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FOIA MARKER

**This is not a textual record. This is used as an
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Library Staff.**

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files

OA/ID Number: 91137
Folder ID Number: 91137-002

Folder Title:
China 1990 (Sensitive) [2]

Stack:	Row:	Section:	Shelf:	Position:
G	34	3	5	2

Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. List	Re: The package... (1 pp.)	n.d.	(b)(1)	
01b. List	Re: The package... (1 pp.)	n.d.	(b)(1)	
01c. Talking Points	Re: The Chinese side... (2 pp.)	n.d.	(b)(1)	
01d. Talking Points	Re: The Chinese side... (2 pp.)	n.d.	(b)(1)	
02a. Handwritten Note	Re: Congressional Calls on China (1 pp.)	n.d.	(b)(1)	
02b. Talking Points	Re: Talking Points for Congressional Calls on China (2 pp.)	n.d.	(b)(1)	
02c. Handwritten Note	Re: Relationship (1 pp.)	n.d.	(b)(1)	
03a. Message	Re: As the Chinese.. (2 pp.)	n.d.	(b)(1)	
03b. Message	Re: Schedule of Action (7 pp.)	n.d.	(b)(1)	
04. Draft Cable	Brent Scowcroft to Ambassador Lilley Re: I met.. (9 pp.)	n.d.	(b)(1)	S
05a. Cable	General Scowcroft to Ambassador Lilley Re: [Classified Subject] (4 pp.)	6/15/90	(b)(1)	S

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WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Pinksheet Number: cap1135
OA/ID Number: 91137-002
Date Closed: 5/8/2009
FOIA/Sys Case #: 2009-0275-S
Re-review Case #:
P-2/P-5 Review Case #:

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Doc. No. / Type	Subject/Title	Date	Restriction	Classification
05b. Draft Cable	General Scowcroft to Ambassador Lilley Re: [Classified Subject] (4 pp.)	6/90	(b)(1)	S
06a. Memcon	Re: Memorandum of Conversation (3 pp.)	6/13/90	(b)(1)	S
06b. Draft Memcon	Re: Memorandum of Conversation (2 pp.)	6/13/90	(b)(1)	S
07. Cable	Re: Letter to President from President Mubarak (4 pp.)	5/17/90	(b)(1)	S
08a. Letter	President Bush to General Secretary Jiang Zemin (3 pp.)	4/18/90	(b)(1)	
08b. Talking Points	Re: Talking Points (7 pp.)	n.d.	(b)(1)	S
09a. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	
09b. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	
09c. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	
09d. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	
09e. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	

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Doc. No. / Type	Subject/Title	Date	Restriction	Classification
09f. Draft Letter	President Bush to General Secretary Jiang Zemin (3 pp.)	n.d.	(b) (1)	
10a. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	
10b. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	

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Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

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01b. List	Re: The package... (1 pp.)	n.d.	(b)(1)	

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1. The Chinese side appreciates the fact that the US side is willing to accept in principle each of the four elements of the package settlement proposal put forward by the Chinese side.

2. Discussion is underway between the Chinese Foreign Ministry and Ambassador Lilly in Beijing over how to resolve the Fang Lizhi issue. It is hoped that agreement will be reached at an early date.

3. The Chinese side agrees that the Chinese State Educational Commission and the US Embassy in Beijing enter into consultation on the resumption of the Fulbright Program and the sending of Americans to teach English in China under the US-China Friendship Volunteer program proposed by the US side.

4. As to lifting martial law and granting amnesty to those involved in the June 4 incident, the Chinese side wishes to point out that to introduce martial law is China's domestic affair, which is aimed at maintaining public order. Now that public order has been restored, the martial law enforcement troops have been withdrawn from the city area of Beijing. Their duties have been taken over by police and armed police. Considering some domestic and international factors, the Chinese side deems it premature to publicly lift martial law now. However, it will strive to create conditions for the early lifting of martial law.

As to those involved in the June 4 incident, the Chinese government takes the law as the norm and facts as the basis in dealing with them, and the legal procedures are strictly observed. It is only the very small number of people who committed criminal offenses in the incident that will be punished according to law for what they have done. Even in the case of these people, an as lenient as possible approach is adopted. The Chinese Government does not hold the vast majority of people involved accountable for the incident.

5. The Chinese side appreciates the fact that President Bush has decided to issue waivers for the licensing for the Aussat and Asiasat satellites and for Exim Bank lending for China and that the US side is prepared to lift US State Department Travel Advisory on China. There should be no preconditions for the US's move to encourage the resumption of multinational financial institutions lending to China and the lifting of restriction on military sale, contacts and high level exchange.

6. VOA broadcast to China has caused strong reaction from the Chinese public. China has agreed to accredit a new VOA correspondent in Beijing. If VOA refrains from conducting slanted anti-China reporting, it will help remove the ongoing difficulty.

7. Both sides may put forward proposals on undertaking major projects of economic cooperation between the two countries.

8. The Chinese side appreciates the fact that the United States agrees in principle to extend an invitation for General Party Secretary Jiang Zemin to visit the United States at an appropriate time next year as the culmination of the process of normalizing relations and that it has indicated willingness to receive Chinese foreign minister on a visit to the United States in preparation for Jiang's visit.

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Congressional Callson
China

THE WHITE HOUSE
WASHINGTON

We have had a practice of discussing w/ Chinese over a year, in good times & bad, events of int'l significance. China plays a sig player in the Gov area & I wanted to ~~encourage~~ ^{inform} them on US on US matters.

There is a serious leadership struggle going on in China. We should not try to keep them isolated at such a time, esp. when a goal of a bad group is to ~~return~~ ^{take} China to turn its back on modernism & outside world & return to its Maoist isolation.

We may be at the beginning of a process which will lead to changes, both in China's bilateral relationship, which will ~~be~~ please you.

Talking Points for Congressional Calls on China

I know there are concerns about where we are going with China and whether we are moving too soon after Tiananmen.

This Administration does have a policy and a game plan which I believe has as good a chance as there is for improvements both in China's relations with the outside world and the situation inside China.

The record of US-China relations shows that more is gained through engaging China's leaders than through isolating them. China's people -- even today -- enjoy more freedom and openness to the outside world than in 1971, when it was under a far more brutal regime.

Obviously Tiananmen has worsened the situation considerably, but I believe the way back to progress is through contact with China's leaders, and I believe those leaders want that contact badly. Our trip did not lift the President's sanction on high level contacts. It made clear -- straight to the leadership and not through their bureaucrats -- that to resume those contacts China must improve its behavior. The trip also sent a message to the Chinese people that someone out there has their interests at heart.

During the Nixon and Kissinger trips to Beijing, the Chinese signalled that they were willing to fall off their posture of "he who ties the knot must untie it." My trip gave every indication that the Chinese are ready to take action to get back into the good graces of the outside world, if we will be responsive.

This will not be easy and it will not be cost-free. The situation in China's domestic politics is -- as it always seems to be -- very complicated. We can frustrate our own objectives if we do not move very carefully and subtly. Their leaders will not move if they will be seen as capitulating any more than we would.

In China, we frankly and forcefully told the Chinese what is required to avoid a worsening of relations. We see this as a beginning of a process that should lead step-by-step to visible progress on our concerns. To specify them publicly would be counterproductive, but I assure you we have a clear agenda of what we think is necessary to win back support in this country.

We have not kowtowed. We were tough, represented the values of this nation, made clear the depth of feeling in the United States, and made clear why the President acted to protect the Chinese students in this country. I do not see how hardliners in China can gloat over that. The real prospect of improved relations ought to strengthen the reformers' hand.

I know people think we have moved too soon. The Nixon and Kissinger trips, however, led us to believe that China is ready to be responsive now. Under these circumstances, would it have been right to wait?

Finally, the world situation is far more unstable today than just a few months ago. Events are moving very fast, and so far positively. China, which six months ago was in the vanguard of reforming communist countries, has fallen behind. The Chinese are nervous about the situation and fear the future.

Like it or not, China is a player, a nuclear power, an arms exporter. We have achieved restraint on these issues only through dialogue at the highest levels, and my trip demonstrated this again on missile proliferation. This makes it all the more important to carry out our strategic dialogue. Talking cannot hurt, and not talking might.

We are in this for the long pull. I hope you will not measure results each day and pronounce a verdict, but will give us a little time to take some risks in the interest of reform and stability in the world's most populous country.

Stylistic Relativity

may be at beginning of a process
which will lead to a #
of changes which you will
only appreciate in Chin -
in isolated
relation

Not isolate China
when a leadership
struggle in process w/a
group working to
isolate China

*Letter given to President
Ani Zhe Qiqen on 6/17/90*

As the Chinese side knows, the President received a message from Mr. Deng Xiaoping through President Mubarak of Egypt. The President has acknowledged the importance of what Mr. Deng said about US-China relations. The President appreciated the positive tone of Mr. Deng's stated desire to improve these relations, as well as the generous personal comments by Mr. Deng about the President.

The President very much shares Mr. Deng's desire to restore US-China relations to their previous state to the extent possible. The US side continues to attach importance to US-China relations and has all along made major efforts to protect vital elements of the relationship, such as the President's decision to extend MFN treatment for China, veto the Pelosi Bill, and waive Congressional sanctions on satellites, and other politically courageous steps well known to you.

The US side continues to believe that at the upcoming meeting of the G-7 in Houston, in the absence of significant new developments, the leaders of the industrialized nations will have no choice but to address and confirm again the common position adopted with respect to China. In view of that impending meeting and the upcoming vote on MFN for China in the US Congress, we would welcome and respond positively to major efforts by the Chinese side to put behind us issues that have impeded

improvements in our relations.

As the US side indicated last December, we are willing, in principle, to accept each of the four elements in the package presented by Deng Xiaoping and Foreign Minister Qian last November and December. General Scowcroft and Deputy Secretary Eagleburger have repeatedly stressed in the time since then that what is needed to sustain genuine progress in US-China relations is a process of improvement, going well beyond a few specific steps by both sides.

With this in mind, and given that time is short, the US side wishes to propose actions that should be taken by both sides as expeditiously as possible to fulfill our respective requirements. The US also wishes to point out that in many specific cases, circumstances have evolved since January 1990, and we will need to address our requirements in light of those changes.

SCHEDULE OF ACTIONS

The case of Fang Lizhi and Li Shuxian. Ambassador Lilley has been instructed to reopen talks with his counterpart immediately in an effort to resolve the case of the Fang Lizhi family. We believe their departure from our Embassy under agreed terms will have an effect on the deliberations in Congress over whether or not to overturn President Bush's courageous decision to extend MFN status for China. The degree to which it will have an effect will depend greatly on the manner with which the Chinese government publicly treats this issue. The more lenient China appears to be, and the more actions it takes beyond the case of the Fang Lizhi family, the more effective these actions will be with the Congress and the American people.

As the Chinese side should know, US law constrains US support for lending by international financial institutions under conditions such as now prevail in US-China relations. The issue of lending to China will be discussed at the G-7 meeting in Houston in July as well, from both an economic and a political perspective. Our Congress has been closely monitoring World Bank lending in particular, and will expect positive developments in areas which China considers entirely its internal affairs before agreeing to a resumption of lending beyond that for Basic Human Needs. Indeed, members of Congress are now considering proposing further

restrictive legislation on lending to China. The US side believes that China should see the time immediately before the Houston meeting as an opportune moment to take actions that will affect the entire course of the next year's lending. Resolution of the Fang family case will be helpful in this regard, but other actions will be required to remove restraints imposed on us by Congress.

Obviously, readjustment or removal of the G-7 consensus statement on policy toward lending to China will be favorably affected by China's own actions with respect to relaxing its political environment. The position of the US side in Houston will correspond to the progress achieved by China in areas of concern to the US before the G-7 meeting; despite this, US law may nonetheless continue to prevent the US from joining others in the G-7 in specific votes for non-BHN lending to China in the World Bank. Actions by China can be expected to have an effect on those lending nations whose bilateral assistance programs have thus far remained in line with US policy.

Amnesty. Over the months, the US has welcomed the release of "detainees" involved in the events surrounding June 3-4, 1989. The US side wishes those releases had been accomplished by a greater public expression of forgiveness and tolerance on the part of the Chinese government toward those who engage solely in non-violent activities. That would have magnified the impact of

the releases on the American Congress and people. As time passes, our experience has taught us, interest throughout the world will grow in the fates of those involved peacefully in the June events whose cases have not been publicly resolved.

This puts great weight behind the need for a comprehensive public accounting of the names of those released, still detained, convicted or killed in connection with the events. The absence of such an accounting amplifies the effect on the public of rumors and misunderstandings and makes more difficult our task in improving relations. The situation with respect to the detainees has a direct bearing on the US side's ability to support international financial institution lending beyond the category of Basic Human Needs. It also has an indirect bearing on our ability to lift the suspension of deliveries of military articles and services.

Candor requires that we also note that in the aftermath of improvements in our relations -- which I believe we both hope to achieve in the near future -- due legal process and leniency in the handling of any detainees and others who may still be held by your authorities will be a matter of great sensitivity.

Chinese Students. The US side has noted with approval General Secretary Jiang's letter to students in California and hopes that this is a harbinger of further Chinese efforts to reassure

Chinese students abroad that they need have no fear of returning to their homeland. As you know, the issue of harassment of Chinese students within the US has been raised frequently and will be the subject of a special Congressional hearing next week. We assume Chinese representatives would refrain from any activity in the US that could be construed as threatening Chinese students as to the consequences of their peaceful actions in our country. US legislation already exists on this subject, and if intimidation or harassment were proved to occur, the Administration would be forced by law to suspend licenses for all munitions list items, including dual-use categories such as inertial navigation systems for civil aircraft. Obviously, this issue is directly relevant to our ability to lift the suspension of deliveries of military articles and services.

Chinese restrictions on officially sponsored graduate study abroad raise an issue directly relevant to MFN status. At every Congressional hearing, questions have been asked about the relationship between the new restrictions and the emigration requirements of the Jackson-Vanik legislation governing MFN. The US side holds that elimination or relaxation of the restrictions will ease the pressure in Congress to deny China MFN status. Such positive Chinese action would also have the benefit of responding to concerns expressed publicly by Chinese students and many intellectuals in the US who are critical of our mutual efforts to promote US-China relations.

Jamming of VOA. Cessation of the jamming of VOA broadcasts to China would remove an obstacle in US-China relations. The US side believes that an end to jamming should be clean and simple. It would be counterproductive to our mutual efforts at normalizing relations if the jamming continues. It would be similarly counterproductive if the jamming were ceased, but other measures to accomplish the same effect were taken by the Chinese side. As we noted earlier this year, we remain prepared to respond promptly, through established procedures, to specific instances of VOA broadcasting that the Chinese side deems appropriate to raise with us.

Relatedly, there is the issue of harassment of foreign reporters pursuing their legitimate function in gathering and reporting news in China. It is difficult to imagine that positive steps the Chinese government may take in the near future will be portrayed appropriately overseas by the media if they believe they are being harassed.

High Level Visits. Resumption of the previous level of visits between the US and China will be an important step in normalizing relations. Rapid and substantial movement on the issues of concern to us before the Houston G-7 meeting will greatly improve the atmosphere for the impending visit of a delegation of mayors from many of China's most important cities, including Shanghai's

mayor Zhu Rongji. The US side understands that the mayors may be able to begin to outline possible areas of economic cooperation, including the Pudong project, in anticipation of fulfillment of the economic portion of the package outlined by Mr. Deng. We would like to welcome this delegation warmly, but their official reception in the US will necessarily depend on the steps taken beforehand.

The US side envisions a subsequent process of increasingly higher level exchanges, depending on the pace of other improvements in the issue areas of concern to us. As you know, the US side has previously agreed in principle to extend an invitation for General Secretary Jiang Zemin to visit the United States at an appropriate time as the culmination of the process of returning the relationship to normal.

Other Issues. In addition to US concerns directly relevant to the package formula above, there are other issues that we cannot fail to mention as they will decidedly affect the atmosphere of US-China relations and China's standing in the world at any time. These include the proliferation of missiles and chemical weapons, particularly to highly unstable parts of the world. China could greatly improve the atmosphere of US-China relations by taking firm, visible action to assure the world that you join the other major powers in refusing to tolerate such proliferation. A ready means to that end would be to adhere to the guidelines of the

Missile Technology Control Regime, as the Soviet Union recently decided to do; this would not require China's formally joining the pact, though doing so would have a major political impact. We are pleased to note that the Chinese side has begun to take seriously our concerns about chemical weapon proliferation, and we will be pleased to cooperate further.

In sum, in order to make the greatest possible progress toward resumption of normal relations, to the extent that China will take such steps, the US side will be in a position to carry out the fight for China's MFN status, modify the G-7 posture with respect to lending to China, exchange high-level visitors, resume deliveries of military articles and services, promote economic cooperation and eventually welcome the General Secretary to the United States. The US response will necessarily be commensurate with Chinese actions, due to legislative and political constraints on the US side. If China makes a maximum effort, it will be matched by a maximum effort on the US side.

~~SECRET~~

PRIVACY CHANNEL, EYES ONLY

TO: AMBASSADOR LILLEY

FROM: BRENT SCOWCROFT

I met with Ambassador ZHU on Sunday at noon to pass him the two non-papers repeated below. Please hold them closely. ZHU also was instructed to raise a question with me about continued reports of a tough US position on MDB lending to China in advance of the Houston Summit. He allowed that the non-papers had addressed this concern. Regards, Brent

(FIRST NON-PAPER)

As the Chinese side knows, the President received a message from Mr. Deng Xiaoping through President Mubarak of Egypt. The President has acknowledged the importance of what Mr. Deng said about US-China relations. The President appreciated the positive tone of Mr. Deng's stated desire to improve these relations, as well as the generous personal comments by Mr. Deng about the President.

The President very much shares Mr. Deng's desire to restore US-China relations to their previous state to the extent possible. The US side continues to attach importance to US-China relations and has all along made major efforts to protect vital elements of the relationship, such as the President's decision to extend MFN treatment for China, veto the Pelosi Bill, and waive

DECLASSIFIED
PER E.O. 13526
2009-1166-MR
E8 12/11/15

Congressional sanctions on satellites, and other politically courageous steps well known to you.

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As the US side indicated last December, we are willing, in principle, to accept each of the four elements in the package presented by Deng Xiaoping and Foreign Minister Qian last November and December. General Scowcroft and Deputy Secretary Eagleburger have repeatedly stressed in the time since then that what is needed to sustain genuine progress in US-China relations is a process of improvement, going well beyond a few specific steps by both sides.

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(SECOND NON-PAPER)

SCHEDULE OF ACTIONS

The case of Fang Lizhi and Li Shuxian. Ambassador Lilley has been instructed to reopen talks with his counterpart immediately in an effort to resolve the case of the Fang Lizhi family. We believe their departure from our Embassy under agreed terms will have an effect on the deliberations in Congress over whether or not to overturn President Bush's courageous decision to extend MFN status for China. The degree to which it will have an effect will depend greatly on the manner with which the Chinese government publicly treats this issue. The more lenient China appears to be, and the more actions it takes beyond the case of the Fang Lizhi family, the more effective these actions will be with the Congress and the American people.

As the Chinese side should know, US law constrains US support for lending by international financial institutions under conditions such as now prevail in US-China relations. The issue of lending to China will be discussed at the G-7 meeting in Houston in July as well, from both an economic and a political perspective. Our Congress has been closely monitoring World Bank lending in particular, and will expect positive developments in areas which

China considers entirely its internal affairs before agreeing to a resumption of lending beyond that for Basic Human Needs. Indeed, members of Congress are now considering proposing further restrictive legislation on lending to China. The US side believes that China should see the time immediately before the Houston meeting as an opportune moment to take actions that will affect the entire course of the next year's lending. Resolution of the Fang family case will be helpful in this regard, but other actions will be required to remove restraints imposed on us by Congress.

Obviously, readjustment or removal of the G-7 consensus statement on policy toward lending to China will be favorably affected by China's own actions with respect to relaxing its political environment. The position of the US side in Houston will correspond to the progress achieved by China in areas of concern to the US before the G-7 meeting; despite this, US law may nonetheless continue to prevent the US from joining others in the G-7 in specific votes for non-BHN lending to China in the World Bank. Actions by China can be expected to have an effect on those lending nations whose bilateral assistance programs have thus far remained in line with US policy.

Amnesty. Over the months, the US has welcomed the release of "detainees" involved in the events surrounding June 3-4, 1989. The US side wishes those releases had been accomplished by a

greater public expression of forgiveness and tolerance on the part of the Chinese government toward those who engage solely in non-violent activities. That would have magnified the impact of the releases on the American Congress and people. As time passes, our experience has taught us, interest throughout the world will grow in the fates of those involved peacefully in the June events whose cases have not been publicly resolved.

This puts great weight behind the need for a comprehensive public accounting of the names of those released, still detained, convicted or killed in connection with the events. The absence of such an accounting amplifies the effect on the public of rumors and misunderstandings and makes more difficult our task in improving relations. The situation with respect to the detainees has a direct bearing on the US side's ability to support international financial institution lending beyond the category of Basic Human Needs. It also has an indirect bearing on our ability to lift the suspension of deliveries of military articles and services.

Candor requires that we also note that in the aftermath of improvements in our relations -- which I believe we both hope to achieve in the near future -- due legal process and leniency in the handling of any detainees and others who may still be held by your authorities will be a matter of great sensitivity.

Chinese Students. The US side has noted with approval General Secretary Jiang's letter to students in California and hopes that this is a harbinger of further Chinese efforts to reassure Chinese students abroad that they need have no fear of returning to their homeland. As you know, the issue of harassment of Chinese students within the US has been raised frequently and will be the subject of a special Congressional hearing next week. We assume Chinese representatives would refrain from any activity in the US that could be construed as threatening Chinese students as to the consequences of their peaceful actions in our country. US legislation already exists on this subject, and if intimidation or harassment were proved to occur, the Administration would be forced by law to suspend licenses for all munitions list items, including dual-use categories such as inertial navigation systems for civil aircraft. Obviously, this issue is directly relevant to our ability to lift the suspension of deliveries of military articles and services.

Chinese restrictions on officially sponsored graduate study abroad raise an issue directly relevant to MFN status. At every Congressional hearing, questions have been asked about the relationship between the new restrictions and the emigration requirements of the Jackson-Vanik legislation governing MFN. The US side holds that elimination or relaxation of the restrictions will ease the pressure in Congress to deny China MFN status. Such positive Chinese action would also have the benefit of

responding to concerns expressed publicly by Chinese students and many intellectuals in the US who are critical of our mutual efforts to promote US-China relations.

Jamming of VOA. Cessation of the jamming of VOA broadcasts to China would remove an obstacle in US-China relations. The US side believes that an end to jamming should be clean and simple. It would be counterproductive to our mutual efforts at normalizing relations if the jamming continues. It would be similarly counterproductive if the jamming were ceased, but other measures to accomplish the same effect were taken by the Chinese side. As we noted earlier this year, we remain prepared to respond promptly, through established procedures, to specific instances of VOA broadcasting that the Chinese side deems appropriate to raise with us.

Relatedly, there is the issue of harassment of foreign reporters pursuing their legitimate function in gathering and reporting news in China. It is difficult to imagine that positive steps the Chinese government may take in the near future will be portrayed appropriately overseas by the media if they believe they are being harassed.

High Level Visits. Resumption of the previous level of visits between the US and China will be an important step in normalizing relations. Rapid and substantial movement on the issues of

concern to us before the Houston G-7 meeting will greatly improve the atmosphere for the impending visit of a delegation of mayors from many of China's most important cities, including Shanghai's mayor Zhu Rongji. The US side understands that the mayors may be able to begin to outline possible areas of economic cooperation, including the Pudong project, in anticipation of fulfillment of the economic portion of the package outlined by Mr. Deng. We would like to welcome this delegation warmly, but their official reception in the US will necessarily depend on the steps taken beforehand.

The US side envisions a subsequent process of increasingly higher level exchanges, depending on the pace of other improvements in the issue areas of concern to us. As you know, the US side has previously agreed in principle to extend an invitation for General Secretary Jiang Zemin to visit the United States at an appropriate time as the culmination of the process of returning the relationship to normal.

Other Issues. In addition to US concerns directly relevant to the package formula above, there are other issues that we cannot fail to mention as they will decidedly affect the atmosphere of US-China relations and China's standing in the world at any time. These include the proliferation of missiles and chemical weapons, particularly to highly unstable parts of the world. China could greatly improve the atmosphere of US-China relations by taking

firm, visible action to assure the world that you join the other major powers in refusing to tolerate such proliferation. A ready means to that end would be to adhere to the guidelines of the Missile Technology Control Regime, as the Soviet Union recently decided to do; this would not require China's formally joining the pact, though doing so would have a major political impact. We are pleased to note that the Chinese side has begun to take seriously our concerns about chemical weapon proliferation, and we will be pleased to cooperate further.

In sum, in order to make the greatest possible progress toward resumption of normal relations, to the extent that China will take such steps, the US side will be in a position to carry out the fight for China's MFN status, modify the G-7 posture with respect to lending to China, exchange high-level visitors, resume deliveries of military articles and services, promote economic cooperation and eventually welcome the General Secretary to the United States. The US response will necessarily be commensurate with Chinese actions, due to legislative and political constraints on the US side. If China makes a maximum effort, it will be matched by a maximum effort on the US side.

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05a. Cable	General Scowcroft to Ambassador Lilley Re: [Classified Subject] (4 pp.)	6/15/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Document Partially Declassified
 (Copy of Document Follows)
 By ES On 4/26/22

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 2009-1169-MR (504)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 12/29/2015

RESTRICTION CODES

Freedom of Information Act (FOIA) - [5 U.S.C. 552(b)]

- (b)(1) National security classified information
- (b)(2) Release would disclose internal personnel rules and practices of an agency
- (b)(3) Release would violate a Federal statute
- (b)(4) Release would disclose trade secrets or confidential or financial information
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy
- (b)(7) Release would disclose information compiled for law enforcement purposes
- (b)(8) Release would disclose information concerning the regulation of financial institutions
- (b)(9) Release would disclose geological or geophysical information concerning wells

Deed of Gift Restrictions

- C(1) Closed by Executive Order 13526, governing access to national security information
- C(2) Closed by statute or by the agency which originated the information
- C(3) Closed in accordance with restrictions contained in donor's deed of gift [formerly listed as only C]
- PRM. Removed as a personal record misfile

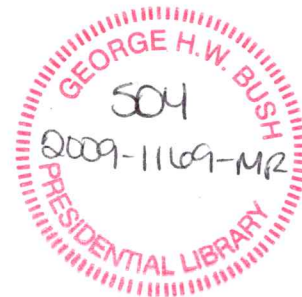
Presidential Records Act - [44 U.S.C. 2204(a)]

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WHITE HOUSE SITUATION ROOM



PAGE 01 OF 04

PRT: COMM OLEARY SIGLER SCOWCROFT
SIT: PAAL PRIVACY OUT FILE SIT

PREC: IMMEDIATE <CLAS> ~~SECRET~~

DTG: 151701Z JUN 90

FM WHITE HOUSE

TO ^{1.4(c)} [REDACTED]

~~SECRET~~ / MARKET / VIA PRIVACY CHANNELS EYES ONLY

QQQQ

FM: GENERAL SCOWCROFT

TO: EMBASSY BEIJING, IMMEDIATE EYES ONLY FOR AMBASSADOR LILLEY

BEGIN TEXT:

THANKS FOR YOUR CABLE ON THE KEYSER-ZHANG MEETING. REPEATED
BELOW IS A MEMCON OF MY MOST RECENT MEETING WITH AMBASSADOR ZHU.
I PLAN TO MEET ZHU AGAIN ON SUNDAY. GIVEN THE SENSITIVITY OF THE
CURRENT ENVIRONMENT, PLEASE KEEP ALL COMMUNICATIONS REFERRING TO
OUR CONTACTS HERE WITH ZHU IN THIS CHANNEL. I WILL KEEP SEC.
BAKER FULLY INFORMED. STATE IS SEPARATELY PREPARING INSTRUCTIONS
FOR YOUR MEETING WITH LIU HUAQIU IN THE MARKET CHANNEL.

MEMORANDUM OF CONVERSATION

SUBJECT: MEETING WITH CHINESE AMBASSADOR ZHU QIZHEN,
PRC (S)

PARTICIPANTS: ZHU QIZHEN, PRC AMBASSADOR
LIU XIAOMING, COUNSELOR, PRC EMBASSY,
NOTETAKER
BRENT SCOWCROFT, ASSISTANT TO THE PRESIDENT
FOR NATIONAL SECURITY AFFAIRS
DOUGLAS PAAL, NSC, NOTETAKER

DECLASSIFIED IN PART
PER E.O. 13526

2009-1169-MR
Eg 12/29/15

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04

DATE, TIME JUNE 13, 1990, 5: 14 P.M. - 5:30 P.M. EDT.
PLACE: WEST WING, THE WHITE HOUSE

AMBASSADOR ZHU: I AM HERE ON INSTRUCTIONS FROM BEIJING. ON MAY 13, DENG XIAOPING, THROUGH PRESIDENT MUBARAK, PASSED AN ORAL MESSAGE TO PRESIDENT BUSH. SUBSEQUENT TO THAT, PRESIDENT BUSH SENT A VERBAL MESSAGE TO DENG XIAOPING THROUGH AN UNOFFICIAL CHANNEL. (S)

THE U.S. AND CHINA HAVE NO FUNDAMENTAL CONFLICTS, NOR DO THE TWO COUNTRIES HAVE BORDER ISSUES. OVER THE PAST DECADE, THEY HAVE ENJOYED GOOD RELATIONS. (S)

WHAT HAPPENED LAST YEAR DURING LATE SPRING AND EARLY SUMMER IN BEIJING IS CHINA'S INTERNAL AFFAIR. HOWEVER, THE EVENTS GAVE RISE TO AN ABERRATION IN OUR RELATIONS. IT IS OUR VIEW THAT OUR TWO SIDES SHOULD CONTINUE TO MAKE EFFORTS TO CHANGE THIS ABNORMAL SITUATION. (S)

LAST NOVEMBER, WHEN DR. KISSINGER VISITED CHINA, DENG XIAOPING PROPOSED A PACKAGE FORMULA. CHINA HAS ALL ALONG ADHERED TO THIS

FORMULA AND NEVER CHANGED ITS POSITION. THE CHINESE SIDE HAS SINCE MADE GREAT EFFORTS AND TAKEN A NUMBER OF POSITIVE STEPS FOR THE RESTORATION OF U.S.-CHINA RELATIONS. (S)

I HAVE BEEN INSTRUCTED BY THE TOP LEADERS OF CHINA TO HAVE A MEETING WITH YOU TO LEARN THE RESPONSE OF THE AMERICAN SIDE TO THE MESSAGE FROM DENG XIAOPING. (S)

AS I UNDERSTAND, PRESIDENT BUSH INDICATED THAT IT IS IMPORTANT THAT SOLUTIONS TO SOME PROBLEMS BE ACHIEVED PRIOR TO THE G-7 SUMMIT. IF THAT IS THE CASE, TIME IS VERY PRESSING. IF WE CAN HAVE AN EARLY RESPONSE WE CAN MOVE FORWARD QUICKLY. (S)

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WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04

GENERAL SCOWCROFT : I APPRECIATE THE MESSAGE. I WILL INFORM THE PRESIDENT. WE WILL NEED A LITTLE TIME TO GET BACK. BUT WE WILL.
(S)

THE PRESIDENT HAS MADE, I THINK, A MAJOR GESTURE WITH HIS DECISION TO GO FORWARD WITH MFN. WE WELCOME THIS MESSAGE. WE WILL LOOK CAREFULLY AT WHAT WILL BE MOST HELPFUL IN TERMS OF THE G-7 MEETING IN EARLY JULY. (S)

AMBASSADOR ZHU: THANK YOU VERY MUCH. I WILL BE AWAY ONLY ONE DAY, TO VISIT THE SAUDI ARABIAN EXHIBITION IN LOS ANGELES. I WILL BE BACK FRIDAY EVENING. I WILL BE IN WASHINGTON ON SATURDAY AND WILL BE AVAILABLE ANYTIME. (S)

WHAT WE ARE THINKING IS, IF THE TWO SIDES CAN REACH AN UNDERSTANDING ON WHAT TO DO NEXT (SIC). WE CAN DISCUSS HOW AND WHERE TO DISCUSS THOSE ISSUES WHICH ARE ON YOUR MIND AND ON OUR MIND. (S)

GENERAL SCOWCROFT : I AM SURE YOU HAVE SOME IDEAS. WE WILL SEE.
(S)

AMBASSADOR ZHU: I HOPE TO HAVE YOUR RESPONSE. THAT'S WHY I AM HERE. (S)

GENERAL SCOWCROFT: I THINK YOU KNOW US WELL ENOUGH TO KNOW WHAT IT WILL BE. WE WILL GIVE YOU A THOUGHTFUL, CONSIDERED RESPONSE.
(S)

AMBASSADOR ZHU: IS THERE ANYTHING ELSE YOU WANT TO SAY? (S)

GENERAL SCOWCROFT: I WILL JUST UNDERScore THAT THE PRESIDENT'S DECISION ON MFN WAS VERY DIFFICULT. HE HAS RECEIVED A LOT OF CRITICISM. I THINK HIS ACTION WAS JUST AN INDICATION OF HIS WILLINGNESS TO REACH OUT AND TRY TO RESTORE THE RELATIONSHIP TO

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WHITE HOUSE SITUATION ROOM

PAGE 04 OF 04

THE SITUATION LAST YEAR. I HOPE YOU TAKE IT AS A SIGN OF HIS
GOOD WILL. (S)

END OF CONVERSATION --

(BEFORE AND AFTER THE MEETING, AMBASSADOR ZHU STRESSED TO DOUG
PAAL THE SENSITIVITY OF THIS MEETING. ONLY ZHU AND LIU ARE
WITTING WITHIN THE EMBASSY HERE. HIS BEHAVIOR SUGGESTED MUCH
GREATER OPTIMISM THAN SEEN IN HIM SINCE LAST DECEMBER. HE POINTED
OUT THAT A MAJOR PURPOSE OF THIS MEETING IS TO ESTABLISH THE BONA

FIDES OF THE MESSAGE RECEIVED FROM THE PRESIDENT IN THE INFORMAL
CHANNEL. "IF THE PRESIDENT OFFICIALLY CONVEYS POLITICAL BACKING
FOR A NEW EFFORT TO IMPROVE RELATIONS, HE SUGGESTED, THEN THE TWO
SIDES CAN PROCEED TO DEAL WITH THE DETAILS OF THE SENSITIVE
PROBLEMS DISCUSSED EARLIER. HE SEEMED TO BE INDICATING FANG
LIZHI'S CASE.) (S)

END TEXT.

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
05b. Draft Cable	General Scowcroft to Ambassador Lilley Re: [Classified Subject] (4 pp.)	6/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Document Partially Declassified
 (Copy of Document Follows)
 By ES On 4/26/22

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 2009-1169-MR (504.01)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 12/29/2015

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 PRM. Removed as a personal record misfile

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P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]

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>PREC> IMMEDIATE >CLAS> ~~SECRET~~/MARKET >DTG> _____

FM: THE WHITE HOUSE

TO: ^{1.4(c)} [REDACTED]



~~SECRET~~ _____ JUN 90 PRIVACY CHANNELS

FM: GENERAL SCOWCROFT

BO

TO: EMBASSY BEIJING, IMMEDIATE EYES ONLY FOR AMBASSADOR LILLEY

BEGIN TEXT

THANKS FOR YOUR CABLE ON THE KEYSER-ZHANG MEETING. REPEATED
BELOW IS A MEMCON OF MY MOST RECENT MEETING WITH AMBASSADOR ZHU.
I PLAN TO MEET ZHU AGAIN ON SUNDAY. GIVEN THE SENSITIVITY OF THE
CURRENT ENVIRONMENT, PLEASE KEEP ALL COMMUNICATIONS REFERRING TO
OUR CONTACTS HERE WITH ZHU IN THIS CHANNEL. I WILL KEEP SEC.
BAKER FULLY INFORMED. STATE IS SEPARATELY PREPARING INSTRUCTIONS
FOR YOUR MEETING WITH LIU HUAQIU IN THE MARKET CHANNEL.

MEMORANDUM OF CONVERSATION

SUBJECT: MEETING WITH CHINESE AMBASSADOR ZHU QIZHEN,
PRC (*S*)

PARTICIPANTS: ZHU QIZHEN, PRC AMBASSADOR
LIU XIAOMING, COUNSELOR, PRC EMBASSY,
NOTETAKER
BRENT SCOWCROFT, ASSISTANT TO THE PRESIDENT
FOR NATIONAL SECURITY AFFAIRS
DOUGLAS PAAL, NSC, NOTETAKER

DATE, TIME JUNE 13, 1990, 5:14 P.M. - 5:30 P.M. EDT,
PLACE: WEST WING, THE WHITE HOUSE

AMBASSADOR ZHU: I AM HERE ON INSTRUCTIONS FROM BEIJING. ON MAY
13, DENG XIAOPING, THROUGH PRESIDENT MUBARAK, PASSED AN ORAL
MESSAGE TO PRESIDENT BUSH. SUBSEQUENT TO THAT, PRESIDENT BUSH

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SENT A VERBAL MESSAGE TO DENG XIAOPING THROUGH AN UNOFFICIAL CHANNEL. (S)

THE U.S. AND CHINA HAVE NO FUNDAMENTAL CONFLICTS, NOR DO THE TWO COUNTRIES HAVE BORDER ISSUES. OVER THE PAST DECADE, THEY HAVE ENJOYED GOOD RELATIONS. (S)

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I HAVE BEEN INSTRUCTED BY THE TOP LEADERS OF CHINA TO HAVE A MEETING WITH YOU TO LEARN THE RESPONSE OF THE AMERICAN SIDE TO THE MESSAGE FROM DENG XIAOPING. (S)

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GENERAL SCOWCROFT: I APPRECIATE THE MESSAGE. I WILL INFORM THE PRESIDENT. WE WILL NEED A LITTLE TIME TO GET BACK. BUT WE WILL.

(S)

THE PRESIDENT HAS MADE, I THINK, A MAJOR GESTURE WITH HIS DECISION TO GO FORWARD WITH MFN. WE WELCOME THIS MESSAGE. WE WILL LOOK CAREFULLY AT WHAT WILL BE MOST HELPFUL IN TERMS OF THE G-7 MEETING IN EARLY JULY. (S)

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GENERAL SCOWCROFT: I AM SURE YOU HAVE SOME IDEAS. WE WILL SEE.

(S)

AMBASSADOR ZHU: I HOPE TO HAVE YOUR RESPONSE. THAT'S WHY I AM HERE. (S)

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GENERAL SCOWCROFT: I THINK YOU KNOW US WELL ENOUGH TO KNOW WHAT IT WILL BE. WE WILL GIVE YOU A THOUGHTFUL, CONSIDERED RESPONSE.

(S)

AMBASSADOR ZHU: IS THERE ANYTHING ELSE YOU WANT TO SAY? (S)

GENERAL SCOWCROFT: I WILL JUST UNDERScore THAT THE PRESIDENT'S DECISION ON MFN WAS VERY DIFFICULT. HE HAS RECEIVED A LOT OF CRITICISM. I THINK HIS ACTION WAS JUST AN INDICATION OF HIS WILLINGNESS TO REACH OUT AND TRY TO RESTORE THE RELATIONSHIP TO THE SITUATION LAST YEAR. I HOPE YOU TAKE IT AS A SIGN OF HIS GOOD WILL. (S)

-- END OF CONVERSATION --

(BEFORE AND AFTER THE MEETING, AMBASSADOR ZHU STRESSED TO DOUG PAAL THE SENSITIVITY OF THIS MEETING. ONLY ZHU AND LIU ARE WITTING WITHIN THE EMBASSY HERE. HIS BEHAVIOR SUGGESTED MUCH GREATER OPTIMISM THAN SEEN IN HIM SINCE LAST DECEMBER. HE POINTED OUT THAT A MAJOR PURPOSE OF THIS MEETING IS TO ESTABLISH THE BONA FIDES OF THE MESSAGE RECEIVED FROM THE PRESIDENT IN THE "INFORMAL CHANNEL." IF THE PRESIDENT OFFICIALLY CONVEYS POLITICAL BACKING FOR A NEW EFFORT TO IMPROVE RELATIONS, HE SUGGESTED, THEN THE TWO SIDES CAN PROCEED TO DEAL WITH THE DETAILS OF THE SENSITIVE PROBLEMS DISCUSSED EARLIER. HE SEEMED TO BE INDICATING FANG LIZHI'S CASE.) (S)

END TEXT.

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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

SECRET/NODIS/MARKET

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Chinese Ambassador Zhu Qizhen,
PRC (S)

PARTICIPANTS: Zhu Qizhen, PRC Ambassador
Liu Xiaoming, Counselor, PRC Embassy,
Notetaker
Brent Scowcroft, Assistant to the President
for National Security Affairs
Douglas Paal, NSC, Notetaker

DATE, TIME June 13, 1990, 5:14 p.m. - 5:30 p.m. EDT,
PLACE: West Wing, The White House

Ambassador Zhu: I am here on instructions from Beijing. On May 13, Deng Xiaoping, through President Mubarak, passed an oral message to President Bush. Subsequent to that, President Bush sent a verbal message to Deng Xiaoping through an unofficial channel. (S)

The U.S. and China have no fundamental conflicts, nor do the two countries have border issues. Over the past decade, they have enjoyed good relations. (S)

What happened last year during late spring and early summer in Beijing is China's internal affair. However, the events gave rise to an aberration in our relations. It is our view that our two sides should continue to make efforts to change this abnormal situation. (S)

Last November, when Dr. Kissinger visited China, Deng Xiaoping proposed a package formula. China has all along adhered to this formula and never changed its position. The Chinese side has since made great efforts and taken a number of positive steps for the restoration of U.S.-China relations. (S)

I have been instructed by the top leaders of China to have a meeting with you to learn the response of the American side to the message from Deng Xiaoping. (S)

As I understand, President Bush indicated that it is important that solutions to some problems be achieved prior to the G-7

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summit. If that is the case, time is very pressing. If we can have an early response we can move forward quickly. (S)

General Scowcroft: I appreciate the message. I will inform the President. We will need a little time to get back. But we will. (S)

The President has made, I think, a major gesture with his decision to go forward with MFN. We welcome this message. We will look carefully at what will be most helpful in terms of the G-7 meeting in early July. (S)

Ambassador Zhu: Thank you very much. I will be away only one day, to visit the Saudi Arabian exhibition in Los Angeles. I will be back Friday evening. I will be in Washington on Saturday and will be available anytime. (S)

What we are thinking is, if the two sides can reach an understanding on what to do next (sic). We can discuss how and where to discuss those issues which are on your mind and on our mind. (S)

General Scowcroft: I am sure you have some ideas. We will see. (S)

Ambassador Zhu: I hope to have your response. That's why I am here. (S)

General Scowcroft: I think you know us well enough to know what it will be. We will give you a thoughtful, considered response. (S)

Ambassador Zhu: Is there anything else you want to say? (S)

General Scowcroft: I will just underscore that the President's decision on MFN was very difficult. He has received a lot of criticism. I think his action was just an indication of his willingness to reach out and try to restore the relationship to the situation last year. I hope you take it as a sign of his good will. (S)

-- End of Conversation --

(Before and after the meeting, Ambassador Zhu stressed to Doug Paal the sensitivity of this meeting. Only Zhu and Liu are witting within the Embassy here. His behavior suggested much greater optimism than seen in him since last December. He pointed out that a major purpose of this meeting is to establish

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the bona fides of the message received from the President in the "informal channel." If the President officially conveys political backing for a new effort to improve relations, he suggested, then the two sides can proceed to deal with the details of the sensitive problems discussed earlier. He seemed to be indicating Fang Lizhi's case.) (8)

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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

SECRET/NODIS/MARKET

June 13, 1990

MEMORANDUM OF CONVERSATION

Meeting with Chinese Ambassador Zhu Qizhen, June 13, 1990, 5:14 p.m. - 5:30 p.m. EDT, West Wing

Participants:
Ambassador Zhu Qizhen
Counselor Liu Xiaoming, Notetaker
Brent Scowcroft
Douglas Paal, Notetaker

Ambassador Zhu: I am here on instructions from Beijing. On May 13, Deng Xiaoping, through President Mubarak, passed an oral message to President Bush. Subsequent to that, President Bush sent a verbal message to Deng Xiaoping through an unofficial channel.

The U.S. and China have no fundamental conflicts, nor do the two countries have border issues. Over the past decade, they have enjoyed good relations.

What happened last year during late spring and early summer in Beijing is China's internal affair. However, the events gave rise to an aberration in our relations. It is our view that our two sides should continue to make efforts to change this abnormal situation.

Last November, when Dr. Kissinger visited China, Deng Xiaoping proposed a package formula. China has all along adhered to this formula and never changed its position. The Chinese side has since made great efforts and taken a number of positive steps for the restoration of U.S.-China relations.

I have been instructed by the top leaders of China to have a meeting with you to learn the response of the American side to the message from Deng Xiaoping.

As I understand, President Bush indicated that it is important that solutions to some problems be achieved prior to the G-7 summit. If that is the case, time is very pressing. If we can have an early response we can move forward quickly.

General Scowcroft: I appreciate the message. I will inform the President. We will need a little time to get back. But we will.

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The President has made, I think, a major gesture with his decision to go forward with MFN. We welcome this message. We will look carefully at what will be most helpful in terms of the G-7 meeting in early July.

Ambassador Zhu: Thankyou very much. I will be away only one day, to visit the Saudi Arabian exhibition in Los Angeles. I will be back Friday evening. I will be in Washington on Saturday and will be available anytime.

What we are thinking is, if the two sides can reach an understanding on what to do next (sic). We can discuss how and where to discuss those which are on your mind and on our mind.

General Scowcroft: I am sure you have some ideas. We will see.

Ambassador Zhu: I hope to have your response. That's why I am here.

General Scowcroft: I think you know us well enough to know what it will be. We will give you a thoughtful, considered response.

Ambassador Zhu: Is there anything else you want to say?

General Scowcroft: I will just underscore that the President's decision on MFN was very difficult. He has received a lot of criticism. I thhink his action was just an indication of his willingness to reach out and try to restore the relationship to the situation last year. I hope you take it as a sign of his good will.

----- END OF CONVERSATION -----

(Before and after the meeting, Ambassador Zhu stressed to Doug Paal the sensitivity of this meeting. Only Zhu and Liu are witting within the Embassy here. His behavior suggested much greater optimism than we have seen in him since last December. He pointed out that a major purpose of this meeting is to establish the bona fides of the message received from the President in the "informal channel." If the President officially conveys political backing for a new effort to improve relations, he suggested, then the two sides can proceed to deal with the details of the sensitive problems we discussed earlier. He seemed to be indicating Fang Lizhi's case.)

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

STATEMENT BY THE PRESIDENT

One year ago, as China commenced the brutal suppression of peaceful demonstrators around Tiananmen Square, I deeply deplored the decision to use force. Two days later, on June 5, I again deplored the violence, emphasizing that the demonstrators in Tiananmen Square were advocating basic human rights, including the freedom of expression, freedom of the press, freedom of association. These are goals we support around the world. These are freedoms that are enshrined in both the U. S. Constitution and the Chinese Constitution. Throughout the world we stand with those who seek greater freedom and democracy. This is the strongly felt view of my administration, of our Congress and, most important, of the American people.

China's citizens, through massive demonstrations in scores of cities, were expressing the same yearnings and aspirations we have seen in so many places in the world in the last several years. The peoples of the Philippines, the Republic of Korea, Taiwan, Mongolia, Panama, Nicaragua, Czechoslovakia, East Germany, Bulgaria, Poland, Hungary, Romania, the Soviet Union, South Africa, and Burma have expressed those desires with their lives, their voices, and their votes. The institutions that each chooses to adopt will vary but the values of democracy and freedom underlie the movements in all of them.

Transforming China -- with its 4000 year-old civilization, its own distinct and extraordinary traditions, an undeveloped economy, and an historically authoritarian political system -- is a monumental task. China made great strides from 1978 to 1988 in the face of difficulties, and the dramatic growth in U.S.-China relations during those ten years was testimony to that progress. I remain deeply concerned by the lack of respect for internationally recognized human rights in China today, and urge a rapid return to the more positive course set before Tiananmen occurred.

As China's people and leaders seek to recover from the wounds of Tiananmen, they should find inspiration in the modern, universal urge for freedom and democracy. At the same time, they will find guidance in those benevolent traditions of China which emphasize righteousness and justice.

The world watched with awe the restraint of the peaceful demonstrators in Tiananmen, the people of a great nation seeking freedom and economic modernization. The world will continue to watch in the years ahead with the hope that China will turn decisively away from repression and toward the path of reform. The American people and government -- who value good relations with the Chinese people and government -- stand ready to develop this relationship as China resumes that path.

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WHITE HOUSE SITUATION ROOM

PAGE 01 OF 04

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FM USDEL SECRETARY IN USSR

TO RUEHC/SECSTATE WASHDC IMMEDIATE 4926
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~~SECRET~~ SECTION 01 OF 02 SECTO 07008

NODIS

E.O. 12356: DECL: OADR

TAGS: OVIP (BAKER, JAMES A. III), US, EG

SUBJECT: LETTER TO THE PRESIDENT FROM PRESIDENT
- MUBAREK

1. (~~SECRET~~ - ENTIRE TEXT.)

2. AT THE SECRETARY'S MEETING WITH PRESIDENT MUBARAK
IN MOSCOW ON MAY 16, MUBARAK HANDED OVER A LETTER TO
PRESIDENT BUSH ON THE EGYPTIAN PRESIDENT'S VISITS TO
CHINA AND NORTH KOREA. FOLLOWING IN PARA 3 IS TEXT
OF THE LETTER. ORIGINAL WILL BE CARRIED TO
WASHINGTON BY THE SECRETARY'S PARTY.

3. BEGIN TEXT OF LETTER:

MOSCOW, MAY 14, 1990

DEAR GEORGE,

AS I AM MEETING SECRETARY BAKER WITHIN A FEW HOURS, I
DEEM IT APPROPRIATE TO CONVEY TO YOU, THROUGH HIM,
THE HIGHLIGHTS OF MY TALKS WITH THE CHINESE AND THE
KOREAN LEADERS.

IN OUR TELEPHONE CONVERSATION PRIOR TO MY DEPARTURE,
WE AGREED THAT I WOULD RAISE WITH THE CHINESE LEADERS
THE ISSUE OF U.S. CHINESE RELATIONS AND WHAT IS
NEEDED FOR IMPROVING THEM. WHEN I ARRIVED IN
BEIJING, I HELD INTENSIVE TALKS WITH THEIR ELDER
STATESMAN, DING TSAO PING, WITH THE PRIME MINISTER

DECLASSIFIED
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IMMEDIATE

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04

LEE PING, THE GENERAL SECRETARY OF THE PARTY AND OTHER OFFICIALS. THEY WERE UNANIMOUS IN THEIR DESIRE TO IMPROVE RELATIONS WITH THE US. BY ALL MEANS. THEY FELT THAT THERE WAS NO CONFLICT WHATSOEVER BETWEEN THE TWO NATIONS. THEY HOLD YOU WITH GREAT RESPECT AND ESTEEM. THEY REMEMBER THE PERIOD YOU SPENT AMONG THEM WHEN YOU HEADED THE U.S. MISSION THERE WITH ADMIRATION AND AFFECTION. MR. DING SAID THAT IRRESPECTIVE OF POLITICS. THEY WILL CONTINUE TO CONSIDER YOU A FRIEND OF CHINA AND ITS PEOPLE. HE PRAISED YOUR KNOWLEDGE OF THE CHINESE CULTURE AND VALUE SYSTEM. HE ADDED THAT HE WAS CERTAIN THAT A LEARNED STATESMAN LIKE YOU WOULD NOT ACCEPT THE CHINESE GOVERNMENT TO ACT AND RESPOND TO EVENTS IN THE SAME WAY AS THE U.S GOVERNMENT OR ANY OTHER GOVERNMENT FOR ALL THAT MATTERS.

THE CHINESE LEADERSHIP BELIEVES THAT THE MOST CRUCIAL ELEMENT IN A VAST COUNTRY WITH A POPULATION OF 1050 MILLION IS THE MAINTENANCE OF STABILITY. TO TOLERATE ANY VIOLENCE OR CHAOTIC DISORDER WOULD NOT ONLY BRING HAVOC TO CHINA. BUT WHAT IS MORE IMPORTANT IS THAT BRING A DISASTER TO ALL NEIGHBORING STATES. HUNDREDS OF MILLIONS OF REFUGEES WOULD PARALIZE LIFE IN MOST

OF THESE STATES.

THEY ARE WILLING TO RESPECT AND OBSERVE THE HUMAN RIGHTS OF THEIR PEOPLE. HOWEVER. THEY THINK, NOT WITHOUT JUSTIFICATION THAT THE HUMAN RIGHTS ISSUE SHOULD BE PLACED IN THE CONTEXT OF THE CHINESE SOCIETY. THEY ARE EAGER TO EXPLAIN THEIR POSITION OF THE U.S. CONGRESS AND THEY NEED YOUR HELP IN THIS REGARD. THEY COUNT ON YOUR UNDERSTANDING AND WISDOM. THEIR CENTRAL REQUEST IS ACCORDING THEM THE MOST FAVORED NATION STATUS. THEY CONSIDER IT VITAL FOR THE SUCCESS OF THEIR REFORM AND MODERNIZATION PROGRAM. AS I FELT THAT THEY WERE SINCERE AND ENTHUSIASTIC TO

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WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04

MAINTAIN EXCELLENT RELATIONS WITH THE U.S.. I DECIDED TO SEND YOU THIS URGENT MESSAGE THROUGH SECRETARY BAKER AND URGE YOU TO RESPOND POSITIVELY TO THEIR REQUEST. IN MY OPINION. IT WOULD BE A GRAVE MISTAKE TO ALIENATE THE CHINESE NATION AT THIS CROSSROADS IN HUMAN HISTORY. THERE IS NO FUNDAMENTAL CONTRADICTION OR REAL CONFLICT OF INTEREST BETWEEN THE TWO COUNTRIES. THEY DO NOT OPPOSE THE CURRENT MOVEMENT TOWARDS DETENTE AND ACCOMMODATION. THEY ARE QUITE WILLING TO COOPERATE WITH YOU AND OTHER WORLD LEADERS IN THE PROCESS OF REINFORCING PEACE AND SECURITY FOR MANKIND. I FIRMLY BELIEVE THAT THEY ARE ENTITLED TO BT

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~~SECRET~~ SECTION 02 OF 02 SECTO 07008

NODIS

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TAGS: OVIP (BAKER, JAMES A. III), US, EG

SUBJECT: LETTER TO THE PRESIDENT FROM PRESIDENT

- MUBAREK

BE GIVEN THIS CHANCE.

IN NORTH KOREA. I FOUND THE SAME READINESS AND ENTHUSIASM TO STABILIZE THE SITUATION IN THAT PART OF THE WORLD AND ELIMINATE SOURCES OF FRICTION AND TENSION. PRESIDENT KIM IL SUNG MADE IT CRYSTAL CLEAR THAT HIS COUNTRY WILL NOT ATTEMPT TO IMPOSE ANYTHING ON SOUTH KOREA BY FORCE OR THE THREAT OF USING IT. HIS AIM IS TO SIGN A NON-AGGRESSION PACT WITH THE SOUTH AND REDUCE THE SIZE OF FORCES IN BOTH COUNTRIES TO 100,000.

ON THE OTHER HAND. HE WANTS TO ENTER INTO TRIPARTITE NEGOTIATIONS WITH SOUTH KOREA AND THE U.S. FOR THE PURPOSE OF SIGNING A PEACE TREATY THAT WOULD SUBSTITUTE FOR THE ARMISTICE AGREEMENT. HE FEELS THAT THERE EXISTS AT PRESENT SOME

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WHITE HOUSE SITUATION ROOM

PAGE 04 OF 04

FLEXIBILITY IN THE POSITION OF THE U.S. AND SOUTH KOREA AND THEREFORE. HE IS WILLING TO DEMONSTRATE THE SAME ATTITUDE.

I AM LOOKING FORWARD TO MEETING WITH SECRETARY BAKER TODAY AND DISCUSSING WITH HIM A FEW ISSUES OF COMMON CONCERN.

WITH BEST WISHES FROM ALL OF US.

HOZNI MUBARAK (SIGNED)

16.5.1990

END TEXT.

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THE WHITE HOUSE

WASHINGTON

April 18, 1990

Dear Mr. General Secretary:

Thank you for your letter proposing to send an envoy to Washington and to brief on the outcome of Premier Li Peng's visit to the Soviet Union and to hold consultations on relations between our two countries. Progress toward better relations is long overdue, and I appreciate your offering to take this step.

Given the problems listed below I believe the debrief should be done at the vice ministerial level in a third country. I hope you agree with that formulation.

Now for the difficult problems at hand: When I directed General Scowcroft and Deputy Secretary Eagleburger to be my special envoys to Beijing last December, I had received beforehand concrete indications from President Nixon and Dr. Kissinger beforehand of Chinese plans to seek to overcome the impasse in our relations. Unfortunately, subsequent progress along the lines I had expected has not occurred. In current circumstances, absent any indication that forward movement on the part of the PRC would soon resume, high-level contact would almost certainly prove to be counterproductive.

In your letter, you mentioned your disappointment with the position taken by my government regarding World Bank loans to China. I must, on the contrary, stress to you that it has been most difficult for me to be able to resume any lending for China. However, as

earlier indicated to you, the United States adjusted its policy to support, on a case-by-case basis, lending for basic humanitarian needs. That is absolutely as far as United States law will permit me to go in the absence of more far-reaching developments with respect to human rights in China. This adjustment of the U.S. position corresponded, as you know, with your government's actions regarding martial law in Beijing and the release of 573 detainees.

Your letter also suggested that the issue of renewal of most-favored-nation status for China was being used by the United States as a means of "pressuring" your government. Concerns about MFN that have arisen in the United States stem from both legal requirements of the legislation and the prevailing political atmosphere, and not from a desire to pressure China. I am sorry to observe that the positive steps China began to take at the end of last year in order to improve the atmosphere were not sustained and, indeed, were accompanied by some backward steps. For example, after I had made a strong defense of our relationship in the course of resisting the Congressional attempt to override my veto of the Pelosi Bill (H.R. 2712), Americans were dismayed to learn that your government had imposed new restrictions on study abroad.

Based on discussions between the two sides in December and January, your side is well aware, I know, of the outstanding issues that remain unresolved. I must emphasize that the failure to sustain the momentum of that period has resulted in declining support here for the U.S.-China relationship.

Even greater efforts will be required, still within the scope of the package proposal, to begin to move forward again. These efforts should include a broad amnesty for those who demonstrated peacefully last June, an end to jamming VOA, resolution of the case of the Fang Lizhi family, and relaxation of new restrictions on foreign travel by Chinese students. Under the present circumstances, without new

movement in these areas, it will be extremely difficult for me to renew in June most-favored-nation status for China. That would be a tragedy for both sides, but as the situation now stands, my hands are virtually tied.

The strategic dimension of our relationship remains important, as I have frequently said publicly. However, general support for that dimension of our relations is also rapidly eroding. My ability to marshal support is hampered by the failure to improve the atmosphere satisfactorily.

We are at a critical time in our relationship. Each of us has his own view of what must be done, and at what pace; each of us is faced with difficult domestic considerations as well. But the interests of neither nation are served by a deterioration in our bilateral affairs. I hope you agree that I personally have tried hard to keep the relationship intact. Unfortunately, however, unless there is a rapid return to the process we began abortively some months ago, I foresee little opportunity to avoid further deterioration.

Sincerely,

A handwritten signature in dark ink, appearing to read "G. Bush". The signature is fluid and cursive, with a large, sweeping "G" and a stylized "Bush".

His Excellency
Jiang Zemin
General Secretary of the Central
Committee of the Communist Party
of the People's Republic of China
Beijing

TALKING POINTS

- o President Bush has considered the message you conveyed from General Secretary Jiang Zemin on April 6. I have been directed by the President to give you his reply, and request that you transmit it to the General Secretary.
- o I have also been instructed to present some additional points which elaborate on the President's letter to General Secretary Jiang. Ambassador Lilley has been instructed to provide these same points to Foreign Minister Qian Qichen.
- o As the General Secretary's message noted, Sino-U.S. relations are at a stalemate. For two months we have not advanced our dialogue. Attitudes have hardened.
- o This state of affairs does not accord with our wishes, nor, as is it now seems, does it accord with yours.
- o The President's decision to send General Scowcroft and me (LSE) to Beijing last December was based on prior indication that the Chinese side had some concrete proposals to offer for improving relations. Since then, despite initial progress, we have received no new indications of China's willingness to take the kind of steps required to advance ties. We therefore believe that a visit by a special envoy from your government would not be constructive at this time.
- o President Bush has repeatedly made clear--through words and deeds--his personal commitment to a strong US-PRC relationship, and welcomes the similar sentiments which the General Secretary has expressed.
- o The relationship cannot be sustained solely on the basis of shared strategic interests. US-PRC relations have prospered since normalization in the context of China's commitment to continuing political and economic reform.
- o China's history-making reforms over the past decade fostered a domestic climate in the U.S. of strong, unprecedented bipartisan support for US-PRC relations, and made possible a broadening and deepening of the relationship into trade and investment, scientific and academic exchanges, and military cooperation.

- o We do not seek to interfere in China's internal affairs, but I must be frank in expressing a truth which profoundly affects our relations. The excessive use of force used in Beijing last spring to bring about public order, the continuing repression of peaceful, free expression of views by Chinese citizens, restrictions on students, and an apparent stalling or retreat from economic reforms have combined to shatter the foundation of bipartisan support in the U.S. for bilateral ties.
- o At the same time, China's belief in shared strategic interests has unfortunately come into question. Joined with complex international developments, lingering concerns about China's support of non-proliferation of missile and nuclear weapons technology have entered the domestic debate in the U.S. about the value of U.S. ties to China.
- o [LSE] The President's bold initiative to send General Scowcroft and [myself] to Beijing last December was a politically risky attempt to set in motion a process to restore the foundations for our important relationship.
- o We were heartened then by our constructive dialogue which led to discussion of a process to restore relations, involving actions by both sides--what you refer to as a "package solution."
- o We told you candidly that we needed China to take major steps in order for us to be in a position to lift our suspensions on all World Bank lending, military deliveries, and high-level visits and exchanges.
- o In the immediate weeks following our December visit to Beijing, both sides took a number of steps which for a time improved the atmosphere of relations and created a momentum which gave hope that the truly major steps each side required to restore relations would be taken.
- o We recognize that some of the initial steps China took, though they were modest and did not address our core concerns, were nonetheless difficult for your side domestically.

[LSE] [I] --Knowing this, the White House, the State Department, and in Congressional testimony, praised these steps--despite widespread criticism in the Congress and in our media that they did not go far enough to restore a foundation for relations.

- o You must know that the steps we have taken also met extraordinary domestic resistance--ranging from the two missions to Beijing, to licensing satellites and other controlled munitions-list exports for civilian use, to initiating the limited resumption of World Bank lending to China, and to undertaking extremely difficult efforts to overcome a series of legislative obstacles to improving US-China relations.
- o At the current impasse in relations, each side waits for the other to take the steps which are both most important for restoring relations, but also most difficult politically.
- o I want to be absolutely clear on the present reality as seen by the President: he and his administration have done all that is possible at present to advance our relationship in the absence of further, significant steps by China. We can do no more.
- o We were pleased when you indicated last week that you again reversed your position to support resumption of the Fulbright educational exchanges, and the initiation of a Peace Corps program in Sichuan. We shall do all we can to ensure that those programs contribute over time to a deepening of our people-to-people relations.
- o But, in the current atmosphere, those two actions are seen as too little, too late--they are insufficient by themselves to break the impasse. Much more must be done.
- o We cannot stand still; we are compelled to deal with key issues in our bilateral relations--such as the question of renewing most-favored-nation status (MFN)--that are going to come up for decision.
- o Frankly, if we cannot be more constructive, and take some major steps forward, however difficult they may be, the prospect is for a continued downward slide as we seek to manage existing bilateral irritants and looming new problems.
- o Our strong desire is to manage these problems, not to level accusations or to argue about them.
- o The Administration's decision on MFN, a vital issue in our relations, has become constrained severely by the current political atmosphere, and by legislation.
- o We did not seek to use this issue to put pressure on China, but the situation now requires urgent action on your part if China is to retain MFN status.

- rephrase* /
- o This point must be clear: under present circumstances, the President would find it difficult to sustain MFN treatment for China. ✓
 - o Arguments about the negative effects on U.S. economic interests and Hong Kong are outweighed by serious concerns over continuing repression of peaceful expression of views in China, restrictions on its students' ability to go abroad for study, and over uncertainties about China's policy towards sales of ballistic missiles and missile technology, among other issues.
 - o Deng Xiaoping said well that we should avoid the mentality of combat, of winners and losers, as we discuss these difficult bilateral matters. We respect his wisdom in making that important point. We agree that our relationship must be founded on mutual benefit and mutual respect.
 - o During our discussions of the "package solutions" since December, we have explained the importance of a broad amnesty for those who demonstrated peacefully in June, an end of jamming of the VOA, and a relaxation of martial law in Tibet as key unresolved elements needed to rebuild a domestic foundation in the U.S. for bilateral relations.
 - o Our support for a full resumption of World Bank lending is absolutely contingent on significant Chinese action in these areas, because of U.S. laws governing such lending.
 - o Resumption of weapons deliveries, which would make it somewhat easier to balance the technical and engineering difficulties of the Peace Pearl program, is also dependent on such action.
 - o Had China taken those steps, we likely would not now be facing the present challenge to China's MFN status.
 - o You may believe that you have domestic reasons for not moving forward on some of these difficult issues; but you must understand that we cannot take the corresponding steps you desire without your action.
 - o If we cannot see movement on all those key questions, however, first steps could be taken to arrest at least the slide in our relations, particularly the damage to our relations which would result from China's loss of MFN.

- o We see as critical to this joint effort the following steps:

--Dramatic improvement of the atmosphere for relations by resolution of the Fang Lizhi case:

[--(Use only if White House agrees): If you signal your willingness now to take this first gesture towards breaking the impasse, we will agree to General Secretary Jiang's suggestion for a high-level envoy to meet in the U.S. to discuss ways to improve relations.]

[--We would be prepared to take advantage of the symbolism of Fang's release to renew our bilateral S&T agreement, and otherwise promote bilateral scientific exchanges.]

--Positive actions towards Chinese students:

--The strictest standard for granting MFN treatment is evidence that a nation permits freedom of travel; unfortunately, China's recent regulations restricting foreign travel by students directly challenges that standard. It would greatly help China's prospects for MFN if those regulations were greatly softened or repealed.

--You of course seek the support of your intellectuals and students both in China and abroad, and it is in our interest to see your students in the U.S. return to China to contribute to the strengthening and prosperity of their country.

--The ultimate solution is to reassure publicly Chinese students and scholars of their personal and professional security--both in America and upon return to China, without conditions.

--Clarification of ambiguities remaining on Chinese policy concerning missile sales:

[LSE's] [my] --We were encouraged by the PRC statement issued after my visit with General Scowcroft, but we need clarification about the willingness of China to follow the example of the G-7 and the USSR in observing the guidelines of the Missile Technology Control Regime [MTCR]. This is not a Chinese domestic political issue, but an issue of legitimate global concern, important to our strategic relationship.

--In the past months, we have asked for these clarifications and for added assurances that China was not seeking to proliferate missile technology. The continuing lack of response to our requests for clarification and assurances ~~raises the possibility~~ *has given the impression* that China intends to be a proliferator.

--It would appear to accord more with China's role as a responsible major power to use its prowess in missile technology only for self defense, and for peaceful application, as in last weekend's successful launch of AsiaSat in which the U.S. was a willing collaborator.

--Some in Congress have already introduced resolutions which would link MFN for China with assurances that China will follow the MTCR export guidelines, and in particular refrain from selling ballistic missiles of any range to the Middle East.

- o We believe that resolution of the Fang case, positive acts to reassure students and intellectuals, and conformity by China with international standards on transfer of missiles and missile technology are clearly in China's own interests. These measures would contribute greatly towards creating an atmosphere wherein we could attempt to defend MFN for China. They would also help to rebuild momentum for an improved relationship which would make it easier to deal with other difficult bilateral issues.
- o I would add, consistent with our discussions in Beijing last December, that a broad amnesty for those involved in peaceful activities last spring, ending of jamming of the VOA and other unreasonable restrictions on foreign press, and easing martial law in Tibet are additional measures which would bring correspondingly major responses from the U.S. side, and would greatly assist any efforts we might undertake to sustain MFN for China. Such actions would also lay the foundation for a full return to lending from the World Bank, a resumption of weapons deliveries, and return to the productive pattern of frequent high-level diplomatic and economic consultations which marked our relations until last year.
- o General Secretary Jiang has pointed out that the situation in China is stable following the Sixth Plenum and the recent session of the National People's Congress. There should therefore be a sound domestic basis in China for taking the bold steps required to avert a loss of MFN, and improve relations with the U.S.

- o Let us now begin again to make mutual efforts to address the areas of common interest I we have noted.
- o Congress is now in recess; we have a week or so to work productively together without excessive public scrutiny in the U.S.
- o Please inform us quickly whether you wish to pursue seriously the package approach I have outlined.

Drafted:EAP/CM:KWiedemann
4/13/90 SECMDR # 57

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09a. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

Withdrawal/Redaction Sheet

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09b. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	

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Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
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Subseries: China Files
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P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
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P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09c. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
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PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09d. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed:	5/8/2009	OA/ID Number:	91137-002
FOIA/SYS Case #:	2009-0275-S	Appeal Case #:	
Re-review Case #:		Appeal Disposition:	
P-2/P-5 Review Case #:		Disposition Date:	
AR Case #:		MR Case #:	
AR Disposition:		MR Disposition:	
AR Disposition Date:		MR Disposition Date:	

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
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Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
 (b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
09e. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

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 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

Dear Mr. General Secretary,

Thank you for your letter proposing to send an envoy to Washington to hold consultations on relations between our two countries and to brief on the outcome of Premier Li Peng's visit to the Soviet Union. Progress toward better relations is long overdue, and I appreciate your offering to take this step.

Unfortunately, I believe that such a step is not advisable at this time for two reasons. First, although the envoy would travel in secrecy, we cannot be certain that the secrecy would be effectively protected. Revelation of secret high-level talks at this time would deal a shattering blow to my hopes for improving relations, and would be too great a risk.

Second, when I directed General Scowcroft and Deputy Secretary Eagleburger to be my special envoys to Beijing last December, I had received indications beforehand of how the Chinese side planned to overcome the impasse prevailing in our relations. In the absence of new indications, it would be difficult to take so great a risk.

In your letter, you mentioned your disappointment with the position taken by my government regarding World Bank loans to China. I believe it is important for me to stress to you how difficult it has been to resume lending at all for China. The United States adjusted its policy to support, on a case-by-case

basis, lending for basic humanitarian needs. That is as far as our law will permit me to go in the absence of more far-reaching developments with respect to human rights in China. The adjustment of the U.S. position corresponded, as well, with the measured benefits achieved in the way martial law was lifted in Beijing and when your government announced the release of 573 detainees.

Your letter also raised the question of most-favored-nation status for China as an effort to "pressure" your government. In this regard, concerns about MFN that have arisen in the United States stem from both legal requirements and the prevailing political atmosphere, and not from a desire to pressure China. I am sorry to observe that the positive steps China began to take at the end of last year in order to improve the atmosphere were accompanied by steps backward. For example, after my strong defense of the relationship in resisting the Congressional attempt to override my veto of the Pelosi Bill (H.R. 2712), Americans were dismayed to learn that your government has imposed new restrictions on study abroad.

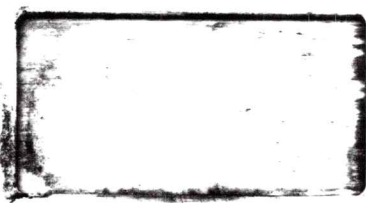
Given the almost daily accounts in our media of negative developments in China, the atmosphere has not yet begun to improve in our relations. Under the present circumstances, I will not be able to send to Congress a recommendation that China retain most-favored-nation status.

It is my great hope that in the days ahead you will give me reason to believe that I should fight to retain most-favored-nation status for China. Your side is well aware, I believe, of some of the outstanding issues, based on discussions between the two sides in December and January. I must emphasize that the failure to sustain the momentum of that period has had its own cost in declining support here for the U.S.- China relationship. Even greater efforts will be required, still within the scope of the package proposal, to begin to move forward again.

The strategic dimension of our relationship remains important, as I have frequently said publicly. Support for that dimension of our relations is also rapidly eroding, however, for complex reasons. My ability to marshal support is hampered by the failure to improve the atmosphere satisfactorily. Nonetheless, I am prepared to authorize a meeting and briefing on the visit of Premier Li Peng to the U.S.S.R. at the vice ministerial level in a third country.

We are at a critical time in this relationship. Loss of most-favored-nation status for China is not what I would wish, but this is not an issue which I can defer. Both countries have their own difficulties, yet history has confronted us with a requirement for action now.

Sincerely,



THE WHITE HOUSE
WASHINGTON

received from Chinese Ambassador
by General Scowcroft on 6 Apr 90
at 1707.

Doug Paal has a copy.

General Scowcroft will deliver
original to the President.

No other copies have been
distributed.



de/6Apr

7Apr - faxed copy to President
at Camp David per BS.

Baker
Cheney
Gold

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10a. Letter	General Secretary Jiang Zemin to President Bush [English] (4 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
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RESTRICTION CODES

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Withdrawal/Redaction Sheet

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Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
10b. Letter	General Secretary Jiang Zemin to President Bush [Mandarin] (2 pp.)	4/4/90	(b)(1)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Collection
Series: Special Separate China Notes Files
Subseries: China Files
WHORM Cat.:
File Location: China 1990 (Sensitive) [2]

Date Closed: 5/8/2009	OA/ID Number: 91137-002
FOIA/SYS Case #: 2009-0275-S	Appeal Case #:
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RESTRICTION CODES

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