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## NATIONAL SECURITY COUNCIL

July 8, 1981

## INFORMATION

MEMORANDUM FOR RICHARD V. ALLEN

FROM:

JAMES LILLEY

SUBJECT:

Arms Sales to China (S)

This memo informs you of the status of U.S. arms sales to China and expresses my concern that State is ramming this one through as they did the initial announcement on China arms sales in Peking. Rich Armitage and I are trying to put the brakes on and you should be getting a strategy paper from Secretary Weinberger in the next few days. (S)

General Webb, the Defense Attache in Peking, was approached by the Chinese after the Haig trip with the request for several items of military hardware including:

- -- Tow anti-tank missiles
- -- Hawk anti-aircraft missiles
- -- MK-48 (Torpedos)

Webb put the Chinese off but both State and DOD want to give the Chinese positive signals on the TOW and Hawk. The Chinese in effect said that the Chinese Deputy Chief of Staff who is scheduled to come in August should have positive issues to talk about, otherwise the trip might not be worthwhile. (S)

I sense this is a Chinese ploy to force our hand and we are falling into it, not having thought through the implications of such sales. (S)

DOD has prepared an initial paper which deals with some of the key issues which, in my view, are:

- -- What should be the level of arms sales and why?
- -- The advantage to the U.S. of such sales.
- -- The place of such sales in our overall Pacific strategy.
- -- The implications for our allies and the effect on U.S.-Soviet relations.
- -- How does it relate to our Taiwan policy, especially the security of Taiwan?
- -- What obligations have we undertaken and what are Chinese expectations?





When you get Weinberger's paper, I believe we should send out our series of questions to State, Defense and CIA and require some hard thinking and writing before we proceed further on what we should sell them, or if we should sell them anything. (S)

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