

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

28 December 1978

National Intelligence Officers

MEMORANDUM FOR: National Intelligence Officer
for Warning

FROM: James R. Lilley
National Intelligence Officer for China

SUBJECT: Comments on the SWS Memo dated 22 December 1978, Subject: The US-China Normalization Agreement: A Warning Perspective

1. The alarm raised in the SWS memo is justified but the reasoning is flawed. The evidence does not support the assumption that a Chinese tougher attitude on Vietnam rose out of normalization.

2. What should be of some concern to us are recent Chinese moves

-- To condition cadres and population as well as the outside world to bolder moves by the Chinese against the Vietnamese in Indochina.

-- The severing of rail traffic between the two countries.

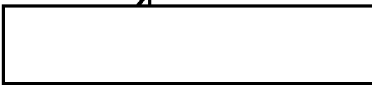
-- The increasing stridency of Chinese rhetoric.

-- The defensive build-up of an air base in the area.

State Dept. review completed




3. It is a war of nerves. The Chinese are warning the Vietnamese not to go too far in Cambodia or they could be hit in a number of places, the Spratleys, the North Vietnamese-Chinese border area, Laos, or the Gulf of Tonkin. The Chinese do not have the best cards to play but they have a knack for this game of posturing and pressure (ask State and NSC).


James R. Lilley

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Attachment:
Two Reports

25X1. NIO/CH-JRLilley:fmt 

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RUEHUL/AMEMBASSY SEOUL 331
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RUMJFS/AMEMBASSY VIENTIANE 197
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CINCPAC FOR POLAD

E.O. 12065: GDS 12/26/84 (WOODCOCK, LEONARD) ORM
TAGS: PLOS, MOPS, CH, VM, PBOR
SUBJ: PRC ISSUES NEW WARNINGS TO VIETNAM

REF: PEKING 4187 (NOTAL)

SUMMARY: WITH TWO MORE PROTEST NOTES AND ANOTHER EDITORIAL IN PEOPLE'S DAILY, THE PRC HAS ONCE AGAIN ESCALATED ITS WARNINGS TO VIETNAM OVER CONTINUING BORDER VIOLATIONS. THE EDITORIAL HAS ALSO FOCUSED ATTENTION ON CHINA'S DISPUTE WITH VIETNAM OVER THEIR TERRITORIAL SEA BOUNDARY, INCLUDING

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POSSESSION OF THE SPRATLEY ISLANDS, SUGGESTING THE FAR-OUT POSSIBILITY OF A RETALIATORY CHINESE MOVE AGAINST THE VIETNAMESE IN THIS AREA. END SUMMARY.

2. THE PRC FOREIGN MINISTRY ON DECEMBER 24 ISSUED TWO PROTEST NOTES IN QUICK SUCCESSION TO THE VIETNAMESE EMBASSY. THE FIRST COVERED A SERIES OF BORDER INCIDENTS DURING THE PERIOD DECEMBER 10-16, WHILE THE SECOND DEALT WITH A CLASH ON DECEMBER 23, WHICH ACCORDING TO THE NOTE LEFT NINE CHINESE KILLED OR WOUNDED AND THREE VIETNAMESE DEAD.

3. PEKING THEN FOLLOWED THIS UP CHRISTMAS DAY WITH AN EDITORIAL IN PEOPLE'S DAILY WHICH WENT BEYOND PREVIOUS LANGUAGE IN WARNING HANOI TO STOP SUCH ACTIVITIES BEFORE IT IS TOO LATE. THE EDITORIAL SAID THE SRV'S ACTIVITIES HAVE "REACHED AN INTOLERABLE POINT," THAT HANOI HAS "GONE FAR ENOUGH" AND THAT THERE IS A LIMIT TO CHINA'S "FOREBEARANCE AND RESTRAINT." IT REPEATED THE STANDARD PRC LINE USED WITH RESPECT TO THE SOVIET UNION, BUT NOT PREVIOUSLY DIRECTED PUBLICLY AGAINST VIETNAM: CHINA "WILL NOT ATTACK UNLESS IT IS ATTACKED," BUT "IF IT IS ATTACKED, IT WILL CERTAINLY COUNTERATTACK." "CHINA MEANS WHAT IT SAYS." IF THE VIETNAMESE AUTHORITIES CONTINUE TO ACT "IN THIS UNBRIDLED FASHION, THEY WILL DECIDEDLY MEET WITH THE PUNISHMENT THEY DESERVE." THE SRV SHOULD NOT COMPLAIN LATER THAT IT WAS NOT WARNED IN ADVANCE.

4. THE EDITORIAL, IN ADDITION TO REVIEWING THE INCREASING NUMBER OF INCIDENTS ON THE SINO-VIETNAMESE LAND FRONTIER, WENT INTO SOME DETAIL ON THE OFFSHORE BOUNDARY DISPUTE BETWEEN THE TWO COUNTRIES. IT STATED THAT IN 1973 VIETNAM HAD OFFERED TO NEGOTIATE A DELIMITATION OF THE GULF OF TONKIN, BUT THEN LATER WITHDREW ITS OFFER AND CLAIMED THAT THE BOUNDARY LINE WAS ALREADY FIXED -- IN A MANNER DISADVANTAGEOUS TO THE CHINESE. PEOPLE'S DAILY ALSO BROUGHT UP THE VIETNAMESE OCCUPATION OF "CHINA'S NANSHA ISLANDS" (SPRATLYS), CALLING IT A PREPARATION FOR THE ANNEXATION OF A VAST TRACT OF THE SOUTH CHINA SEA.

5. COMMENT: THE ESCALATION OF CHINESE RHETORIC SUGGESTS A PRC DECISION TO HEIGHTEN PRESSURE ON THE SRV, FOR REASONS PRESUMABLY RELATED TO VIETNAMESE ACTIONS IN KAMPUCHEA OR ALONG

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THE SINO-VIETNAMESE BORDER. AT THE SAME TIME, THE DECEMBER 25 EDITORIAL'S FOCUS ON THE DISPUTE OVER THE SOUTH CHINA SEA ISLANDS RAISES THE POSSIBILITY OF A CHINESE RETALIATORY MOVE IN THIS AREA. AN ATTACK ON A VIETNAMESE OUTPOST IN THE SPRATLYS, FOR INSTANCE, WOULD UNDERSCORE THE PRC'S CLAIM TO THIS PORTION OF THE POTENTIALLY OIL-RICH SOUTH CHINA SEA, BUT WITHOUT VIOLATING THE PEOPLE'S DAILY EDITORIAL'S PROUD STATEMENT THAT SINCE 1949 "THE PRC HAS NOT SEIZED AN INCH OF TERRITORY FROM OTHERS."

6. NEVERTHELESS, THERE ARE POWERFUL DETERRENENTS TO SUCH RISKY ACTION ON THE PRC'S PART. ONE IS THE POSSIBILITY OF DEFEAT. WE ARE NOT PREPARED FROM OUR VANTAGE POINT HERE TO SPECULATE ON THE LIKELIHOOD OF SUCCESS OF THIS KIND OF ATTACK, BUT SUCH A MOVE WOULD REPRESENT A CONSIDERABLY MORE DIFFICULT OPERATION THAN THE TAKEOVER OF THE PARACELS FROM GVN FORCES IN 1974. A SECOND DISADVANTAGE WOULD BE THE INTERNATIONAL COMPLICATIONS. AN ATTACK ON THE VIETNAMESE SPRATLYS WOULD ALARM THE PHILIPPINES, WHICH HOLDS SOME NEIGHBORING ISLANDS (AS DOES THE ROC), AND PROBABLY OTHER SOUTHEAST ASIAN NATIONS AS WELL. IT WOULD WORRY THE JAPANESE, WHOSE DISPUTE WITH CHINA OVER THE SENKAKUS IN SOME WAYS RESEMBLES THE SPRATLY SITUATION. IT WOULD INCREASE THE RISK OF SOVIET INVOLVEMENT. AND IT COULD CAUSE AN ADVERSE REACTION IN THE UNITED STATES, WHERE IT MIGHT BE LOOKED UPON AS A SIGN THAT CHINA'S LEADERS FELT THAT NORMALIZATION HAD GIVEN THEM A FREE HAND TO PURSUE EXTERNAL AMBITIONS IN SOUTHEAST ASIA.

7. ACCORDINGLY, THE PROBABILITY OF SUCH A MOVE DOES NOT APPEAR HIGH, BUT U.S. INTELLIGENCE AGENCIES MAY WISH TO KEEP A CAREFUL WATCH OVER THE AREA DURING THE NEXT FEW WEEKS AND BE ALERT TO UNUSUAL PRC SHIP MOVEMENTS IN THE SOUTH CHINA SEA. WOODCOCK

END OF MESSAGE

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