

SENSITIVE

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MEMORANDUM OF CONVERSATION

SUBJECT:

Meeting with Chairman Deng Xiaoping of
People's Republic of China

PARTICIPANTS:

LTG Brent Scowcroft, Assistant to the
President for National Security Affairs
Lawrence S. Eagleburger, Deputy Secretary
of State
Florence E. Gantt, Notetaker

Deng Xiaoping, Chairman
Li Peng, Premier
Wu Xueqian, Vice Premier
Qian Qichen, Foreign Minister
Other Chinese Leaders

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DATE, TIME
AND PLACE

~~Wednesday~~
Saturday, July 2, 1989 - 10:00 AM
Great Hall of the People, Beijing

Chairman Deng - How is my friend, President Bush? How is he
getting along?

General Scowcroft - He is fine and he sends you his warm personal
regards.

Chairman Deng - Thank you.

General Scowcroft - He remembers with great affection his meeting
with you in February.

Chairman Deng - The reason I have chosen President Bush as my
friend is because since the inception of my contact with him I
found that his words are rather trustworthy. He doesn't say much
in terms of empty words or words which are insincere. So that's

US movement

why even before your general election I expressed the hope that he would be elected as President of the United States. However, he was not all that lucky because shortly after he assumed the office of the Presidency turmoil broke out in China. This was an earthshaking event and it is very unfortunate that the United States is too deeply involved in it. In my address to the Chinese at the army level and above, the cadre of national troops, I mentioned the macro international climate. I was actually referring to the United States involvement in the events in China. We have been feeling since the outset of these events more than two months ago that the various aspects of U. S. foreign policy has actually cornered China. That's the feeling of us in China, because the aim of the counter-revolutionary rebellion was to overthrow the People's Republic of China and our socialist system. If they should succeed in obtaining that aim the world would be a different one. To be frank, this could even lead to war. I know that you, of course, have an interest in the development of Sino-US relations. I understand that you actually were personally involved in the activities in the U. S. opening to China in 1972, presided over by President Nixon and Dr. Henry Kissinger. We have many American friends like you. However, indeed, there are some Americans who have positioned themselves and are antagonistic towards China all the time. What they have been doing could be termed as operating a rumor mongering corporation. The largest rumor mongering corporation is the Voice of America. And the largest rumor turned out by this corporation is the so-called blood bath of Tiananmen Square. Aid

Blame US

they played up the whole thing that in the blood bath more than 1,000 Chinese were gunned down or even more than 10,000 Chinese were gunned down. In short, if a country should formulate its policy and handle international relations on the basis of rumors this government itself would suffer a great deal. At least one can say that the U. S. Congress has taken actions of one kind or another against China on the basis of such rumors. Indeed, Sino-US relations are in a very delicate state and you can even say that it is in a very dangerous state. Such actions are leading to the break up of the relationship. On our part we so far have not seen any relaxing of such actions on the part of the U. S. In fact, the U.S. stepped up actions just three days ago when the House of Representatives passed an amendment on further sanctions against China. So, such actions are still going on. Fortunately there are still people -- some people among the leadership of our two nations -- who have adopted a rather cool-headed attitude. For example, President Bush on your side, me, myself, and other Chinese leaders have adopted a cool-headed attitude toward the handling of Sino-US relations. I mean President Bush -- the fact that he has sent you, Mr. Scowcroft, as his emissary shows that he has taken a wise and cool-headed action -- an action well received by us. It seems that there is still hope to maintain our originally good relations. I believe that is the hope of President Bush. It is also the hope shared by me. However, a question of this nature cannot be solved by two persons from the perspective of being friends. President Bush has to speak on behalf of American interests. I, myself, Premier Li Peng and

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other Chinese leaders have spoken on the basis of Chinese national interests -- on behalf of the interests of the Chinese people. And that is the position we take and make decisions on that basis. It is my hope that both sides will adopt an objective and an honest attitude towards the counter-revolutionary rebellion. Only in this way can both sides find a feasible way and method to settle problems arising from the two countries attitudes towards the rebellion.

The cause of the issues between China and the United States on this question is not because China has offended or impugned U. S. interests even in the least way. The question is that on a considerably large scale the United States has impugned Chinese interests, has hurt Chinese dignity. That is the crux of the matter. With regard to how to resolve this issue there is a Chinese proverb -- it is up to the one -- up to the person to tie the knot to untie the knot. Our hope is that in its future course of action the United States will seek to untie the knot.

The incidents in the United States, be it the U. S. Congress or the mass media, should no longer add fuel to the fire. China has not finished the handling of the putting down of the counter-revolutionary leaders. China will persist in punishing those instigators of the rebellion and its behind the scene boss in accordance with Chinese laws. China will by no means waiver its resolution of this kind. Otherwise how can the PRC continue to exist; there would not be any reason for the government to

exist. There is even the likelihood that this government would no longer be in existence if China could not exercise its dignity, its right, and enjoy its dignity. Then how can China be an independent country. There is really no independence to speak of, and China would not exist as the People's Republic. If people would like to add fuel to the fire that is a simple pretext to use. With regard to the train incident in Shanghai we executed three persons -- criminals who burned an entire train in Shanghai and this incident was a loss to the state. However, even this kind of punishment could lead to trouble -- could lead to accusations from some people. How can one talk about justice, let alone the dignity of Chinese law and its sovereignty? I would like to tell you, Mr. Scowcroft, we will never allow any people to interfere in China's internal affairs. No matter what are the consequences in China. We insist on managing the internal affairs of China by ourselves. No matter what kind of disaster should fall upon us, the Chinese people will be able to hold themselves up. China can say proudly that the Chinese leaders have never said anything or done anything irrationally in terms of handling our bilateral relations with another country and there will never be such rashness in the future. However, when China's sovereignty, dignity and independence are in question then China will not mince its words.

Maybe I have gone on too long on this issue between China and the United States. It was not my original plan to come and discuss it with people from the United States, but since you, Mr.

Scowcroft, have come here as an emissary of the President I wanted to see you otherwise it would be discourteous. Just now I have told you my personal feelings on this matter and I hope you will convey my feelings to my friend, President Bush. Please convey the following to President Bush that no matter what should be the outcome of the discussions between our two governments on this issue if he would continue to treat me as his friend I would also like to do that.

As regards our further discussion on this issue, the person who is in charge of discussions on the part of China is Premier Li Peng. It is a matter up to him to decide whether in the future he would like to hold such discussions with emissaries of the American side -- himself or if he would like to have a designee on China's side.

General Scowcroft - Thank you very much, Mr. Chairman. You have expressed very well the reason that we are here. President Bush is a true friend, a true friend of you and of China. He is unique among American Presidents for many, many years in having the kind of direct experience he has had and intimate contact he has had with the people and leaders of your great country.

Chairman Deng - He cycled around Beijing.

General Scowcroft - It is for that reason that he wrote you recently a very personal letter which he wrote with his own hand. It is for that reason that he asked us to come here. We are deeply appreciative of your willingness to receive us this way. I understand what a rare privilege it is and for that reason, to conserve your time, I have written out the message I bring from the President. The words are mine but the thoughts are wholly those of the President. You and China could have no better friend than George Bush. He knows from personal experience how important a productive and friendly relationship built up over many years of patient effort in both Beijing and Washington -- is and has been for the world as a whole. As you have just stated, today he sees the possibility that our two countries, because of internal developments in both nations could move toward a time of disturbance beyond anything we have encountered since President Nixon first travelled to Beijing. He wrote this letter and he

has sent us here in the hope that these two acts would begin a process of finding a way to reverse the current negative trends which so disturb him. He has sent us both, in particular, because we are very close to him personally. I work just down the hall from him. I see him 5-6 times a day and I see his pre-occupation with the problem between our two countries. We both served in the Nixon Administration. We have both been for many years close associates of Henry Kissinger. I am the oldest friend of China still in the United States Government. I believe you all know the depth of my feeling for China, and for the relationship. And our presence here after a trip of many thousands of kilometers, in confidence so as not to imply anything but an attempt to communicate, is symbolic of the importance President Bush places on this relationship and the efforts he is prepared to take to preserve it.

Our two countries have made much progress since the Shanghai Communique first set us on a new course. We represent two different cultures and backgrounds, perceptions. Through diligent work on both sides we have managed to reconcile or accommodate differences arising from the very wide disparity in traditions, cultures and economic and political outlooks.

There have been many ups and downs in the relationship, but on

the whole it has been a steadily deepening one. Not only because it responded to the basic interests of both sides, but because we respect the diversity between our two societies. We have benefitted -- both sides -- strategically with respect to the Soviet Union, with respect to a number of regional events and with respect to the stability that our relationship has brought to the world as a whole. We have benefitted economically as well. The public perceptions of the strength and durability of our relationship have given economic interests the world over not just in the United States confidence to invest in the PRC, thereby contributing greatly to the economic development goals of the Chinese Government. Our bilateral trade has grown from almost nothing to over \$10 billion a year. American industry has invested heavily in China and has plans for further investment in the future. On the human level, we have also benefitted. Thousands of Chinese students have studied in the United States and brought back with them to China knowledge of Western technology, methods of industrial organization and production techniques that have served, and will serve for years to come, to improve the economic well-being of the Chinese people. American tourists have travelled in ever-increasing numbers to China, bringing with them millions of tourist dollars and taking home a greater appreciation of the warmth and friendship of the Chinese people and the incredible richness of Chinese culture.

The latest chapter in the development of this relationship occurred only a few months ago with the visit of President Bush

to the people's republic. It was a visit marked by a warmth and frankness which was the culmination over these long years of mutual effort. Finally, it should be noted that the American people have strongly supported the improvement in our ties. As those ties have developed so has our admiration for the Chinese people and the efforts of the Chinese Government to encourage economic reform grow increasingly strong. Americans have ever more strongly identified themselves with the progress they saw taking place in China.

It is onto this bilateral climate of deepening cooperation and growing sympathy that the events of Tiananmen Square have imposed themselves. What the American people perceived in the demonstrations they saw -- rightly or wrongly -- was an expression of values which represent their most deeply cherished beliefs, stemming from the American revolution.

We, like you, were born in revolution. We, like you, hold deeply to the tenets of our own struggle for independence. Our whole national experience, beginning with our revolution, has been a struggle to expand the boundaries of freedom as we define that term. We fought our revolution to establish freedom of speech, freedom to assemble, freedom from arbitrary authority. These beliefs represent American tradition and culture. Americans, naturally and inevitably, respond emotionally when they see these values promoted elsewhere.

How the Chinese Government determines it must deal with those of its citizens involved in the recent events in China is, as you have so eloquently said, a wholly internal affair of China. However, how the United States Government and the American people view that activity is, equally, an internal affair of the American people. Both will be governed by the traditions, cultures and values peculiar to each. It is an obvious fact that Chinese actions in pursuit of solutions to the recent problems of wholly internal concern in the People's Republic have produced a popular reaction that is based on and reflects our own beliefs and traditions. It has therefore produced its own internal reaction which is real and with which the President must cope. That is the crux of the problem President Bush now faces.

The President shares the feelings of the American people with regard to the recent events in China, but he also believes very deeply in preserving the relationship between our two countries. He wants to manage events in a way which will assure a healthy relationship over time. That has not been easy. It has not thus far been without cost, and it could, depending on events, become impossible for him. The actions taken by the Chinese Government to deal with the demonstrators have produced demands by the American people and the United States Congress to take steps of our own to demonstrate our disagreement with those actions.

President Bush has taken certain steps he believes both necessary and appropriate under the circumstances. You have protested

these actions of his, while the Congress and much of the U. S. press have attacked him for not acting strongly enough. You, yourself, mentioned that three days ago the U. S. House of Representatives voted to impose stiffer sanctions against the People's Republic. The President opposed that action. Despite his opposition the vote was an almost unprecedented 418-0. The President will continue to oppose such legislation but the magnitude of the vote illustrates the political realities with which he must cope. Even his veto authority is powerless against such unanimity.

The President is very sensitive to Chinese concerns regarding the actions he must take to preserve control over the course of events in the United States, but he is not omnipotent in his ability to control such events. The President's ability to control events in the United States would, beyond a doubt, be strengthened were the Chinese likewise to try to be sensitive -- as you proceed over the coming days and weeks -- to the reality that what you do and the way you do it will have a major impact on opinion in the United States and throughout the Western world.

We have not come here with any detailed set of prescriptions to guide us through the current difficulties. As I said at the outset, we have come to explain the situation in the United States, the President's efforts to articulate American concerns, and his efforts to restore, preserve and strengthen our bilateral relationship. The President is confident that with the mutual

understanding that has brought us through difficulties before we
can surmount the present situation and he is deeply appreciative
of your willingness to receive us to explain the dilemma in which
he finds himself. That's the message from a true friend of the
Chinese Government and the people of China.

Chairman Deng - I don't have much time to elaborate on the
points. I just hope that United States statesmen and people will
understand one point. I think that one must understand history;
we have won the victory represented by the founding of the
People's Republic of China by fighting a 22-year war with the
cost of more than 20 million lives, a war fought by the Chinese
people under the leadership of the Communist Party; and if one
should add the three-year war to assist Korea against U. S.
aggression then it would be a 25-year effort. The second thing
is that people must come to understand that China is an
independent country which means no interference by foreigners.
And China is not a country to be directed by the backing of
another country no matter what kind of difficulties should crop
up in our way. China will be able to overcome them. There is no
force whatsoever which can substitute for the People's Republic
of China represented by the Communist Party of China. This is
not an empty word. It is something which has been proven and
tested over a period of several decades of experience. We always
hope that the five principles of peaceful coexistence will be
observed in dealings with China, i.e., equal _____, non-
interference in each other's internal affairs. So long as these

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principles are observed, Sino-US relations will continue to develop on the basis of respect for such principles. If any issue should crop up the issue should be settled promptly. If that approach is not adopted then China will not be held responsible for the deterioration of relations. With regard to what you have said, Mr. Scowcroft, some of it I agree with you, but a considerable portion of it I am afraid I cannot agree with you. With regard to concluding this unhappy episode in the relations between China and the United States, let me just repeat we have to see what kind of remarks and what kind of actions the United States will take. I think those things we want to see now. You will now have a follow-up discussion with Premier Li Peng. Let me restate my greetings to be conveyed by you, Mr. Scowcroft, to President Bush and Mrs. Bush.

General Scowcroft - Mr. Chairman, I thank you sincerely for being willing to receive us and listen to the President's thoughts. He asked me to convey to you his sincere and warmest personal regards and he hopes that we can overcome the difficulties and proceed with deepening relations between our two countries.

Chairman Deng - That is also a hope of ours.

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