

Sino-Soviet Relations

~~(S)~~ The potential for a breakthrough in Sino-Soviet relations is real. It is quite likely that within the next two to three years we will witness a summit, the resumption of party-to-party ties, an agreement symbolizing detente between the two sides, an agreement on military confidence building measures and/or the beginning of force reductions talks, and a Sino-Soviet border agreement. A more rapid expansion of cultural, media, academic, and scientific and technical ties would accompany such developments. Military contacts could develop but would not likely extend to arms sales, technology transfer, or genuine military cooperation.

- o ~~(S)~~ Recent improvements in US-USSR relations in the wake of the INF agreement and US-Soviet summits have motivated China to adjust its relationship with the Soviet Union to maintain its position in the US-USSR-China triangle. There is concern in Beijing that, as a result of its improved ties with Moscow, Washington may devalue its ties with China and may become less receptive to Chinese positions on a range of bilateral issues. China therefore may conclude that progress in its relations with the USSR might make the United States more responsive to Chinese concerns.
- o ~~(S)~~ Significant changes have also occurred in how the USSR and China perceive each other. Each side sees the activity of the other as less threatening. Chinese leaders now believe that Gorbachev sincerely desires better relations with China and are becoming more receptive to Soviet political overtures. Moscow and Beijing have ceased quarrelling about ideological issues and domestic policies. Political dialogue on bilateral and international issues is taking place between high-level officials up to Politburo rank. There has also been an expansion of parliamentary, academic, scientific, and cultural exchanges. Sino-Soviet border trade is flourishing and, with the likely improvement of infrastructure and transportation, will undoubtedly improve further.

- o ~~(S)~~ In the past year there has been considerable progress in resolving the "three obstacles" raised by China in the past as a barrier to normalization. In the wake of the withdrawal of a Soviet division from Mongolia, Soviet progress in reducing its forces in Afghanistan, and -- most importantly -- Soviet pressure on Vietnam to resolve the Cambodian conflict, China has become more flexible in responding to Soviet overtures for better relations. China has recently modified its conditions for a Cambodian settlement and appears ready to move ties with Moscow ahead if agreement on Cambodia can be reached.

~~(S)~~ Of course, there are limits as to how far Sino-Soviet rapprochement will likely go.

- o ~~(S)~~ China's leaders continue to regard the Soviet military threat as the major long-term danger to Chinese security.
- o ~~(S)~~ Moreover, Beijing will not wish to jeopardize its economic and technology relations with the West by overly close association with the Soviet Union.
- o ~~(S)~~ Furthermore, even under the best of circumstances, Sino-Soviet relations are not likely to progress to a point where China and the USSR stop competing actively with each other for influence.

~~(S)~~ An exact pinpointing of how far or how fast normalization will proceed in the short term is dependent on a number of factors -- not the least of which concern the ability of Soviet and Chinese leaders to keep moving ahead on domestic economic and political reforms.

- o ~~(C)~~ The Chinese are now more persuaded of Gorbachev's staying power as well as his commitment to achieve many of the goals of his reform program. They believe that continued domestic reform will stimulate changes in Soviet foreign policy which will benefit China.
- o ~~(C)~~ Further normalization of Sino-Soviet relations also depends on the leadership situation in Beijing and on the success or failure of China's domestic reform program. Preparation for the post-Deng era has already established many younger leaders, who favor faster

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progress in relations with the Soviets, in positions of influence. If the transition to post-Deng China is relatively trouble-free and domestic reform continues without disruption, China's leadership would be more confident of its ability to deal with the Soviets on a basis of equality.

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