



INTERNATIONAL  
SECURITY AFFAIRS

~~SECRET~~

THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-2400

11 AUG 1989

In reply refer to:  
I-89/07382

MEMORANDUM FOR SECRETARY OF DEFENSE  
DEPUTY SECRETARY OF DEFENSE

THROUGH: UNDER SECRETARY OF DEFENSE FOR POLICY *RW*

12 AUG 1989

SUBJECT: Update on China FMS Suspension (U)

~~(S)~~ Ever since the President suspended U.S.-China FMS programs on June 5, the Chinese have sought face-to-face discussions regarding these programs. On August 9, you approved a working-level team led by Special Assistant for China Mr. Ed Ross from ISA to go to China for discussions with the Chinese. The team will attempt to persuade the Chinese to make a payment by September 1 to prevent these programs from being terminated for lack of funds. The Chinese were informed on August 9 of U.S. intention to send such a team, and accepted immediately our offer to respond to their request for dialogue. Visas were issued by the PRC Embassy for the four team members on August 10. They will arrive in Beijing on August 13. After meeting with Ambassador Lilley on Monday morning, August 14, the team will begin meeting that afternoon with the Chinese.

~~(S)~~ On August 10, the team's strategy was briefed to State officials from EAP, PM, the legal office, and Under Secretary Kimmit's staff. The strategy is to: (1) Convince the Chinese that the September 1 deadline is a serious one. (2) Impress upon the Chinese that re-starting deliveries to China is not possible at this time because of the President's decision. (3) Provide assurances to the Chinese that we are willing to meet their concerns about participation in the F-8 avionics modernization program by allowing some level of participation by their engineers after we receive China's payment. We believe that the Chinese, although unhappy over the suspension, do not want to see these programs terminated for financial, technical, and political reasons. Therefore, there is hope on our part that this dialogue and the arrangements we are willing to enter into on participation in the F-8 program can induce the Chinese to pay. That would be in our interest, since the U.S. also does not want to see these programs terminated.

Declassified in Full  
IAW EO 13526, Section 3.5  
Chief, Records and Declass Div, WHS  
Date: 15OCT2024

*Henry S. Rowen*  
Henry S. Rowen

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24-M-0598

330-91-0095, bx 91, China



INTERNATIONAL  
SECURITY AFFAIRS

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THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D. C. 20301-2400

14 AUG 1989 16 47 8/16

SECRETARY OF DEFENSE

In reply refer to:  
I/89-07382

DEP SEC DEF  
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AUG 28 1989

EXECUTIVE SUMMARY/COVER BRIEF

MEMORANDUM FOR SECRETARY OF DEFENSE  
DEPUTY SECRETARY OF DEFENSE *ja*

THROUGH: UNDER SECRETARY OF DEFENSE FOR POLICY *PW*

FROM: Henry S. Rowen, ASD(ISA) *PSR* 11 AUG 1989

SUBJECT: Suspension of China Arms Sales (U)

PURPOSE: INFORMATION--To update SecDef on DoD team visit to China.

AUG 18 1989

AUG (See next page, for second paragraph, for guidance given to the team.)

CHINA

DISCUSSION: ~~(S)~~ On August 9, you approved a working-level team led by ISA to go to China to discuss U.S.-China FMS programs. The Chinese were informed on August 9 of U.S. intention to send a team, and accepted your offer to respond to their request for dialogue. On August 10, the team's strategy was briefed to the Department of State. We believe that the Chinese, although unhappy over the suspension, do not want to see these programs terminated for financial, technical, and political reasons. Therefore, we believe that this dialogue and the arrangements we are willing to enter into on participation in the F-8 program can induce the Chinese to pay.

RECOMMENDATION: N/A

Prepared by: LtCol Eden Woon, Assistant for China,  
ISA/EAPR, X-77757

Reviewed by PDASD/DASD(EAPA)

*CF (RC)*

Declassified in Full  
IAW EO 13526, Section 3.5  
Chief, Records and Declass Div, WHS  
Date: 15OCT2024

Office of the Secretary of Defense Chief, RDD, ESD, WHS  
Date: 15OCT2024 Authority: EO 13526 + 5 U.S.C. 552  
Declassify: X Declassify in Part: Deny in Full:  
Reason:  
MDR: 24-M-0598

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Sec Def Cont Nr.

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