER OFFICIAL CHINESE INVITATION, THE GOVERNOR PAID A SUCCESSFUL VISIT TO PEKING IN MARCH AND HAD USEFUL TALKS WITH DENG XIAOPING.

3. AS I SEE IT, THE RATIONALE FOR OUR APPROACH TO SINO-BRITISH RELATIONS SHOULD BE:

(A) IT IS VERY MUCH IN THE UK INTEREST THAT THE CHINESE MODERNISATION PROGRAMME SHOULD MAKE PROGRESS WITH OUR HELP. BY OUR RESPONSE WE HELP CONFIRM THE MAIN LINES OF THE MORE OPEN AND PRO-WESTERN POLICY AND ACQUIRE BOTH POLITICAL GOODWILL AND COMMERCIAL PROFIT IN THE PROCESS.

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(B) THERE IS THE WIDER CONSIDERATION THAT CHINA IS BOUND TO BE AN INCREASINGLY POWERFUL FACTOR IN THE INTERNATIONAL POWER BALANCE. A CHINA ENGAGED IN MODERNISING WITH WESTERN HELP IS MORE LIKELY TO BE A STABLE AND POSITIVE FACTOR THAN ONE THAT HAD RELAPSED INTO ISOLATION AND XENOPHOBIA. BY ITS VERY EXISTENCE A STRONG CHINA WOULD ALSO ACT AS A CHECK ON SOVIET AMBITIONS.

(C) WE NEED HAVE NO ILLUSIONS ABOUT CHINA. AS A COMMUNIST STATE HER LONG-TERM AMBITIONS DIFFER VASTLY FROM OURS AND THERE ARE MANY ASPECTS OF CURRENT CHINESE EXTERNAL POLICY FROM WHICH WE SHALL NEED TO DISTANCE OURSELVES. NEVERTHELESS IN PRACTICE HER INTERESTS OVER THE IMMEDIATE AND MIDDLE-TERM FUTURE COINCIDE WITH OURS IN A NUMBER OF IMPORTANT FIELDS. IN PARTICULAR, FOR HER OWN GOOD REASONS CHINA WANTS A PROSPEROUS AND PRO-WESTERN JAPAN, A STRONG EUROPE AND A POWERFUL UNITED STATES FULLY COMMITTED TO WEST EUROPEAN DEFENCE.

(D) GOOD SINO-BRITISH RELATIONS ARE PARTICULARLY IMPORTANT FOR HONG KONG, WHOSE RELATIONS WITH THE MAINLAND NOW APPROACH A CRITICAL PHASE.

4. THERE IS NO NECESSARY INCONSISTENCY BETWEEN THIS APPROACH TO CHINA AND THE PURSUIT OF A CONSTRUCTIVE BUT REALISTIC RELATIONSHIP WITH THE SOVIET UNION. THE RUSSIANS WILL OF COURSE MAINTAIN THE CONTRARY BUT THERE IS NO REASON TO ALLOW THEM (OR THE CHINESE) TO LAY DOWN THE RULES OF THE GAME.

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FM PEKING 110900Z MAY 79

TO PRIORITY FCO

TELNO 430 OF 11 MAY

INFO ROUTINE HONG KONG, WASHINGTON, DOT/CREDA (CRE4), DOT/ESBOT,
DOI, MODUK, ECGD.

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SINO-BRITISH RELATIONS

1. IN LOOKING AFRESH AT FOREIGN POLICY YOU MAY FIND IT HELPFUL TO HAVE SOME COMMENTS ON THE CURRENT CHINESE SITUATION AND THE PROSPECTS FOR SINO-BRITISH RELATIONS.

2. THE MAIN THEME OF CHINESE POLICY REMAINS HER DEVELOPMENT INTO THE FOUR MODERNISATIONS (OF AGRICULTURE, INDUSTRY, NATIONAL DEFENCE AND SCIENCE AND TECHNOLOGY). TO ACHIEVE THIS AND OTHER STRATEGIC OBJECTIVES THE CHINESE SEEK A RAPID EXPANSION OF ECONOMIC AND POLITICAL CONTACTS WITH THE WEST. THESE POLICIES HAVE PROCEEDED APACE OVER THE PAST YEAR IN BOTH THEIR INTERNAL AND EXTERNAL ASPECTS AND HAVE BROUGHT GREAT AND POSITIVE CHANGES. THE MAIN IMPETUS HAS COME FROM DENG XIAOPING, IN NAME ONLY VICE-PREMIER, BUT IN FACT THE MOST POWERFUL FIGURE IN THE LEADERSHIP. THE PRIME MINISTER AND PARTY CHAIRMAN,

HUA GUOFENG, THOUGH NOT TO BE WRITTEN OFF, DOES NOT DISPOSE OF COMPARABLE AUTHORITY.

3. OVER THE LAST THREE MONTHS, HOWEVER, THERE HAS BEEN A MARKED SLOWING DOWN IN ORDERS FOR WESTERN PLANT AND TECHNOLOGY AND A GREATER CAUTION AND CONSERVATISM IN CERTAIN ASPECTS OF POLITICAL LIFE:

(A) THE CHINESE ARE REASSESSING THE SCALE AND PACE OF THEIR MODERNISATION PROGRAMME AND RECOGNISE THAT THEIR TARGETS SET LAST YEAR ARE UNREALISTICALLY HIGH. IN PARTICULAR THEY HAVE GROWN WORRIED ABOUT THEIR PROSPECTIVE IMPORT BILL, AND ARE EMPHASISING THE IMPORTANCE OF ARRANGEMENTS TO REDUCE COMMITMENTS IN FOREIGN CURRENCY EG COUNTER-TRADING. THEY ARE ALSO REVIEWING THEIR ECONOMIC PRIORITIES, GIVING GREATER WEIGHT TO AGRICULTURE AND TO THOSE LIGHT INDUSTRIES THAT CAN RAPIDLY EARN FOREIGN EXCHANGE, AND CUTTING BACK ON SOME PLANS FOR HEAVY INDUSTRY, IN PARTICULAR STEEL.

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(B) THE INTERNAL POLITICAL LIBERALISATION AND THE DE-MAOIFICATION MOVEMENT WHICH WERE FEATURES OF LAST WINTER HAVE BEEN CHECKED. THIS DEVELOPMENT WAS PROBABLY INEVITABLE AND REFLECTED A WIDESPREAD FEELING, PARTICULARLY IN THE PROVINCES, THAT ICONOCLASM AND FREEDOM OF EXPRESSION WERE GETTING OUT OF HAND. BUT IT HAS DISILLUSIONED AND WORRIED THE YOUNG AND THE INTELLIGENTSIA.

4. ALTHOUGH THE POLICY OF MODERNISATION HAS LOST SOME OF ITS GLAMOUR AND THE INTERNAL POLITICAL SCENE IS RATHER MORE MURKY THAN I WOULD LIKE, THERE HAS BEEN NO FUNDAMENTAL CHANGE OF DIRECTION. IN FACT ECONOMIC REALISM IS WELCOME SINCE IT IS NOT IN OUR INTEREST THAT THE MODERNISATION PROGRAMME SHOULD BECOME OVER-AMBITIOUS AND RISK COMING UNSTUS. THE ESSENTIALS, IE THE NEED TO MODERNISE, THE NEED FOR ADVANCED TECHNOLOGY, THE RELIANCE ON WESTERN ADVANCED COUNTRIES, REMAIN.

5. OPPOSITION TO THE SOVIET UNION REMAINS THE CORNER-STONE OF CHINESE FOREIGN POLICY. THE REGIME HAS REGISTERED CONSPICUOUS SUCCESSES IN THE SINO-JAPANESE TREATY OF OCTOBER 1978, NORMALISATION WITH THE UNITED STATES IN DECEMBER AND IN THE GENERAL STRENGTHENING OF RELATIONS WITH WESTERN COUNTRIES AND ASEAN. UNFORTUNATELY IT HAS ALSO NOW ENGAGED ITSELF IN WHAT IS LIKELY TO BE A LONG AND BITTER STRUGGLE WITH VIETNAM FOR INFLUENCE IN INDO-CHINA AND SOUTH EAST ASIA. THIS LED TO THE RISKY PUNITIVE CHINESE MILITARY ACTION AGAINST VIETNAM IN FEBRUARY AND, DEPENDING LARGELY ON THE PROGRESS OF ANTI-VIETNAMESE RESISTANCE IN CAMBODIA, MIGHT EVEN INVOLVE FURTHER SUCH ACTION AGAINST VIETNAM AT SOME POINT IN THE FUTURE. THE CHINESE ARE THEREFORE MORE DEEPLY EMBROILED WITH VIETNAM THAN WE WOULD LIKE. IF THEY BECAME TOO DEEPLY INVOLVED MILITARILY THIS COULD JEOPARDISE THEIR MODERNISATION PLANS AND MIGHT, DEPENDING ON THE SOVIET RESPONSE, POSE A THREAT TO INTERNATIONAL STABILITY. FOR THE PRESENT, HOWEVER, WE HOPE FOR NO MORE THAN A CONTINUING WAR OF WORDS.

6. SEE MIFT.

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P S TO PRIME MINISTER

FM FCO 101800Z

TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 468 OF 10TH MAY 1979.

INFO SAVING BONN, BRUSSELS, THE HAGUE, OTTAWA, PARIS, ROME,
PEKING, UKDEL NATO, TOKYO.

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FROM CORAZZI FOR ROBINSON

WASHINGTON TELNO 995: DEFENCE SALES TO CHINA

1. IT WILL BE SOME DAYS BEFORE MINISTERS CAN CONSIDER POLICIES TOWARDS CHINA AND THE PARTICULAR QUESTION OF DEFENCE SALES AND COCOM. ONE OF THE KEY ELEMENTS IN THE PAPERS WHICH WILL BE PUT TO MINISTERS WILL BE THE REACTION OF OUR PARTNERS (INCLUDING THE US) TO THE PROPOSALS CONTAINED IN FCO TELNO 108 AND 109 TO BONN. THESE CONTINUE TO REPRESENT THE MOST PRACTICAL WAY FORWARD WHICH OFFICIALS HAVE SO FAR BEEN ABLE TO DEVISE. MINISTERS HAVE NOT YET ENDORSED THEM.

2. THE COURSE OF ACTION WHICH THE AMERICANS APPEAR TO WANT US TO FOLLOW WOULD BE UNACCEPTABLE TO SOME AT LEAST OF OUR OTHER MAJOR COCOM PARTNERS. WE SHALL BE CONFRONTED WITH SOME VERY STARK AND UNPLEASANT ALTERNATIVES (E.G. SUSPENDING DEFENCE SALES TO CHINA OR IGNORING COCOM) IF THE AMERICANS CANNOT GO ALONG WITH OUR QUOTE NO COMMENT UNQUOTE PROCEDURE WITHIN COCOM OR ARE NOT PREPARED TO MAKE THEIR OWN ATTITUDE (AND THE REASONS FOR IT) CLEAR TO THE OTHER MEMBERS OF COCOM.

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DEFENCE SALES TO CHINA.
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