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DISCUSSIONS BETWEEN THE MAJORITY AND MINORITY LEADERS  
OF THE UNITED STATES HOUSE OF REPRESENTATIVES AND  
CH'IAO KUAN-HUA, VICE MINISTER OF FOREIGN AFFAIRS OF  
THE PEOPLE'S REPUBLIC OF CHINA AND VICE PRESIDENT OF  
THE CHINESE PEOPLE'S INSTITUTE OF FOREIGN AFFAIRS

*This is an unofficial transcript of discussions between Vice Minister Ch'iao and Congressmen Hale Boggs and Gerald R. Ford on Tuesday, June 27, 1972 at the headquarters of the CPIFA in Peking.*

*Present with Mr. Boggs were Mr. Eugene Theroux and Dr. Paul Sigmund and accompanying Mr. Ford were Mr. Robert T. Hartmann and Mr. Bryce N. Harlow. Also present was Mr. William Brown of the U. S. State Department, a Chinese linguist.*

*Translation was done by Mr. Ch'iao's interpreter, Mr. Chi Chao-chu, who was born in the United States and attended Harvard with Mr. Brown.*

*Also present on the Chinese side were Mr. Chou Ch'iu-yeh, Secretary General of the CPIFA; Mr. Hu Hung-fan, Council Member, CPIFA (formerly charge d'affaires in Stockholm); Mr. Wang Tung, Deputy Director, Department of Western European, American and Australasian Affairs, Foreign Ministry (formerly Ambassador to Sweden); Mr. Chao Chi-hua of the Information Department of the Ministry of Foreign Affairs; Mrs. Tza Chung-yun (interpreter) and an unidentified shorthand reporter.*

*The talks began at 3:05 p.m. in a very cordial atmosphere. Vice Minister Ch'iao had been a head table guest at our welcoming dinner the previous evening in the Great Hall of the People. The head of China's first UN mission, Vice Minister Ch'iao is fluent in English but used it only in preliminary small talk as the participants were seated in a*

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horseshoe arrangement of easy chairs and served tea and Chinese cigarettes. When one American accepted a cigarette he commented "All smokers are my friends." Then noting that most other American guests declined, he added diplomatically "Non-smokers are also my friends." (The Vice Minister proved to be a chain smoker himself, once lighting the filter tip end.)

Mr. Boggs asked if Mr. Ch'iao would be going back to the UN and he replied "probably not."

Mr. Ford asked if he got to know George Bush, a former House colleague, and Mr. Ch'iao replied that he was the first American to greet him in New York. The formal talks then began.

Mr. Ch'iao: I am pleased to welcome you on behalf of the People's Institute of Foreign Affairs. We believe more contacts between the Chinese and American peoples will be beneficial to the normalization of relations between our countries.

Mr. Boggs: Our people are anxious for contacts in every way.

Mr. Ch'iao: We will have people visiting your country, but now it is more convenient for your people to visit us than for our people to visit you, because when your people come here there does not exist the question of two Americas but when our people visit your country there is a question of two Chinas. Last year when I went to New York, many American friends -- including a representative of Women's Lib -- wanted to invite me to visit Washington. But how could I go when a so-called Embassy of Chiang Kai-shek is located there? But in spite of that, after President Nixon's visit we

are gradually, step by step, sending people to the United States. For example, our ping-pong team went to your country and we are very grateful for the friendly reception of them both by the government and by the American people.

Mr. Boggs: I understand the difficulties you point out, but on a people-to-people basis none of this would make a great difference for the time being at least. For instance, I represent a great port city, New Orleans. And long before there was any indication of Congressional visits to the People's Republic of China representatives of that port had written to your Embassy in Ottawa asking to come to Shanghai especially, where they would like to establish trade relations. And they hope the people of Shanghai could come to the port of New Orleans. We have many common interests with your port of Shanghai. Both are shipping centers, both are similar in climate and there is rice grown nearby each of them.

Mr. Ford: Yes, the ping-pong team came to my State of Michigan and was well received there and later in Washington. Although there may be temporary problems for the reasons you indicate, we hope the broadening contacts in the cultural arts and sciences fields would be on a mutual basis and on a much larger scale. I know our people want that, and, as I mentioned last night, many Members of Congress on both sides of the political aisle are anxious to have a visit here.

Mr. Ch'iao: Our impression is that regardless of any differences between the two American political parties, nevertheless the overwhelming majority of Members of Congress favor the normalization of relations between our

two countries. Is our impression correct?

Mr. Boggs: Entirely correct, speaking for the Democratic Party.

Mr. Ford: I will second that for the Republican Party and add that a recent Roper or Gallup Poll showed eighty some percent of the American people favor this.

Mr. Boggs: I served as Chairman of the Democratic Platform Committee in 1968, and as I recall we wrote a provision to that effect in that platform.

Mr. Ch'iao: People like Mr. Judd -- do they still have great influence in the United States?

Mr. Ford: Well, he's a Republican. He is very highly respected as one who was a fine Member of Congress, but as we look back it is conceivable that the view that he and others -- like Senator (Paul) Douglas of the Democratic Party, who were co-chairmen of a committee opposed to the People's Republic of China -- those views were very widely held, but I believe the American people today feel differently. I think that everything we do mutually to better relations and move toward normalization makes some of these old policies look like they may not have been the right ones.

Mr. Ch'iao: It is not that I am placing much emphasis on this matter, but as a matter of knowledge I am asking very frankly how many followers has Mr. Judd in the Congress?

Mr. Ford: In the Republican Party in the House of Representatives, maybe a handful.

Mr. Boggs: He's no longer a member of the House of Representatives and hasn't been for a good many years. (Mr. Ch'iao and the other Chinese appeared surprised at this statement)

Mr. Ch'iao: Ah! Mr. Judd is quite elderly isn't he?

Mr. Boggs: About 75. He was a medical missionary, as you know, but he has been out of the House of Representatives about 10 years.

Mr. Ford: Mr. Judd may disagree with the President's policies but I haven't heard him making speeches or trying to sway public opinion.

Mr. Ch'iao: What state is he from?

Messrs Ford and Boggs: Minnesota.

Mr. Ch'iao: What about General Chennault?

Mr. Boggs: He is dead and has been for some 15 years. (Again Mr. Ch'iao and the Chinese seemed surprised at this)

Mr. Ch'iao: Was he Chinese?

Mr. Boggs: He married a Chinese wife and she still lives in Washington, D.C.

Mr. Ch'iao: She must be quite elderly.

Mr. Boggs: She is growing older.

Mr. Ch'iao: It isn't strange to have people thinking like this. They represented a trend in history.

Mr. Boggs: Fifteen or twenty years ago these people were quite active but not any more.

Mr. Ford: They used to call this the Committee of One Million, but they have lost much of their membership since President Nixon came to China.

Mr. Boggs: Also, you may be interested to know that Senator Douglas is no longer a member of the Senate. (Laughter)

Mr. Ford: So you see both (Representative Judd and Senator Douglas) lost out in our political system. But, Mr. Vice Minister, should we let those things of the past prevent us from trying to find new ways for the future?

Mr. Ch'iao: Of course we shouldn't. The world is changing so rapidly and the thinking of some people will adapt themselves to a new situation and some may not. That is quite normal. Some people may adapt themselves faster and some slower but, as we see it, this new thinking is a trend representing the wishes of the people and cannot be stopped. Our view toward our American friends, whether they are conservative minded or radical minded is that we welcome them and want more to come.

Mr. Boggs: In my judgment, Mr. Ch'iao, no candidate of any consequence for Congress, or for President, opposes this new policy of better relations with the People's Republic of China.

Mr. Ford: I might add, we had a Republican Primary in California a few weeks ago and one of our Republican incumbents, a very conservative man, opposed the President's efforts and he was defeated in the primary.

Mr. Ch'iao: And that points out the trend.

Mr. Ford: I would add that the more improvement that is to result at the beginning, the more that is being done, the better it will be in the United States for expansion. The public is interested in more things being done as evidence of our good beginning.

Mr. Ch'iao: First of all, more American friends should come to see for themselves because in the past few years the true situation in China has not been understood in the United States.

Mr. Boggs: The American people do want to come. I said last night it seems to me that everyone I know wanted to come, and Mr. Ford has had the same experience.

Mr. Ch'iao: I can only say that we are too few in number, as you see, to receive all of you properly. And there are not enough interpreters, etc.

Mr. Boggs: We have been very well received and we appreciate it.

Mr. Ch'iao: I am speaking very honestly and frankly that we would like to have more and more American friends come and see for themselves, but it is really true that people who can do the reception are too few. That is a very important reason but we will gradually increase the numbers. For such a long period, more than twenty years, we had no contact with you so the people who speak English are few. Mrs. Tza (the young woman interpreter assigned to Mr. Boggs, who was present) is one of those accompanying you who learned English after the Liberation.

Mr. Boggs: She is excellent.



Mr. Ford: The young lady accompanying us is very good too.

Mr. Ch'iao: Yes, and we do have a number of these people, but not as many as in French. As for our people going to visit the United States, many want to visit the United States but frankly we don't know you very well nor do you know us very well. This situation is not good. We may not always agree but we should understand each other better.

Mr. Boggs: Correct; that is vital to the survival of both of us.

Mr. Ch'iao: For you the difficulties are less than for our people to visit you, but there are still difficulties. Our American friend, Professor Fairbank, suggested that we should send a Chinese teacher to Harvard to teach for one year. This would involve a lot of complexities. For instance, Harvard University is a private institution and all sorts of people go there, including some from Taiwan. Some students from Taiwan in Harvard may claim to have been sent there by a so-called Government of China. We don't want that situation, but at the present time neither you nor we can do anything about it -- there is no mechanism.

Mr. Boggs: My son-in-law is a Professor at Princeton. I'd like to defer to Dr. Sigmund on this question.

Dr. Sigmund: I understand the difficulties but what about our sending scholars here? I would be interested in your response to exchanges in the other direction. There is a large East Asia program at Princeton and the scholars would like to visit China on a long-term, as well as short-term, basis.

Mr. Ch'iao: How many are there in your East Asia Program?

Dr. Sigmund: About 10 professors and 25 or 30 graduate students. It is more difficult to count the undergraduates because they simply take courses in the subject. There might be about 150 of these. You might have to start with recognized scholars and then move to those doing doctoral dissertations.

Mr. Ford: While I can understand why high-ranking (Chinese) officials might hesitate to visit America, there would be great benefit in having lower ranking officials visit lower levels of government, such as a city or state. That would get away from having only high-ranking officials and wouldn't that bring great benefits?

Mr. Boggs: In that connection, how about other types of exchanges? For instance, we have expressions of interest from medical schools who want to send some of their doctors here to study your Chinese technology in medicine, and maybe some of your Chinese doctors could come to America. I mentioned trade specialists. There are many other groups not necessarily of governmental people but people who could make a valuable contribution to knowledge and better understanding between our two countries.

Mr. Ch'iao: That is something that could be considered -- mutual visits by medical personnel -- starting with short visits in the beginning. First of all, you would get to know more about us and we would know more about you. The doctors could see acupuncture in China for instance -- you gentlemen can see for yourselves what we can do now and what we cannot yet do. The medical field is a field in which we are quite interested.

Mr. Ford: What about agriculture?

Mr. Ch'iao: (continuing on the subject of medicine) You have a lot of specialists so this is a field in which we might exchange people. For example, on cancer we are working on this and so are you and it would be quite beneficial on both sides to exchange experiences. It is quite important for our medical personnel to spend more time to become friends and exchange experiences.

Mr. Boggs: We are doing a lot of work in the area of the study of cancer, heart disease, and stroke. Congress has appropriated a tremendous amount of money for these three programs.

Mr. Ch'iao: Do you have a special organization to study this question or is it spread around?

Mr. Boggs: Yes, a special organization. It is conducted in connection with the National Institutes of Health located in Washington which tries to bring into one center specialists from all over the world.

Mr. Ford: We have several Institutes -- on cancer, mental health, dental, stroke -- there are about eight of them. These centers of research on these problems are headquartered in Washington but they have many contracts with universities, medical schools, and hospitals around the country.

Mr. Ch'iao: That means the centers of these Institutes are all in Washington. So would it be sufficient for our groups to contact the centers and find out where particular specialists are?

Mr. Ford: Yes, because many grants are made all over the country so that such a group would not need to go to Washington. They could go elsewhere in the country to very good centers.

Mr. Boggs: For instance, in the field of heart disease the biggest center is located in Houston, Texas, but it is associated with the Institute in Washington.

Mr. Ford: To be absolutely accurate, the National Institutes of Health are not in Washington but in Maryland, about five miles outside of Washington.

Mr. Ch'iao: That is quite close.

Mr. Ford: We have also spent lots of money in agricultural research and produced many new commodities and improved our production. I am sure that many of our agriculturists could learn from yours and perhaps yours from ours.

Mr. Ch'iao: Agricultural research is also done with a center, or is it scattered around the country?

Mr. Ford: There are many governmental research centers, but much of it is also done by land grant colleges oriented to agriculture, to improve the production of corn and wheat and other basic commodities in the country.

Mr. Boggs: In Louisiana, for example, our State schools participate in the program which has helped Louisiana achieve the largest production of rice in the United States. Our rice production is largely mechanized -- something you might not want at this stage. (Laughter)

Mr. Ch'iao: We would also be interested to see about mechanized farming. Here rice is cultivated primarily by hand. Transplanting is by hand.

Mr. Boggs: In Louisiana our rice crop is entirely sown by airplane.

Mr. Ch'iao: What is the output per acre of rice in the United States?

Mr. Boggs: I don't have that figure but it is very high; I will attempt to get it for you. I do know that some years ago one hour of labor in Louisiana fields was equal to 4,000 hours of labor in Burma, for example.

Mr. Ch'iao: We have heard that one labor power in the fields can feed 50. Is that correct?

Mr. Boggs: That is correct.

Mr. Ford: Yes.

Mr. Ch'iao: In our case it is probably the other way around.

Mr. Ford: In my State of Michigan we are doing new work on fruit trees. Our problem is labor, so we have developed automatic pickers which we call "shakers," which shake the trees and the apples fall into a canvas and it doesn't bruise them. (Laughter) And they don't have to be picked by hand.

Mr. Ch'iao: This is something of great interest to us.

Mr. Boggs: Speaking approximately, out of a population of 210 million only about 10 million of our people are engaged in agriculture, and yet they produce enough to feed the whole nation plus very great surpluses

of wheat, corn and cotton.

Mr. Ch'iao: How many people in the United States are engaged in agriculture?

Mr. Boggs: Approximately six percent.

Mr. Ch'iao: But you have a very big investment in machinery?

Mr. Boggs: Yes. Investment per farmer in the Midwest is very great because tremendously expensive equipment is required. One wheat farm in the Midwest may be 10,000 acres.

Mr. Ch'iao: Your question is a question of investment. At our present stage of development we rely mainly on labor power, though we are more mechanized than before. We have a bit more mechanization, better fertilizer, improved seedlings and better water resource conservancy.

Mr. Boggs: Even so, our agriculture is heavily subsidized.

Mr. Ch'iao: This is because of your highly developed industries and without that you couldn't have your highly developed agriculture.

Mr. Ford: Yes. Our industry and agriculture are interdependent.

Mr. Ch'iao: We do not have so much land to plow, as you know. Your area of agriculture is much bigger than ours. Some places we can't cultivate at all -- for example, the vast area of the West in Sinkiang. Also, we lack labor power to cultivate in remote areas. Such a task would require that we move labor power from cities or other provinces to very distant places, and this is not easy.

Mr. Boggs: But now your agriculture is self-sustaining, isn't it?

Mr. Ch'iao: Basically so. Though we still import some grains, and yet we also export some grains.

Mr. Boggs: How do your communes dispose of their products?

Mr. Ch'iao: First, the communes supply their own requirements for food and, then, any surpluses are sold.

Mr. Boggs: How are they distributed?

Mr. Ch'iao: Well, speaking generally, the produce is grown at the commune level which takes its own requirements, the second step is for the commune to sell its surplus to the state for use in the cities. The food, therefore, goes from the commune to the county to the city level in some cases. At some communes they specialize in cash crops and get the grains from elsewhere, but this is done by overall planning by the state and not by the individual farmers.

Mr. Boggs: Where does a person in the city buy his food? And are the prices cheap?

Mr. Ch'iao: In our price structure food grains are cheap. We do not have a wage system. Looking at our wages it looks like we have a low base, but our prices and our rents are very low. Our food is bought at the commune, or if a person lives in a city, the food stalls.

Mr. Ford: Are you buying any grain from Canada and Australia this year?

Mr. Ch'iao: Yes. As to food grains, for quite some time there has been a problem of shipping food grains from the South to the North, the main reason being the lack of water conservancy in the North. For example, the Yellow River used to flood. In the 19th and 20th centuries this problem became more and more serious so we began to see that our railroads carry this grain to the North. That is why we built such things as the Grand Canal. From the Sung Dynasty forward this canal was used to ship food from the South to the North. But now there is a great change -- the area north of the Yangtze River is basically self-sufficient in food grains. When you were in Shanghai you saw how everything was green but you see the North is not as green as the South.

Mr. Ford: But can't U.S. grain be sold to China in competition with Canada and Australia? Our farmers are a very important segment of our society and they would like to be included in any trade opportunities between our two countries.

Mr. Brown (State Department): Also, we produce a kind of grain which is a favorite of China in making noodles and so on.

Mr. Ch'iao: We are still buying food grain from Canada but the prospect which you mention is one we may consider in the future. I can't go into specific matters here, but the importation of foods will be less in the future. Our country is so vast and the importation of grains can be only for storage, and we export some of our food grains to other countries. Because of the Vietnam war we must supply some food to the Vietnamese, and



we export some to Ceylon, some to Cuba, etc. -- and there is a shortage because of this. This situation on food grains is changing, however, because we hope in the future to completely supply our own needs. But this would not preclude our buying food grains from other countries. That would be normal exchange. Our principal question on agriculture is mechanization. We are very poor in mechanization. But our peasants are very happy because they are beginning to see tractors which they haven't seen before. As for contacts between our peoples, the contact between high-ranking officials would be more difficult. As you see, there are few people in this room and there are not enough of us to receive so many visitors.

Mr. Ford: I was thinking of local officials -- local officials of Shanghai with the local people of Chicago. In some respects they have comparable problems. They could learn from you -- how clean you keep your cities and how badly we do. (Laughter)

Mr. Boggs: And how clean your air is. I am interested also in possible exchanges between officials of New Orleans and officials of Shanghai.

Mr. Ch'iao: On the one side, it is true that we have learned from your methods. In this country pollution is quite serious, for example, and so we are learning to do something about it. But on the other hand, a very important reason why our social problem is not too difficult is because our industry is not already developed. We cannot, therefore, brag of having solved the problem because it will become a very major problem.

Mr. Boggs: Maybe some of our scientific information on anti-pollution devices may help you develop your plants because this requires very

specialized equipment.

Mr. Ch'iao: We have an interest in this, and that is why we joined in the Stockholm Conference, and we agree we should exchange information on these matters. The Stockholm Conference was multilateral and under the United Nations but we are also working on bilateral relations, for example with the people of the United States. Our people can go to your country and look at your anti-pollution devices, and your people could come here and see what our problems are, and we would help each other. But you shouldn't over-state our pollution success. In the winter time smog is very heavy in our cities because our people burn coal and this problem hasn't been solved yet.

Mr. Brown (State Department): We know how very interested your people are becoming in anti-pollution efforts. I've been reading more and more articles in your magazines about your people trying to work on this, and I suggest that Representatives Boggs and Ford might wish to look at some of your anti-pollution efforts during the rest of this trip. (He cited some kind of do-it-yourself type of anti-pollution device installed in chimneys and smokestacks.)

Mr. Boggs: My friend, that's the only pollution we don't have.

Mr. Ch'iao: Probably, you will see that our pollution is quite serious when you go to our steel center. Some of our new plants are all right but some of our old plants are not. The waste water problem has been solved but not air.

Mr. Boggs: You don't dump sewage into your streams and rivers. Is that correct?

Mr. Ch'iao: Correct.

Mr. Boggs: Then you have clean rivers?

Mr. Ch'iao: Yes, but also because we have no factories to pollute them.

Mr. Boggs: But you use refuse, is that right?

Mr. Ch'iao: Yes. This is one of our advantages because we don't dump sewage in our rivers but use it for fertilizer. In fact, our garbage and sewage after collection are divided according to usage for different purposes. For example, ashes were once thrown away but are now used for bricks, and such bricks are very light.

Mr. Ford: We have talked about cultural exchanges and about trade. Are there any other areas where you believe we could improve our relations?

Mr. Ch'iao: There is a saying in China that a journey of a thousand li (1/3 mile) must begin with a single step. At the present time, there are more areas for exchanges but how to develop them we must consider the developing circumstances. At the same time, through the visit of your President and through the Mansfield-Scott visit we have made a beginning toward the normalization of relations. We hope that in the common efforts being made by our two sides we can preclude obstacles. That would be something above party politics in your country, and that is something both of you two leaders

agree to. Of course, we find this to be common among our American friends since the visit of President Nixon. Regardless of their views party-wise, not one American friend has since expressed opposition to the visit or to his effort to improve relations. These American friends may quarrel over lots of other things very bitterly but not over this question.

Mr. Boggs: This covers the whole spectrum of American politics from the left to the extreme right.

Mr. Ch'iao: So when we come to the possibility of reciprocity there are these difficulties, and we hope the leaders of the two major political parties are together and will help in handling this problem.

Mr. Ford: Our new relationship with China is a unique development. The two parties have very little possibility of political disagreement that we are on the right track. But we are interested in finding ways to improve it or expand it. What can Mr. Boggs or myself report that will help in that direction?

Mr. Ch'iao: On a short-term basis, more people-to-people contacts in the areas of culture, art, medicine, science and technology.

Mr. Boggs: What steps should our colleagues in Congress take who desire to come here?

Mr. Ch'iao: There is the Paris channel now. They may either send applications through the Paris channel or you two leaders may suggest some eminent doctors and we would be happy to entertain your suggestions.

Mr. Boggs: To whom should we send our suggestions?

Mr. Ch'iao: Either through the Paris channel or write direct to the Chinese People's Institute of Foreign Affairs. You may say that this question was discussed by you here, and you have these suggestions, and they may communicate direct to the CPIFA. As to specific procedures for visiting you can do this through our Embassy in Paris or our Embassy in Ottawa. For instance, you can come direct through the Paris channel. For individuals who would like to come they might find it more convenient to go through Ottawa and discuss the matter directly with them.

Mr. Ford: I've had requests from doctors, editors and colleagues. I have a long list.

Mr. Ch'iao: As you see, this place is very small. But certainly these contacts are further to be done. Incidentally, do you know the story about this building?

Mr. Boggs: Please tell us.

Mr. Ch'iao: The Ambassador of the Chiang Kai-shek government to Washington at the end of the war had his office here. This was his political institute.

Mr. Boggs: Who is eligible for the Chinese People's Institute of Foreign Affairs?

Mr. Ch'iao: It is on a voluntary basis. This Institute was set up just after Liberation. At that time, the number of countries with relations with us was few. But there were people who were friendly and they came through

the Institute. The work of the Institute is two-fold -- one to receive foreign friends and, two, to engage in research work.

Mr. Boggs: Any connection with the government?

Mr. Ch'iao: You know about the nature of our state. So it would not be correct to say no connection. This is a people's organization. For instance, I am Vice Minister of Foreign Affairs but also for a long time Vice President of the Institute. Do you have a similar situation in your country?

Mr. Boggs: We have similar groups which are quasi-governmental.

Mr. Ch'iao: It is not quite possible to have the Institute completely divorced from the government. For example, the table tennis team was entirely people-to-people, but if your government had not offered to help they could not have visited. By the way, McIntire followed the ping-pong team everywhere. But because the broad mass of the people were in favor of the visit he turned himself into a joke.

Mr. Ford: He follows us around too. And he picketed the President and the Congress, too. Your table tennis players got the same treatment we do.

Mr. Ch'iao: Ha, ha.

Mr. Boggs: Let me ask you a very frank and direct question, and I hope you will tell me if I am out of order.

Mr. Ch'iao: Please, go ahead.

Mr. Boggs: How would you describe your present relations with the Soviet Union?

Mr. Ch'iao: In form, normal diplomatic relations still exist. What's more, you are probably aware we have concluded an alliance of friendship and assistance. It is effective for 30 years, but in the recent 10 years or so our relations with the Soviet Union have been very bad. We have a lot of differences with them on principle so we quarrel with them and quite vehemently. Sometimes we quarrel rather vehemently and sometimes we let it rest. This situation is continuous but our guidelines are that these disputes we are having with the Soviet Union are disputes with a friend to be settled by persuasion so they should not affect the normal relations between states. Because of this, in 1969 there occurred border clashes. there has been a border problem for a long time. Our Prime Ministers met in September 1969 and negotiations have been going on three years now but thus far there have been no results. Our policy is still to try to improve our relations with them because of the long common border, but quite some time will be required.

Mr. Ford: What is your government's reaction to the SALT agreement?

Mr. Ch'iao: We approve because both the United States and the Soviet Union are big countries and it is not good for either of your peoples to have spent so much money on these strategic weapons, so if you can stop this competition we would be happy about it. These arms cannot be used, and what is more, after you place them (in their launchers) after a few years they would become outdated, so they are no good for the ordinary people at all. So personally I don't care how you go about your relations with the Soviet Union, but we believe you should find out a way to stop this wastage of your resources -- but you do need a limitation on quality.

Mr. Ford: You note there has been limitation on numbers but no limitation on development for the people after the next five years, and our President's policy is to continue this development for future contingencies. Do you feel the opportunity to develop other than in numbers is good for world relations?

Mr. Ch'iao: This is only my personal view -- but as I see it, whether it be strategic or not, you are bound to continue to compete with the Soviet Union, but with the Treaty you may spend less and if so this will be good for your people although when your representatives signed this Treaty Mr. Laird said there would have to be an increase in the defense budget.

Mr. Boggs: Mr. Vice Minister, let me pose a hypothetical question. Would it be good or bad for the People's Republic of China if we were to greatly reduce our defense budget including our spending for nuclear weapons -- as we want to do -- and the Soviets did not and instead increased their weapons?

Mr. Ch'iao: That state of affairs, as I see it, is quite unlikely and is not possible.

Mr. Ford: May I put it another way? Do you think the Soviet Union will reduce its budget for military purposes other than in the strategic field under the agreement?

Mr. Ch'iao: It is very difficult for me to reply to you. As I put it in the United Nations, this problem can be solved only by an overall solution. It is really not quite conceivable for what you have suggested to occur.



It is highly hypothetical. Our policy in regard to nuclear weapons and missiles is that it is best for all the countries to prohibit their manufacture and destroy them immediately.

Mr. Ford: Is the United Nations a good organization for that?

Mr. Ch'iao: Some people will say this should be done by the United Nations and others say something else, but this doesn't matter -- the problem should be solved.

Mr. Boggs: As I recall, in the early days of nuclear weapons didn't the Baruch proposal contemplate this?

Mr. Brown (State Department): Yes, but the Soviet Union vetoed it.

Mr. Ch'iao: We have on many occasions said that our development of nuclear weapons is entirely for the purpose of defense -- doing tests only when necessary and the smallest number of tests, and each time we declare openly we will not be ever the first to use them and only for defensive purposes if ever. We put forth such a proposal in the United Nations but haven't yet had an answer.

Mr. Boggs: One further question: We envision a brand new opening of trade and friendship and knowledge. These feelings between our two countries will grow very rapidly. Am I being too optimistic about this?

Mr. Ch'iao: That of course is our common hope that our relations will grow stably. Here I would like to say the reason the question of normalization isn't solved is because tensions in the Far East have not been solved,

and that involves the Vietnam question. If this question is not solved it will be very difficult to relax tensions. As to how this question should be solved our two sides differ and there is no basis for us to consider it here.

Mr. Boggs: We want to settle it -- yesterday!

Mr. Ch'iao: There is really no reason for the war to go on like this. I have said this many times to American friends and I hope you won't regard this as discourteous. Whether or not the American people can see this from the viewpoint of the Vietnamese people, the fact is, this is such a small country with the population of 30 million or more. The Geneva agreements made it very clear that the 17th Parallel was not a political demarcation line. The United States was never involved there but France was, so why can't the United States consider this from the viewpoint of the Vietnamese people?

Mr. Ford: Mr. Boggs and I voted together on this for years and stood together under the last two Presidents, I with President Johnson and he with President Nixon. Both Mr. Boggs and myself and the American people want this ended. The question is how it can be accomplished so that the United States can help in a non-military fashion the 30 million Vietnamese people. And the American people today do support what is being done. Both the Chief Executive and the House of Representatives do support this, and we represent the American people more closely than the members of the United States Senate. We have to go home every two years, and every year for the last ten years the Vietnam war has been an issue, and yet those who have

supported the President have been constantly re-elected, so that those who support our position today are still in office. We want that war ended. But if you could understand that we want it ended in a way that will make it possible to keep a U.S. presence in Southeast Asia, not to control any territory or to dominate any people. Knowing this may give you a better understanding of our government's position.

Mr. Ch'iao: (obviously nervous for at this point he began to light a filter-tip cigarette at the wrong end): Don't you have a presence in China right now? (He was being facetious referring to the presence in China of the Ford and Boggs party.) I meant this -- every one of our countries is influenced by our own histories -- you cannot escape history. From the long-term viewpoint, your country is a new country. You have your merits -- your pioneering spirit is very good and you have a determined people. But in your 200 years of history you have always been in a strong position. So for our American friends it may not be so easy to understand the psychology and spirit of a nation long subjected to oppression. As to unification you may not have the same deep sense as the others. Our ancestors bullied the Vietnamese people in the past. In those days China was a very big power -- even bigger than the United States now. Nevertheless ancient China was defeated by the Vietnamese people in those days. We are talking philosophically not politically now. The Vietnamese nation with its 30 million people and its long-standing history has a strong spirit that cannot be made to accept being split. Now we are talking entirely in philosophical terms not politically. Take Taiwan. The Japanese occupied it for half a century but the Chinese never considered the problem was thus solved. So from my

contacts with various American friends I find that maybe their historical perspective is somewhat lacking in this respect. It is not an easy thing for nations to live together or really to understand each other and it has been my impression that my American friends tend to look at things more from their own viewpoint. In other countries you tend to look at questions from a position of a powerful nation. I fully believe all you have said has proceeded from sincerity, but if it was another nation with a background entirely different from yours they would say that what you are saying is unfair. So in those words of history and philosophy and not of politics, as to how this question is to be solved, that is up to you and the Vietnamese. The Vietnamese being our neighboring country with such long-standing relations, we consider their war to be just, but like you we hope this question would be solved through negotiations, but how it will be solved is your question with the Vietnamese. We can sum up our position in these two sentences -- (1) we have the obligation to support them; (2) we have no right to interfere (intervene) with them. Whether it be to fight or to get negotiations, this is up to you in your relations with Vietnam. One more word: from the more than 2,000 years of experience we have had with the Vietnamese, I say it will not be easy to make them submit, or all that I am saying is really empty words. So in your spare time think over what I have said, or just forget it.

Mr. Boggs: We are in the Legislative Branch, not in the Executive Branch, so we don't have the power to conduct foreign policy. And of course there is a very strong feeling in our country for the resolution of this war as soon as possible and in the most equitable way.

Mr. Ch'iao: I remember very clearly how the United States, step by step, gradually got involved in the Vietnam question. But proceeding from the point of view of a historian, this involvement could easily have been avoided. And then there was this theory in the United States -- but in saying this I may be meddling in your political affairs -- there were such people in the United States who had these notions -- that feared China was ready to gobble up Asia and that if you didn't go into Vietnam terrible things would happen -- the skies would fall. I don't want to say too much more because it would involve me in the relations between your two political parties.

Mr. Ford: But there were also fears that if the United States did not keep a presence in Southeast Asia the Soviet Union would expand into the area, and many people were concerned about it.

Mr. Ch'iao: I understand the views of these friends, and that is why we advocate that there be a negotiated solution of the Vietnam question. As to a temporary solution, whether for South Vietnam or Cambodia or Laos, they should carry out a neutral policy over a period of time. No big power should have predominance in the region, but at the same time every country will be able to conduct normal relations with the Southeast Asians.

Mr. Boggs: As far as I know, that is our objective.

Mr. Ch'iao: The question is how to realize it. We cannot say anything about how you settle it, nor can you say because you are in the Legislative Branch. We support our Vietnam friends, and it is up to you as to how you handle the situation. So to conclude with the question of Vietnam and turn to

Southeast Asia -- the King of Laos is a man of prestige in Laos, and we believe he should stay the King of Laos. As to Cambodia, there may be differences of view between the parties on that, but we should agree that the man who still has prestige there is Prince Sihanouk. How could you really believe that simply because he has been living in Peking he has therefore become a Communist? Senator Mansfield is well acquainted with Prince Sihanouk, as are lots of other Americans. He is a patriot -- not any other kind of ism. If he has an ism, it may be Buddhism. So if we deal in isms we may be caught in "foolism." (Laughter) But you are not the Executive and can't solve these questions; we express this hope -- that our American friends will give earnest consideration to these matters.

Mr. Boggs: You would not like for us to pursue a policy which deliberately or inadvertently would result in the rearmament of Japan, would you?

Mr. Ch'iao: Of course we would not approve of that.

Mr. Boggs: But if we almost withdraw from the Pacific, what's to prevent that?

Mr. Ch'iao: There is a certain point in what you said, but not entirely so. Even with your armed forces remaining in Japan, you cannot be entirely sure it will prevent the rearming of Japan. In fact, I put it the other way -- it may happen (U.S. forces remaining in Japan), but it may force the Japanese to raise to a very strong nationalism. That has been our proposition all along -- that Japan should have its own self-defense forces. How is it possible to disarm an entire nation? Don't we already have a great lesson in

history from the great World War that in treating the Germans so badly they gave rise to Hitler?

Mr. Ford: But isn't it true that if the United States left Japan, and we left Southeast Asia and Vietnam and the other areas, Japan, with its expansive foreign trade and its industrial abilities expanding and its disposition to protect its interests, would have to expand its military very substantially.

Mr. Ch'iao: Certainly there is quite a point in what you have said.

Mr. Ford: And when Japan becomes militarily strong, history tells us Japan seeks territory but the United States doesn't.

Mr. Ch'iao: Well, we may see, should Japan become an expansive Japan, as in World War II, it would become aggressive toward you as well as toward us.

Mr. Boggs: Probably more so.

Mr. Ch'iao: I saw an article in your press asking, what country after all won the war that started in Pearl Harbor?

Mr. Boggs: It was Japan.

Mr. Ch'iao: (humorously) So what should we do -- unite our two countries against Japan and throttle them?

Mr. Boggs: What we should do, all of us, is to unite in self-respect and mutual friendship.

Mr. Ch'iao: We approve of these prospects. That is why we said in the Shanghai communique that no nation should seek hegemony in Asia. With the relations now between our two countries, we should hold these thoughts in mind -- there should be improvement with Japan and between Japan and the Soviet Union. We have no desire for a war between Japan and the Soviet Union. Nor would you want a war between Japan and China, nor do we want a war between the United States and Japan. These are very practical as well as very difficult questions, and we need a fresh viewpoint. I would like to say one more thing. As we recall the history of the 70 years of this century, so far we see it is often the case that the result of something is quite different from what people originally started out to do. For instance, after the war you proceeded from good intentions to try to revive Japan, but the results were not entirely as you wanted them to be, as you say. Peace, neutrality and diplomacy -- and all of us have friendly relations with them.

Mr. Boggs: Correct. Let me give you an example. Japan exported \$4 billions more to us last year than they bought from us.

Mr. Ch'iao: That is funny. You are the victor and your forces are still there, but on the other hand you appear to be a colony of Japan. These are very complicated things.

Mr. Boggs: There is no doubt about it, we are a colony in the classic sense. We send raw materials to Japan and we get in return manufactured goods. Japan dominates in the United States areas of electronics, camera sales, steel, textiles; they have 10% of our auto sales and they predominate



in the shipbuilding area.

Mr. Theroux: May I make a point? Japan has accumulated such large amounts of foreign exchange that it is now seeking investment opportunities in the United States, including the purchase of land there.

Mr. Ford: Mr. Vice Minister, may I raise a very humanitarian question? Three American citizens are held in your country for reasons we understand. You have been very generous to let a young lady come back home. Before coming I received many telephone calls, and Mr. Boggs did too, from the parents and families of these three unfortunate Americans. Any favorable action by your government to improve their situation would have a very important effect on American opinion and would be a very great step forward for the public's support of the new policies our countries have.

Mr. Boggs: May I join in those statements.

Mr. Ch'iao: I received many letters, including one from Downey's mother, when I was at the United Nations. As to the girl, she is now out of it. The situations of the three other Americans are very different. We have noted this question and will consider it. But I can tell you right now that Mr. Downey is in very good health. His mother might like to know. To return to Japan -- what I said earlier about your being a colony was a joke.

Mr. Boggs: No, it's not a joke -- we are a colony. We send raw materials to Japan and they send back manufactured materials. Now they are even buying up our land.

Mr. Ford: They also buy our timber and ship it back as plywood.

Mr. Ch'iao: I have experience in this respect. In 1950 I went to the United Nations. At that time when I went to the shops in New York City the salesmen suggested that the American goods were the best products, but last year some of my colleagues recommended Japanese cameras as the best, and there is a very great change. It is indeed a problem. Of course, you have a free economy, and the economies of the free countries are, we understand, first rate.

Mr. Ford: Mr. Vice Minister, what about Korea? We haven't mentioned it.

Mr. Ch'iao: I would like to have your views. This question should be solved by now. For various reasons we had a war with you in Korea, but our forces were long ago withdrawn, so this question has been answered by history. So I would like to have the views of our American friends as to how to solve this left-over question of history.

Mr. Ford: We are gradually withdrawing our forces from Korea, as you know.

Mr. Ch'iao: This is a good thing. It is similar to the Vietnam question. The Korean nation too has had a lot of relations with us in history. Mr.

Brown (Department of State) is a student of the Sung Dynasty, and the Sung Dynasty did not have much to do with Korea. The Tang (Han?) empire did engage in a lot of troubles with Korea and suffered defeat after defeat. Korea is separated from China only by the Yalu River.

Mr. Ford: Would you like to see Korea unified?

Mr. Ch'iao: I think both of our countries should help them come together gradually. The systems of North and South Korea are different; this is a fait accompli. We can't impose the system of the South on the North, or vice versa. But both parts of Korea are the same nation over a long history. For quite some period after the second World War it was quiet and calm, we might say. You know at that time the United Nations set up the so-called (Commission?) to designate South Korea as the sole government of all Korea. That could only mean war, and as indicated in the Shanghai (joint U.S.-China) communique we should help them come closer together. We can help. Neither you nor we can impose anything upon them. But then, is there nothing to do to increase the possibility of getting the two sides together?

Mr. Ford: We talked about the three Americans being held. There was the young lady who was released, and we didn't know she was being held. Many American families are anxious that others may be held from the Korean war. Can we have your assurance that no Americans are being held other than the three we know by name?

Mr. Ch'iao: There was the one young lady who took the wrong route and her yacht went on a rock, and we took a long time to examine the facts, and

we regret that such a long period of time passed before you were notified about her. As for others who might be detained, there are no more. As far as I know, there are no more. You know that some remained voluntarily after the Korean war. On these matters I believe we should have an above-board policy. If we detain citizens for reasons, we will tell you. We have communication on this now. It is much better now. So before, maybe we informed you rather late. There has been a change in our relations. You can rest at ease in this area. For instance Mr. Fecteau, he behaved very well and was released early. As for Downey, we note this question.

Mr. Boggs: When we next meet, we hope all this will be resolved.

*After the discussion reached its formal conclusion at 6:15 p.m. and the parties rose and moved toward the door, informal conversation began again and within two or three minutes everyone had seated himself again and small talk continued for another 10 or 15 minutes, during which time photographs were taken. Mr. Ch'iao then saw his guests to their waiting cars.*

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CONVERSATION BETWEEN HALE BOGGS AND LI HSI-FU, FIRST DEPUTY  
DIRECTOR OF THE CHINESE COUNCIL FOR THE PROMOTION OF  
INTERNATIONAL TRADE (CCPIT) AT THE CCPIT OFFICE IN  
PEKING, JUNE 29, 1972.

After words of welcome by the Deputy Director, and expressions of thanks by Mr. Boggs for the opportunity to meet, the following discussion occurred:

Mr. Boggs: We are very anxious to talk. We are hopeful the very small amount of trade with the People's Republic of China can be greatly expanded to our mutual advantage.

Mr. Li: We would like to have cooperation with other countries to promote production and to make our economies better.

Mr. Boggs: We agree with that objective and hope both governments can bring that about.

Mr. Li: From the Chinese point of view we would like to promote exchanges between our two peoples.

Mr. Boggs: So would we. Should we speak in specifics about products -- what are some of the things in which you think we could trade?

Mr. Li: In developing our national economy we rely on our own sources. We produce ourselves the equipment for our own needs. But that doesn't mean we are for seclusion. We also learn advanced techniques from other countries for our construction

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and economic expansion. In the meantime, we are interested in transportation equipment on the basis of equality and mutual advantage. We do our imports according to our requirements. We also import some advanced equipment. As far as U.S. trade is concerned, we have gone for many years without contacts between us and if you have specific products to consider, submit them and we will consider them. We still don't understand each other very well. We now have seven export corporations.

Mr. Boggs: How may American businessmen best make China aware of their products?

Mr. Li: They may send samples to us for our consideration.

Mr. Boggs: I can't specifically provide lists of articles that you may or may not need in your own trade, but many people, both in and out of government circles, in the United States would like to meet with your trading corporations and review the various items.

Mr. Li: There are already established contacts in the trade fair in Canton.

Mr. Boggs: Are there any of our laws that you consider restrictive and that you feel should be changed?

Mr. Li: In the Spring Trade Fair businessmen informed us about high tariffs and duties. They said these prevent them from importing more.

Mr. Boggs: Did they indicate what goods are concerned, because today there are only a few goods with a very high tariff and these are not directed against China particularly. As a matter of fact, some American businessmen say they are not high enough. (Here Mr. Boggs cited the Japanese trade balances.) The Japanese export to us four billion dollars more than we export to them. So, many people say that our duties and tariffs, at least so far as those goods are concerned, are not high enough. Electronics, television, radios, cameras, automobiles, steel, shipbuilding -- these are some of the areas.

Mr. Li: I was told about this. I am only saying what American businessmen have told me.

Mr. Boggs: I am sure there are restrictive devices that we should talk about, which is why I bring this up -- provisions like the Most Favored Nation treatment, and I should think China would be very interested in this.

Mr. Li: We were told that goods imported from China have a much higher tariff than those imported from Japan.

Mr. Boggs: This is one of the matters we should discuss. We have a Most Favored Nation provision (here Mr. Boggs explained the way this provision works). The People's Republic of China has not been a participant in the Most Favored Nation provision.



Mr. Li: Trade can only be developed in a good political atmosphere.

Mr. Boggs: That's undoubtedly correct. But again referring to the Most Favored Nation provision, this is not directed against the People's Republic of China but applies to any nation which is a participant in certain trade agreements entered into on a bilateral or multilateral basis with the U.S. Most of those who have Most Favored Nation treatment are members of GATT, an international organization.

Mr. Li: Are there any restrictions on the importation of Chinese goods into the United States?

Mr. Boggs: During the freeze in our relations, before we reopened the doors and started to normalize our relations, there were restrictions. As far as I know, these have been lifted. I don't know of any discriminatory restrictions today.

Mr. Brown (State Department): Not specifically on Chinese goods, but there are restrictions not directed against China on certain categories of goods -- for instance, the Department of Agriculture on meat products that have to do with health provisions, and these do not apply to China alone but also to many other countries, so that meat products must meet standards set by the Department of Agriculture.

Mr. Boggs: This is a health requirement, not a trade restriction.

It applies to the Latin American countries mostly but not in particular to China.

Mr. Theroux (Boggs aide): This is mostly a labeling requirement; it is not a trade restriction as such.

Mr. Brown (State Department): There are also restrictions on textiles not specifically against China but the textile industry in the United States is faced with the problem of large-scale imports from various countries, in which such levels reached a "perilous point," then in certain instances actions taken to restrict the import of textiles beyond that point.

Mr. Theroux (Boggs aide): Many Americans believe that they must ship Chinese goods first to Vancouver and then into the United States -- is this correct?

Mr. Li: Yes.

Mr. Theroux (Boggs aide) Do you ship to U.S. ports direct now?

Mr. Li: Not direct line as yet. There are transshipments in Hong Kong and Vancouver.

Mr. Boggs: American shipping companies and airlines are anxious to establish direct contact with China. What about this?

Mr. Li: We have heard something about this. It is a matter of another department, not a matter of CCPIT. At the present time, we haven't seen any necessity for increasing contact because our volume is very low.

Mr. Theroux (Boggs aide): Would you desire it?

Mr. Li: (No response to question about shipping or airlines contact)

Mr. Theroux (Boggs aide): Will orders for goods be accepted direct from U.S. companies or do you prefer to accept orders from foreign affiliates or subsidiaries of U.S. companies?

Mr. Li: U.S. businessmen attended the Canton Fair and they placed direct orders there. They also gave orders to correspondents. Some of them even came to Peking after the fair and signed contracts here.

Mr. Brown (State Department): American companies are already making direct orders through Chinese state trading corporations but the shipments are still transshipped to Hong Kong and then directly to the United States from Hong Kong.

Mr. Li: That's right. There are still some restrictions about your exports to China in cases of advanced technology.

Mr. Boggs: During the period of non-communication there were a great many items in that category not limited to China but including other European countries and the Soviet Union. Quite recently, following the meeting in Moscow, a joint commission on trade has been established between the United States and the Soviet Union. This was established to prepare for a more formal treaty which was not finalized when President Nixon

was in Moscow. As for certain strategic items there are, in a limited sense, restrictions on strategic items, and we would like to get more trade relaxation even on these. I only mention the American-Soviet commission because it may have relevance to the People's Republic of China and because similar devices may be helpful in solving any trade difficulties between us.

Mr. Li: We view such restrictions as a handicap. We think this is a kind of move that may evolve as we normalize relations. This kind of question can be settled with the normalization. The present normalization hasn't been settled yet and this is also crucial in trade. We do hope that you will return for discussions on these matters.

Mr. Boggs: We understand that quite well and it is one reason we are here and our friends in the United States Senate were here. We hope other Americans will come, and we will certainly come if you will invite us.

Mr. Li: The exchange of visits between the People's Republic of China and the United States is also conditional on the establishment of friendly relations. In the course of increasing trade these kinds of pressures may be eased.

Mr. Theroux (Boggs aide): If a U.S. businessman with a new technique or new product or new agricultural development

wants to present his product to your Council or to one of the trading corporations, what is the best procedure for him to follow in displaying such products? Can they be displayed at a recognized place, such as a trade exhibit?

Mr. Li: There is no special kind of showing of products in an organized way.

Mr. Theroux (Boggs aide): Is the problem that we must first have completely normalized relations between our countries?

Mr. Li: We now have several such exhibitions on a reciprocal basis with other countries.

Mr. Theroux (Boggs aide): Yes, some of us hope to visit the Chinese exhibit in Canada in August.

Mr. Boggs: Well, would you put our American goods on in fairs with other goods?

Mr. Li: We do not have international trade fairs in China sponsored by other countries, but we have had displays of other country's products. There will also be one in August in Peking.

Mr. Boggs: Are they going on now?

Mr. Li: The Canadian exhibition here will be in August.

Mr. Theroux (Boggs aide): What does an American businessman do to explain or display his products to your state trading agency?

Mr. Li: There is a special department. It is too early to talk about this. Later on, if conditions are right, it might be appropriate.

Mr. Boggs: What foreign airlines now come to China?

Mr. Li: Soviet Union, Pakistan, France and North Korea.

Mr. Theroux (Boggs aide): Do you permit other countries with nonscheduled airlines to bring charter flights to China? For example, would you permit charter flights from England to arrive on a British plane?

Mr. Li: This could be done only under very special conditions.

Mr. Theroux (Boggs aide): What about bringing people and products. You invited about 30 businessmen to the Canton Fair. If they had chartered an American plane, could they have come that way? I am wondering about the possibility of charter airline service between the U.S. and China.

Mr. Li: Generally speaking, we don't let this happen unless there are special conditions.

Mr. Boggs: To what countries does a China airline fly?

Mr. Li: Soviet Union and some others.

Mr. Brown (State Department): One American businessman said that as far as banking procedures for transactions which they had conducted with trading organizations the Chinese have specified some 7 or 8 third country banks for these transactions. It appears that at this stage the banking does not go through American banking institutions. Is that correct and, if so, why?

Mr. Li: This is so. The reason is that since 1950 the United States government has frozen the money of China in banks. Until now it has been impossible therefore to establish relations between Chinese banks and U.S. banks.

Mr. Boggs: We appreciate your giving us this time. I represent a port area like Shanghai -- New Orleans -- and a group of my constituents has applied to come to the People's Republic of China to talk to officials of the trading corporations. I hope they can come. They have also invited Chinese officials attending the trade exhibition in Canada to visit New Orleans. I hope both points will be given favorable consideration.

Mr. Li: It is good for us to have had this exchange of views.

Mr. Theroux (Boggs aide): It might be interesting for you to know that some of our businessmen who attended the Canton Fair are planning to assemble samples of your products and present them in showrooms in New York and Los Angeles and have a mini-Canton Fair in order to engage the interest of U.S. stores. It will be good when you have a place of your own to show products in the U.S., and we can show our products here.

Mr. Li: We will be waiting.

Note: Present on the Chinese side in addition to Mr. Li, was Mr. Lou Long of the CCPIT and two others whose names were not

obtained. Present at this discussion on the U.S. side, in addition to Mr. Boggs, were his aides, Eugene A. Theroux and Paul E. Sigmund; Bryce Harlow for Mr. Ford, and William Brown, U.S. Department of State. This meeting convened at 3:05 P.M. and adjourned at 4:05 P.M. This unofficial transcript was prepared from the shorthand notes of Mr. Harlow and the longhand notes of Dr. Sigmund and Mr. Theroux.