MEMORANDUM OF CONVERSATION

Participants: Prime Minister Chou En-lai, People's Republic of China Yeh Chien-ying, Vice Chairman, Military Affairs Commission, Chinese Communist Party, PRC Huang Hua, PRC Ambassador to Canada Chang Wen-chin, Director, Western Europe and American Department, PRC Ministry of Foreign Affairs One Other Chinese Official, and Deputy Chief of Protocol Tang Wen-sheng and Chi Chao-chu, Chinese Interpreters Chinese Notetakers

Dr. Henry A. Kissinger, Assistant to the President for National Security Affairs John Holdridge, Senior Staff Member, NSC Winston Lord, Senior Staff Member, NSC W. Richard Smyser, Senior Staff Member, NSC

Place: Chinese Government Guest House, Peking

Date and Time: July 9, 1971, Afternoon and Evening (4:35 p.m. - 11:20 p.m.)

Dr. Kissinger: Among the topics I believe we should cover are the following:

-- Relations with other major countries, for example, the Soviet Union and Japan, which of course will certainly affect the future peace of the world.
PM Chou:

Since you have admitted that withdrawal of your forces is a good thing and beneficial for world peace and peace in the Far East, you should be able to make up your mind and withdraw from Indochina. This would be an honorable withdrawal and a glorious withdrawal. And you, Excellency, as adviser to the President, should be the first to make up your mind.

At least you should want peace in the Far East. If you speak of the Far East this also involves other questions we can speak of. Because if you don't end the war in Indochina, we must think of other areas. That means Japan, where you are rearming the Japanese militarists. You know of the present Fourth Defense Plan, which was drawn up according to the Joint Communiqué of President Nixon and Prime Minister Sato of Japan. You must know that the Sato Cabinet has been reorganized, and the plan is to be fulfilled ahead of schedule. The Japanese are bent on expanding; their economy has expanded to such an extent. Economic expansion will of necessity lead to military expansion. And once they expand, the Far East will be the first to feel the effects. They have openly decreed that Korea, Taiwan, and Vietnam are linked up with their security.

What attitude toward peace is that? Isn't that a threat? We are not afraid of that.

Therefore this is a question on which we must frankly state our views in a clear way.

Dr. Kissinger: Regarding Indochina, I, of course, know your principles. I did not expect that I would convince you on our point of view or that you would tell me if I had convinced you.

I think perhaps after studying what I have said, you can decide what is appropriate, if anything, and needs to be done.

I will say nothing more except that we are sincerely interested in ending the war. It is a danger to peace in Asia. It obscures fundamental problems, one of which you have mentioned, which is the relationship with Japan and maybe with the other great powers. If the war continues, it will menace Asian peace. If you wish, I am prepared to discuss those with you.

* * *

TOP SECRET/SENSITIVE/EXCLUSIVELY EYES ONLY
PM Chou: We believe that the peoples of any country should be capable of solving their own affairs without outside interference by others. There is the fact that twenty-five years after the Second World War, your hands are stretched out too far and people suffer from it in another country. Now if you do not withdraw, there will be a sticky situation. The President was right in Kansas City when he said that 25 years ago nobody would believe the U.S. could be in such a difficult position today. But Chairman Mao foresaw this at the time. He wrote an article shortly after World War II on the international situation. The word had spread that an attack was imminent against the USSR. Chairman Mao disagreed, and said that this was only a slogan whose purpose was to gain control over the intermediate areas of the world between the USSR and the U.S.

Chairman Mao pointed out the existence of two intermediate zones: First, the intermediate zone of what is generally known as the third world of Asia and Africa, Latin America, the developing countries, where there was a question of the struggle for control of these areas. The second intermediate zone, the more developed countries. What was the result of this struggle for control? The result was as the President said. Now 'n Western Europe, a new collective strength has appeared. The problem in the President's thinking is that West Germany is out ahead of this, although England, France and others are also included. In the Common Market there were six, and there are now ten countries. In East Asia, there is Japan.

Your President also looks upon China as a country with potential strength. Although our country is large in size and has a large population, yet comparatively it is not developed. So at the present time we only have a voice. But Chairman Mao on many occasions has said that we would countries, big or small, be equal. It is not just a question of equality for two countries. Of course, it's a good thing for our two countries to negotiate on the basis of equality to exchange views, and to seek to find common points as well as putting on the table our differences. In order to really gain a relaxation in the international arena over a comparatively long period of time, one must deal with one another on the basis of equality. That is not easy to achieve.

After 25 years it's no longer possible for the U.S. to exercise a position of hegemony. Japan has become strengthened, and if you will now withdraw all foreign troops from the Far East, it's your purpose to strengthen Japan so it can serve as your vanguard in the Far East in controlling Asian countries. When we blame you for this, you say that it isn't the case.
Dr. Kissinger: Blame us for Japan?

PM Chou: Yes. You have troops in South Korea, Japan, the Philippines, Indochina, and also Thailand. As for Taiwan, we discussed that. That is the situation in the Far East. So, if we don't discuss these matters, how would it be possible to live in equality?

Dr. Kissinger: Mr. Prime Minister, we should discuss these matters. I had them in my opening remarks but decided it would be better first to discuss concrete matters before proceeding to philosophical problems.

PM Chou: These are not only philosophical matters, they are also concrete.

Dr. Kissinger: Partly philosophical, partly concrete. Philosophical because it's what each thinks of its place in the world. Concrete in the conclusions we draw from our philosophy.

* * *

PM Chou: I would like to make an observation on this matter. You have such heavy burdens and military expenditures, but what are the results? For instance, precisely because you have been protecting Japan, Japan spent very little on military expenditures before 1971, and is able to expand its economic strength very rapidly. The President mentioned the last ten years; I looked at the figures which you have published on your military expenditures which were $700 billion.

Dr. Kissinger: That's right.

PM Chou: While Japan has had practically no expenditures, with the result that Japan developed rapidly. Now the President says they are very powerful. Of course, your businessmen have a great investment in Japan. So what purpose is there for you to keep 40,000 troops in South Korea -- just honor? You already have a treaty with the Koreans, Park Chong-hee recently was re-elected, and your Vice President went to congratulate him. You have tied yourself down.

Dr. Kissinger: Mr. Prime Minister, if there were Japanese troops in Korea, without making any judgments about your policy, I imagine that you would be more disquieted by these Japanese troops than by American troops.

PM Chou: We would oppose foreign troops in Korea, no matter whose.

* * *
Dr. Kissinger:

With this as our philosophy, we have, for example, reduced our military forces in parts of the world other than Vietnam by over 100,000 men, and civilians by about 50,000 since we came into office. But as we move into a new period, certain contradictions become apparent. The Prime Minister has on a few occasions mentioned Japan. Let me say two things: first, as between a strong Japan and a strong China, we believe a strong China is not expansionist because this is your tradition.

PM Chou: This is not only because of our traditions but because of our new system. In the past, we had an expansionist tradition, and committed aggression against Vietnam, Burma, and Korea. But New China will not commit such aggression, because that is decided by our system and ideals.

You overestimate us when you say we will develop our economy after five to ten years. We don't go so fast, but we don't want to move along at a snail's pace. But you are correct that the new China will not practice expansionism. It's not the same for Japan.

Dr. Kissinger: A strong Japan has potentially some of the tendencies which the Prime Minister mentioned. A strong Japan has the economic and social infrastructure which permits it to create a strong military machine and use this for expansionist purposes if it so desires. The American forces on Japan are in this respect totally insignificant. They play no role compared to the potential power Japan represents. In fact, they create a paradox because it is our belief, and this is one of the occasions where we may be right, our defense relationship with Japan keeps Japan from pursuing aggressive policies. If Japan builds its own military machine, which it will do if it feels forsaken by us, and if it builds nuclear weapons, as it could easily do, then I feel the fears which you have expressed could become real indeed.

In fact, Mr. Prime Minister, from the point of view of the sort of theory which I used to teach in universities, it would make good sense for us to withdraw from Japan, allow Japan to re-arm, and then let Japan and China balance each other off in the Pacific. This is not our policy. A heavily rearmed Japan could easily repeat the policies of the 1930's.

So I really believe, Mr. Prime Minister, that with respect to Japan, your interests and ours are very similar. Neither of us wants to see Japan heavily re-armed. The few bases we have there are purely defensive and enable them to postpone their own rearmament. But if they nevertheless rearm heavily, I doubt that we will maintain our bases there. So we are not using Japan against you; this would be much too dangerous for both of us.
With respect to South Asia and your northern neighbor, perhaps we can discuss them separately. I have talked too long already.

PM Chou: It doesn't matter. With respect to Japan, there are some points we have in common, whereas some others we can further discuss.

I would like to ask one question -- in Secretary Laird's recent visit to Japan and South Korea, I believe one of the questions discussed was military cooperation between Japan, South Korea, and the U.S. I think he is still there, for ten days. He goes to Korea on the 13th.

Dr. Kissinger: If I can tell the Prime Minister something in the frank manner we are discussing, one reason Secretary Laird is so long in Japan was that he was going to Taiwan, and I kept him from going there while I am here. Mr. Prime Minister, if you believe this was easy, you don't know our bureaucracy.

PM Chou: I understand.

Dr. Kissinger: Two things. I believe that our Cabinet members this time of year discover important reasons to take them round the world and these visits very often assume local significance. For example, Secretary Laird was invited to Japan by Nakasone, but had the misfortune the day he arrived that his host was no longer in office. (Chou laughs.)

PM Chou: This was not expected, I believe.

Dr. Kissinger: I agree that it was not planned. In what Secretary Laird said, you should be in no doubt that he was not expressing the President's national concepts, but was exploring how to make it technically easier for us to cooperate. I will have to look into this matter. He may simply be looking at U.S. bases.

But it is absolutely against President Nixon's policy to project Japan's military power outside its home islands into other areas for possible offensive uses. This would be uncontrollable, short-sighted, and extremely dangerous, all of which does not exclude some bureaucrats from making technical arrangements. But they would not be of great significance.

PM Chou: One question I would like to ask which I did not ask. It's a very strange phenomenon. On the question of the reversion of Okinawa itself, the Japanese people are saying three things: first, that this arrangement still contains no guarantee for Okinawa's non-nuclear status; secondly,
that this reversion cannot be said to be unconditional, that there are still conditions; and thirdly, it is not a complete reversion and some rights are to be retained by the U.S. Why do you insist on maintaining the Voice of America two years more on Okinawa, something which gives rise more easily to resentment?

Dr. Kissinger: On the first point, with respect to Okinawa's non-nuclear status, I don't understand the criticism because I was somewhat involved in the negotiations myself and I know that it will have exactly the same status as Japan, that is, a non-nuclear status. In fact, our generals are weeping bitterly because they must move nuclear weapons off Okinawa.

Second, with respect to a conditional or unconditional reversion, of course there were certain financial provisions associated with it with which I am prepared to deal if the Prime Minister wishes to raise any issues.

As to VOA, there is still some time before I leave here. If the Prime Minister is patient for another ten minutes' discussion, I want to explain how our government works. It will be important for him when we set up direct communications to understand who communicates with whom on what subject, what subjects should go in what channels, and what roles the various bureaucracies play. For example, it is very fortunate for our presence here that the Prime Minister has corresponded through President Yahya rather than through our Ambassador in Warsaw, which would have produced a quite different result. We will discuss this separately.

On continuing the VOA in Japan for two years, it didn't seem worth the bureaucratic fight to overrule what the bureaucracy had decided and agreed upon. That was the easiest thing to do. It didn't seem that important an issue. Had these conversations taken place between the Prime Minister and myself, or between Chairman Mao and the President, before the negotiations on the reversion of Okinawa, the result would have been different because we would have attached a different importance to the issue.

PM Chou: I did not intend to go into this matter today. It came to me just on the spur of the moment. However, it is not only an irritant to the Chinese people, but also to the people of the Far East and the Japanese people themselves.

Dr. Kissinger: I asked the Prime Minister to put questions to me which puzzle him, and I believe that this is one of the good results of this meeting.

PM Chou: That's right. I have come to understand not only your philosophy but also your actual policies. Because these actual policies represent the
thinking of the President who has put them into effect; they have helped to explain the position of the U.S. at the present time. In this respect, I have paid particular attention to the talk given by your President at Kansas City on his way to San Clemente. It was long, especially that part on international affairs.

Dr. Kissinger: I haven't read it yet; I have been travelling.

PM Chou: We'll get you a copy.

Dr. Kissinger: When Ambassador Huang Hua comes to Canada, we will send him the latest Chinese statements.

PM Chou: So this concludes our discussion for tonight.