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DATE 12/10/74

WHITE HOUSE SITUATION ROOM

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MESSAGE ANNOTATIONS!

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MESSAGES

IMMEDIATE-DE: NTE30 #8053 3220745 D 1807407

TO THE WHITE HOUSE PM PEKING 91 (BUSH)

State Dept. review completed

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PEKING 91

NOVEMBER 18, 1974

TO THE SECRETARY

FROM: GEORGE BUSH SUBJECT: CHINA'S INTERNAL SC

SUBJECT: CHINA'S INTERNAL SCENE ON THE EVE OF YOUR VISIT

1. IN HOPES THAT IT MIGHT BE HELPFUL TO YOU, WE HAVE
PREPARED THE FOLLOWING ASSESSMENT OF CHINA'S INTERNAL SCENE
ON THE EVE OF YOUR VISIT, AS IT LOOKS TO US IN PEKING.

THE IDEOLOGICAL CAMPAIGN WHICH WAS JUST GATHERING STEAM AT THE TIME OF YOUR LAST VISIT NOW SEEMS TO BE DRAWING TO A ALMOST IDENTICAL REPORTS FROM THREE CITIES IN CHINA CLDSE. DESCRIBE A RECENT CENTRAL COMMITTEE DIRECTIVE WHICH GUDTE NO LESSITHAN CHAIRMANNMADNAS SAVING THAT EIGHT YEARS OF THE CULTURAL REVOLUTION IS ENOUGH: IT APPEARS THAT A NATIONAL PEOPLE'S CONGRESS COULD BE CONVENED AT ANY TIME, A STEP WHIGH WOULD MARK FURFHER MOVEMENT TOWARD THE CREATION OF A LEADERSHIP STRUCTURENTO TAKE CHINA INFO THE ANTICIPATED SUCCESSION PERIOD. MAD TREATUNG CONTINUES TO REMAIN OUTSIDE PEKING, HOWEVER, AND MAS NOW BEEN GONE AT LEAST FOUR MONTHS, A FACT WHICH INJECTS BOME UNCERTAINTY INTO ANY PROJECTION OF PROPPOLITICAL DEVELOPMENTS. MADES RETURN TO PEKING COULD, AS HAS HAPPENED IN THE PAST, SIGNAL ENTIRELY NEW DIRECTIONS IN CHINESE POLICY, ALTHOUGH THIS DOES NOT APPEAR LIKELY.

3. WHAT WAS ACCOMPLISHED BY THE RECENT POLITICAL CAMPAIGN? IN OUR VIEW, A VARIETY OF ISSUES, ALL PARTS OF WHICH IS PERHAPS MAD'S LAST EFFORT TO SHAPE CHINA IN HIS IMAGE, WERE AT STAKE. THEY INCLUDE THE ROLE OF CHINA'S MILITARY AND ITS RELATIONSHIP TO THE PARTY, THE DEGREE OF CENTRAL CONTROL OVER CHINA'S MASSIVE REGIONAL AND PROVINCIAL BUREAUCRACIES, THE MIDDLE KINGDOM'S RELATIONSHIP WITH THE BARBARIAN STATES, MOST IMPORTANTLY THE U.S. AND THE SOVIET UNION, AND LAST BUT NOT LEAST, A GENUINE EFFORT TO ERADICATE TRADITIONAL, GONFUCIAN THOUGHT AND BEHAVIOR PATTERNS AMONG THE CHINESE PEOPLE. WHILE IT IS IMPOSSIBLE TO MEASURE WITH ANYTHING

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

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DATE \$2/18/74

WHITE HOUSE SITUATION ROOM

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MESSAGE (CONTINUED):

LIKE PRECISION THE REGIME'S SUCCESS IN RESOLVING THESE ISSUES, WE SUSPECT THE RESULTS HAVE BEEN MIXED AT BEST AND MANY QUESTIONS HAVE BEEN COMPROMISED BUT NOT SOLVED.

A. PERMAPS THE MOST IMPORTANT CHANGES HAVE TAKEN PLACE IN THE MILITARY FIELD. EARLY IN THE CAMPAIGN EIGHT OF CHINA'S ELEVEN RESTONAL MILITARY COMMANDERS WERE WRENCHED LOOSE PROM THEIR LONG STANDING PONER BASES IN A MASSIVE SHIPT THE IMPACT OF WHICH REMAINS UNCLEAR. WHEREAS THEY PREVIOUSLY MAD OCCUPIED BOTH MILITARY AND POLITICAL POSITIONS, USUALLY AS PROVINCIAL PARTY FIRST SECRETARY, MOST HAVE NOW DEEN STRIPPED OF THEIR POLITICAL FUNCTIONS. THE APPARENT DEBATE OVER MILITARY PRIDRITIES AND STATEGY ALSO SEEMS TO MAVE BEEN RESOLVED IN PAVOR OF THE MAGIST POSITION STRESSING CONVENTIAL OVER NUCLEAR PREPAREDNESS, AND IN ADDITION EMPHASIZING ECONOMIC DEVELOPMENT OVER MASSIVE MILITARY BUDGETS. IN OUR JUDGMENT, HOWEVER, THESE ISSUES, WHILE RESOLVED FOR THE PRESENT, WILL CONTINUE TO BE A MAJOR FOCUS OF DEBATE AS CHINA MOVES INTO THE UNCERTAIN PERIOD OF SUCCESSION.

THAT THE ISSUE OF CENTRAL VERSUS LOCAL CONTROL REMAINS UNRESOLVED WAS ILLUSTRATED BY SERIES OF AUTHORITATIVE ARTICLES IN THE NOVEMBER ISSUE OF RED PLAG. IMPLICIT IN THE ARTICLES WAS ALLEGATION THAT PROVINCIAL AND LOCAL AUTHORITIES HAD SUBSTITUTED THEIR AUTHORITY FOR THAT OF THE PARTY CENTRAL, AND ONCE AGAIN THE ROLE OF THE REVOLUTIONARY COMMITTEES IS IN SOME DOUBT. THE PROBLEM OF CREATING A GOVERNMENTAL STRUCTURE IN CHINA WHICH IS RESPONSIVE TO PEKING'S AUTHORITY, A PROBLEM AS OLD AS CHINA. REMAINS UNSOLVED.

THE DEBATE OVER CHINA'S RELATIONSHIP WITH THE WEST WAS EXPRESSED IN THE FIELD OF CULTURE THROUGH THE POLEMICS OVER THE NATONIONI FILM AND THE ATTACKS ON WESTERN MUSIC. IN THE FIELDS OF COMMERCE AND TECHNOLOGY, THE DEBATE MAS CENTERED ON SELF RELIANCE AS DEPOSED TO THE IMPORT OF FOREIGN GOODS AND ADVANCED TECHNIQUES. THE PROBLEM IN BOTH CASES IS TO MAT EXTENT CAN CHINA' MOVE INTO THE MODERN WORLD AND WIDENED CONTACTS WITH THE WEST WITHOUT ITS PEOPLE BEING OVERWHELMED BY OUTSTOE INFLUENCES. WE SUSPECT THAT IN THE COURSE OF THE DEBATE A COMPROMISE POSITION HAS BEEN REACHED WHICH, FOR THE PRESENT AT LEAST, HAS SATISFIED CHINESE LEADERS THAT THEY CAN MOVE TOWARD GREATER CONTACT AND EXPOSURE TO THE WEST WHILE MAINTAINING THE ESSENTIAL PRINCIPLE OF SELF RELIANCE AND A

WHICHUELY REVOLUTIONARY TINGED CHINESE CULTURE, FEMALLY, THE CENTERPIECE OF THE PRESENT CAMPAIGN, THE ATTACK ON CONFUCIUS AND THE MEIGHT OF TRADITIONAL THOUGHT ON THE CHINESE POPULACE MAS, IN OUR VIEW, HAD THE LEAST IMPACT OF ALL, WHILE IT IS IMPOSSIBLE TO DOCUMENT, IT IS OUR IMPRESSION BASED ON DUR EXPOSURE TO THE CHINESE BUREAUCRACY

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DATE \$2/18/74 ..

WHITE HOUSE SITUATION ROOM

PAGE 00

HESSAGE (CONTINUED)

AND THE MAN ON THE STREET THAT LITTLE HAS CHANGED IN THE MIDDLE KINGOOM. MATERIALISM RATHER THAN REVOLUTIONARY IDEOLOGY REMAINS THE MOST IMPORTANT IMPETUS IN CHINESE BOCTETY, WHICH ALSO RETAINS AN INNATE CONSERVATISM.

IN THE PROCESS OF AFTEMPTING THESE CHANGES AND REACHING A NEW COMBENSUS, HOWEVER, NEW TURMOIL AND UNCERTAINTY WAVE BEEN BENERATED IN CHINA, THE CALLS FOR STRUGGLE AND "GOING ASAINST THESTIDE#SREDPENEDS OLD WOUNDS OF THE CULTURAL REVOLUTION AND ARQUEED THE AMBITIONS OF THOSE WHO ROSE TO POSITIONS OF POWER DURING THAT MOVEMENT ONLY TO BE RELEGATED TO OBSCURITY WHEN DROER HAD TO BE RESTORED. NEW FACTIONAL FIGHTING AND POSTERS ATTACKS REMINISCENT OF THE CULTURAL REVOLUTION ERUPTED DURING THE SPRING AND SUMMER, BUT HERE GUICKLY CURTAILED BY DERECTIVES FROM THE CENTER. APPARENTLY IT WAS AGREED THAT CHINA COULD NOT AFFORD ANOTHER CULTURAL REVOLUTION AT THIS TIME, ALTHOUGH FACTIONAL DISPUTES AND POSTER ATTACKS CONTINUE, IT IS OUR ESTIMATE THAT THESE REPRESENT A MINORITY FEGHTING A FORLORN CAMPAIGN IN AN EFFORT TO SEESTABLISH THE ROLE OF MASS REPRESENTATIVES! CREATED BURING THE CULTURAL REVOLUTION.

AT THE CENTER, IT APPEARS THAT A MINIMUM CONSENSUS HAS BEEN REACHED ON THE BASIC ISSUES CONFRONTING CHINA. THE OVERRIDING SUCCESSION ISSUE HAS BOTH INTENSIFIED THE MANEUVERING FOR PONER AND REINFORCED THE IMPETUS FOR UNITY. TENG HSIAD-FING NOW SEEMS CLEARLY TO MAVE MOVED INTO THE ACTING PREMIER'S ROLE. THIS PLUS THE RECENT ANNOUNCEMENT OF CHIAD KUAN-HUA'S APPOINTMENT AS FOREIGN MINISTER INDICATE THAT SOME BASIC ISSUES HAVE BEEN RESOLVED PROBABLY INCLUDING CHINA'S CONTINUING RELATIONSHIP WITH THE U.S. OUR ASSUMPTIONS IN THIS REGARD ARE STRENGTHENED BY WHAT HE FEEL IS AKEDLY MORE RELAXED ATMOSPHERE IN OUR DEALINGS MITH OUR CHINESE HOSTS AT ALL: LEVELS SINCE THE FALL OF THIS YEAR. YOUR VISIT MILL, OF COURSE, PROVIDE A NUCM CLEARER INSIGHT INTO THE BALANCE DE FORCES IN CHINA.

TO SUM UP, IT SEEMS TO US THAT THE DIRECTION OF CHINESE POLICY REMAINS VERY MUCH IN THE MANDS OF THE SAME STABLISHMENT WHICH FIRST DECIDED TO PERMIT THE OPENING OF THE PRESENT U.S. PRC RELATIONSHIP, EVEN IF THE ACTIVE CAST OF CHARACTERS WITHIN THIS ESTABLISHMENT HAS CHANGED SOMEWHAT. CHINESE ACTIONS, BOTH INTERNAL AND EXTERNAL, ALBO REMAIN ESSENTIALLY UNCHANGED EVEN IF THEY ARE PORTRAYED FOR PURPOSES OF GAINING THE WIDEST POSSIBLE SUPPORT IN MORE RADICAL OR PREVOLUTIONARY TERMS, DOMESTICALLY, ATTENTION IS FOUNDED UPON BUILDING UP THE NATIONAL ECONOMY WHILE MAINTAINING ASSENTIALLY OF POLITICAL UNITY TO TAKE THE COUNTRY THROUGH A TRANSITION IN LEADERSHIP; IN INTERNATIONAL AFFAIRS CHINA IS FOLLOWING AN ESSENTIALLY DEFENSIVE PHILOSOPHY (DESPITE THE ATTACKS

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No Objection to Declassification in Part 2010/06/22: LOC-HAK-463-3-6-8

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WHITE HOUSE SITUATION ROOM

PAGE PO

MESSAGE (CONTINUED) I

ON SUPERPONER HEGEMONISM AND SUPPORT FOR THE THIRD WORLD) WHICH DOES NOT COMMIT THE COUNTRY TO ANY INITIATIVE NOT IMMEDIATELY LINKED TO SHINA'S OWN NATIONAL INTEREST.

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