

October 12, 1973

**Verbatim Transcript of the Third Meeting between
Prime Minister Trudeau and Premier Zhou Enlai**

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Summary:

Zhou Enlai and Trudeau have a wideranging conversation on international politics, covering the Vietnam War, Sino-Japanese relations, Nixon's visit to China, the Arab-Israeli conflict, the Arctic circle, and nuclear energy safeguards, among other topics.

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D R A F TCONFIDENTIAL
CANADIAN EYES ONLYVERBATIM TRANSCRIPT OF THE THIRD MEETING
BETWEEN PRIME MINISTER TRUDEAU AND
PREMIER CHOU EN-LAI
OCTOBER 12, 1973 #*MAA*

The meeting began with informal comments concerning the satisfactory progress of the working groups of officials and discussion of whether the Canada/China Trade Agreement would be signed by the Premier and the Prime Minister, or by officials.

CHOU If you would like the two of us to sign, there is no difficulty from our side. But my Protocol Department thinks that there are difficulties in that. They think that it would be putting it up to too high a level. But as host, I will be at the disposal of my guest, and you must decide.

TRUDEAU I thought that the new China had no use for protocol.

CHOU Oh well, protocol is largely a collection of foreign conventions.

TRUDEAU Yes, it makes my life miserable too.

CHOU Our protocol officers in the old days learned their protocol views from the British system. Just after the founding of the People's Republic of China, we had a protocol officer who came over to us from the Kuo Min Tang. He was full of old British conventions. Chairman Mao was then the Head of State, and he received many foreign ambassadors and guests, and according to this officer's understanding of British protocol, we had to spread a long red carpet all the way to Jung Nan Hai.

TRUDEAU Well, on the matter of signing, I think that perhaps you and I should sign; we should be seen to be doing some work.

CHOU D'accord. To return to our earlier discussion, we know very well that, since you are sandwiched between the two superpowers, you have to handle affairs according to your own circumstances. Since many of the people of Canada immigrated from Europe, there are historical links. We think that your relevant orientation in the development of your work is quite correct. You are

CHOU
(CONT.)

striving to achieve independence gradually in many aspects, especially economically, and to have others respect your sovereignty. If you advance in that orientation, many questions can be settled in many fields. We respect your position, because you respect our independence, just as we respect yours. Of course, we have many common points as well as many differences; we can leave aside the differences in order to seek common ground. But we must make our position clear, although it is impossible for you to agree to it fully. The Sino/USA Joint Communiqué of last February is a proof of this point. I don't mean that it should apply to relations between China and Canada, but we should make our respective policies clear. On many points they are simply antagonistic, but that does not prevent us from seeking common points. I will touch upon common points later, but about the Sino/USA Joint Communiqué, the style was unique. We did not make secrets or conceal our respective positions, and our speeches at the United Nations, our reports and other writings in papers, are also very clear in stating our position. Why is it that a country like the USA, which is so powerful, dares to have contacts with China? It is quite clear: while Dr. Kissinger visited China, President Nixon made a speech at a press conference on July 6, 1971, in Kansas City. Have you read it?

TRUDEAU

I am not sure I remember it.

CHOU

There were two key points: he said that, after World War II, the USA had been quite overweening; wherever aid was required, the USA would send money, and wherever force was needed, they would send arms and soldiers. At that time, the USA never dreamed that after 25 years their position could have lowered to such a degree. President Nixon was quite frank. The second point was that he said that the world was no longer bipolar, but multipolar. By multipolar, he meant that there were now five power centres: the USA and the USSR, which are the superpowers; the third being Western Europe with the strength of the EEC and a population of

CHOU
(CONT.)

two hundred million (economically, the force of the EEC would also be greater than theirs); the fourth power centre was Japan, which is emerging, with the development of its economic strength which is already close to that of the USA (their output of steel, for example, is already close - I just cite that one example); the fifth power centre was China. China is big, but its potential power is not developed, but it will develop in future. That is why President Nixon said that the USA was facing a world of multipolar policies. Of course, we don't see it that way. Multipolarity is not just those five power centres, your country and third world countries are also a force which is emerging. All countries, big or small, should be treated equally. With the change of the USA's policy, with that recognition of the state of the world, they no longer follow the views of Dulles, that the socialist world is a monolithic block. Because they now recognize that China is not part of a Soviet monolithic and expansionist block, the USA has also changed their policy. Because they have recognized that the so-called socialist camp is not monolithic, they are prepared to have relations with us because we are not a threat to them, and are not expansionist. As for this viewpoint, I think that you, Mr. Prime Minister, made the point in your 1961 book; because you predicted it at that time, we thank you. You criticised the theory of the 'Yellow Peril' and the theory that China would be bound to expand outwards. It was not easy to state that then. I am not sure about the reaction in Canada and in the USA to your book, but we would like to praise you on this point. So we maintained the position that, since the USA had come, we would seek common points. They agreed to our five principles, and to the point that neither side should resort to armed force or to the threat of force, and to use that as the guiding principle in settling international problems. Among the common points, one is particularly interesting: the point to the effect that neither side should seek hegemony in the

CHOU
(CONT.)

Asia-Pacific region, and that both are opposed to efforts by any country or any group of countries to seek such hegemony. Did you note that?

TRUDEAU

Yes, I remember that that point was stated.

CHOU

Who do you think set forth or proposed that point?

TRUDEAU

Well, it is obviously a point which the Chinese side would make, but I also believe that it is a point that the American side would accept willingly. Of course, the hegemony which they exercised was exercised in a non-conscious way. Even John Foster Dulles at his worst did not say that he was trying to extend the hegemony of the USA, but rather to contain the hegemony of others.

CHOU

Your explanation is right, but they did not do it unconsciously, but rather quite consciously. Don't you think that they would be quite as conscious as Dulles?

TRUDEAU

I agree, Dulles was not unconscious. I do not consider myself to be a spokesman for the USA, but from the point of view of the American people, the reason that they were able to accept Dulles' policies was that it was seen by them not as an effort to extend capitalism, or world markets, or areas of influence, but rather as protection from the awful danger of Communism. After the war, the Marshall Plan was seen as hegemony, but as hegemony for good reasons. The American people were not told "we must rebuild Europe to make it safe for capitalism". The average American, unlike the average German in the 1930's, was not told "we must conquer Europe and hold it for 1,000 years", or "we must keep Europe safe for capitalism".

CHOU

To return to the point in the Shanghai Communiqué, that statement was put forward by the USA side, and we fully agreed to it, and hope it will be realized. That is why this point was also included in the statement between us and Japan on establishing diplomatic relations last September [Chou corrects the interpreter's translation and says "no, September of last year"], Tanaka was very glad to include this point in the statement. We were also very glad

CHOU
(CONT.)

to include it because it shows that we have no ambition of seeking hegemony. But during the first talks between the USA and the Soviet Union, this point was not included. You can discover from this that there is a question here.

TRUDEAU

Even though the USA agreed to it here, your Ambassador to the United Nations was suggesting last week that the USA and the Russians were still trying to seek hegemony. You said it too in your toast last night, when you said that we should not be fooled by those who are seeking hegemony. You say this, and yet the USA signed that statement; do you think that they were sincere?

CHOU

I can answer this question in your words, not mine; they can say that in their dealings with China they will not seek hegemony, because China does not seek it. That is why the USA and China could agree to that point. But in the Joint Statement between the USA and the Soviet Union, that point was not included; that shows that the Soviet Union is seeking hegemony. So the USA has to deal with it by seeking hegemony also. This can be proved by the fact that after signing the SALT agreement last year, and the Agreement on the Prevention of Nuclear War, they immediately increased their military budget and manufactured new nuclear weapons. That goes to show the point just as I said earlier; the US Secretary of Defence said that, although the agreement was signed, since the Soviet Union had increased their military budget right away, then the USA must do it as well. That is the logic of it. Of course, we also told the USA "you must not think that because the USA's and China's relations have improved to some degree, that you can jump at the Soviet Union from China's shoulders".

TRUDEAU

It seems to me that the USA was not sacrificing very much by proposing that point. After their misadventure in Viet-nam, they probably realized that an effort to establish hegemony in Asia is not possible. They probably feel that China does not do in fact that which the USA is not able to do.

CHOU They just wanted to seek a common point with China in the region. But even so, the USA have overstretched their hand, and now the Soviet Union is engaged in competition with the USA, will follow in the steps of the USA, and wants to catch up with it. The USA has realized that point.

TRUDEAU That is very true. The USA felt that they have overstretched themselves, and Nixon's foreign policy was the product of that realization. It is interesting that one month after the Kansas City speech, Nixon was announcing a new economic policy, and was admitting that the USA could not keep its dollar convertible. If in Kansas City he said that the USA was no longer the power it had been in the world in relative terms, he was giving practical confirmation of that in his economic statement one month later. That involved a more modest self-appraisal by the USA. So I don't think that the USA was giving up very much by renouncing hegemony in Asia.

CHOU But since another big power is following in the steps of the USA and is trying to catch up to the USA, that is a challenge to the Americans.

TRUDEAU It is a challenge to us too; because you must see that our domestic and foreign policy profits by this breaking up of a bipolar world, and that we use that to increase our freedom. Even if the USA does not formulate an area of hegemony over Canada, their very size is such an influence, socially and economically, on Canada that we are very vulnerable to movement in their own economy. If they have inflation, we get the reaction of it; if they have a depression, we suffer from that also. It is one thing for the USA to say that they do not seek hegemony, but Canada and countries like Canada must see to it that hegemony is not practised unconsciously. So we must not have a reactive foreign policy. We must actively seek contacts, as when we established relations with China, when we trade with Cuba, when we develop our contacts and trade relationship with Japan, the EEC, etc., we are trying to preserve our independence and to escape the weight of the considerable economic and political presence of the USA.

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CHOU

When I said another big power, I was referring to ~~the~~ Soviet Union. Because it is very obvious that the Soviet Union is seeking hegemony and that they are trying to overtake the USA. Of course, objectively, we know that for instance after 300 years of presence, the British Empire was no longer. After World War II, the power of the USA was also going down. How will the Soviet Union be able to avoid going down as well? They will seek to overtake them, but they can't help doing that because it evolves from existing circumstances. That is why, when the Soviet Union talks about détente, about the avoidance of nuclear war, about the non-use of forces, about disarmament, they are deceiving people. We have our own experience in this matter. To start with, the two countries were socialist countries. We could not expect that they could go so far. After liberation, we also learned from the Soviet Union. Since the Soviet Union was a socialist country, Chairman Mao said in his article "On the People's Democratic Dictatorship", that we must lean to one side, to be together with socialist countries. Even after Khrushchev took office, what he did was not socialist, it was revisionist, but we tried to salvage him. But before we recognized that they were so bad in their dealings with us, they had already started to oppose us. For example, in 1955, when the Soviet Union established diplomatic relations with West Germany, Khrushchev said to Adenauer that China was a terrible yellow peril, and he asked for West Germany to help to oppose it. He said this three times in their talks in Moscow. Dr. Kissinger reminded us of the fact that there was such material; Kissinger pointed it out to us - that of course was not in order to sow dissension between us - then we studied the material. Our experience is that Khrushchev wanted to dominate China. As you mentioned earlier, in 1956, we helped him because they were in difficulty in their relations with Poland. But in 1958, they put forward a proposal that we should establish a joint Sino/USSR fleet in China's territorial waters. They are so ambitious. In 1959,

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since Khrushchev wanted to go to Camp David, he tore up the agreement with China on the Peaceful Use of Atomic Energy, and he withdrew experts from China. In 1960, they scrapped all agreements on economic cooperation and withdrew all their experts. This was not like the case in Egypt, where it is Egypt which expelled their experts; here it is the Soviet Union that pulled them out. We gave them a warm send-off, and we gave a banquet for several thousand of them. Of course, we did not show worry about their withdrawal; in fact, we should thank them for it. In that way, we had to develop our self-reliance. We had to go through difficulties. It was then that you visited China, just after that. That is why, as you said then, we were like a baby in an adult's garments. But you forgave us and you said that we would learn ourselves. You said that when we could run one factory, we would be able to run one thousand factories. So you are a prophet.

TRUDEAU

Could I ask a question? It is kind of the Premier to put such a favourable interpretation on my amateurish writings, and I thank you for it. But may I ask: when, before going to Camp David in 1959, Khrushchev tore up the agreement on the Peaceful Use of Atomic Energy, do you suggest he did so at the request of the USA, or to do something favourable to the USA, or would he have done it anyhow?

CHOU

I can't say definitely. He did it to show that he was favourable to the USA, but I have not read President Eisenhower's memoirs, so I don't know whether it was mentioned or not. But definitely, he wanted to show this as favour to the USA. Many of his gestures to the USA were not successful; they were rather clumsy. Another point: in 1963, in order to conclude the Treaty on the Partial Non-Proliferation of Nuclear Tests, the Soviet Union had talks with China simultaneously in Moscow, for a tripartite agreement. Since those talks were held at the same time, it was to make an issue of it, and it was indeed so. While on the day when they declared that the talks between China and the Soviet Union had aborted, they said

CHOU
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the next day that they would sign the treaty, the NPT Tripartite Treaty. Since the talks were disrupted, they thought we would come back. We didn't pay attention, and in 1964, we manufactured and tested an atomic bomb ourselves. Then Khrushchev fell. This, of course, was just a coincidence. There are many more instances of what he did; I won't dwell upon them. But we have learned lessons from our dealings with the Soviet ruling group, and we don't trust them. The détente they talk about is not reliable. The European Security Conference will prove this. As I mentioned, at the end of the first stage of the ESC, Gromyko said that if there should be free movement of peoples in East European countries, the Soviet Union would not agree, that would be interference in internal affairs. He has reaffirmed this point. He also talked about a 10% reduction of military budgets. Such talk is futile. In their talks with Japan, they have applied pressure on the Japanese and refused to talk about Japan's northern territories. As for the subcontinent, the place is rather weak and vulnerable. They dismembered Pakistan, they carried out subversion against the royal government of Afghanistan, and now they want to disrupt Baluchistan. The greater part of Baluchistan is in Pakistan, some in Iran, and some in Afghanistan. So the USSR wants to link these with a small sector in their own territory, and to form it into a country so that the USSR would have access to the Arabian Sea. Their ambition is greater than that of the old czars; that is why we call them the new czars. Perhaps you will say that we are not keen on relaxation. Because we have been so badly bullied, the only way for us is to withstand them. You should not believe their talk of détente or of disarmament.

TRUDEAU

Does the Premier interpret events in the Middle East in the same light, as a Soviet attempt to establish hegemony through the Arabs?

CHOU

That is a complicated matter. The first point is that they want to use Israeli aggression to give aid to the Arab countries, and through controlling them, to establish hegemony there. Thus the

CHOU
(CONT.)

Arab countries suffer a great deal. Although the Arab countries did get military aid, once the arms were used up, they could not get more to supplement them, or to repair or replace them. They had to pay much interest on loans from the Soviet Union. In this way, the Arab people were filled with indignation, they were not satisfied with their governments; this created splits between them and caused resentments. In the statement after the talks between the Soviet Union and the USA last June, there was only one small paragraph on the Middle East. They both wanted to maintain the situation of no-war/no-peace. This caused great indignation in the Arab countries. This time, they were compelled to fight. It is not important which side fired the first shot; they were compelled to do so. This will create a very difficult situation for the Soviet Union; we will watch.

TRUDEAU
CHOU

If the Arabs win, they won't need the Soviet Union anymore. There are two points: first, the Arabs can't win so quickly; second, the Soviet Union won't give them up so quickly. As I said the other day, on Cambodia, at first, the Soviet Union maintained relations with Lon Nol, and when they found that there were changes in Cambodia, they brazenly went to Samdech Norodom Sihanouk and said that they had never severed relations with him or established relations with Lon Nol. But the Soviet Union's Embassy is still in Phnom Penh, and Lon Nol's Chargé d'Affaires is in Moscow. No country with good faith could say that. How can they?

TRUDEAU

I can understand the perils of détente, but it is difficult (and your toast last night recognized this) for countries like Canada not to do their best to push in that direction. I would be interested in having Premier Chou En-lai's advice to Canada and to other countries who want détente, and who know that it might be a trap. What should they do? Just stop? Let the Soviet Union and the USA escalate their power? It is difficult to say that it is hopeless and that nothing can be done.

CHOU No, you shouldn't be disappointed. We think that the way you deal with things is basically correct. That is why I first affirmed your orientation. You would not be in a position to curse the Soviet Union as we are doing. Of course, you should know that they are not so trustworthy, and we think that there would be advantages in a relaxation of your relations with them. Trade with them, negotiate with them, but don't be deceived by them. You took part in the ESC?

TRUDEAU Yes.

CHOU You can make your own observations. You can keep maintaining that all countries should be treated as equals, ask for free movement of peoples, and adhere to your principles. Small and medium size countries are supporting you, and western countries too. You can take greater steps to develop your economic relations with other countries in order not to be tied to one country alone. Thus you can gradually gain economic independence. That is all you can do. It wouldn't do for you to stand in confrontation with both great powers. So we say that, relatively speaking, the USA sometimes will be frank, but the words of the Soviet revisionist clique are not to be believed. In their dealings with Japan, they have not settled the question of the northern territories; their relations are strained. But in the Joint Communiqué at the end of Tanaka's visit, they wanted to put it in high-sounding terms, and to make it seem as if the talks had been 'harmonious'. But by the time that Tanaka and Ohira went back to Japan, they gave a press conference and they revealed all the contents. The Soviet Union is very keen on doing things this way. So we would find it understandable if you would maintain superficial relaxation with the Soviet Union, as long as you know that it is not genuine.

TRUDEAU We made it an important point of the ESC, the free movement of ideas and people. To us, it is the touchstone of success of such a conference. Parallel to that, there are many goals that we can

TRUDEAU
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pursue with countries of Europe and other countries of the Americas and of course with China. When the Premier talked of areas of agreement and antagonism between us, I would say that there are very few areas of antagonism. There are perhaps some areas where our interpretations disagree, or where our understanding of the facts may not be in complete agreement. But, for example, on European détente, it was good to hear the Premier say that he respected our point of view, and did not advise us to do differently; he just told us to be careful. As I said on the first day, there are some areas where the Soviet Union has been of positive help to Canada, for example, in counterbalancing the influence of the USA. I gave as examples the Arctic and prevention of pollution. What is clear to me is that there are many areas where, in pursuing our goals, we find that there is much possibility of agreement between China and Canada. The Foreign Minister and I, this morning, talked of various international régimes where our interests are in common, and I gave examples of those. It was interesting to hear Chou En-lai indicate support for our position in the Arctic, and if we establish international law which gives rights to coastal states on questions like the protection of fisheries, it is obvious that Canada and China have a common interest in establishing international laws and régimes which will protect the interests of coastal states from the interests of shipping states. Another example is international cooperation in the matter of hijacking, where countries must cooperate to resist these acts.

CHOU

On hijacking, we may have different views. Perhaps we have bigger common ground on the question of antipollution. This is not only the USA which has the question of coastal pollution; perhaps the Soviet Union will come across the question too. For example, in Iran, in the Caspian, there is the problem of the Donbas; since the Soviet Union was producing oil there, oil polluted the Iranian part of the Caspian. In water, which was previously very clear,

CHOU
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fouled water has now spread, but the Soviet Union paid no attention to the question. The question is similar to that of the Great Lakes on your border. The movement of Soviet nuclear submarines in the Black Sea and the Baltic also produced difficulties for other surrounding countries. So don't think that there is no contention at all in the Arctic Ocean; contention is bound to come. You must be on guard against contention in that area, for the next generation. As for the Law of the Sea, the USA, the Soviet Union and Japan are all shipping countries, and we think that the Soviet Union is trying to overstep the USA. Here we think that we have common ground. In the Sea of Okhotsk, the Japanese are being bullied by the Soviet Union, and they did not get along well in their recent talks. They said they would settle the question, but they did not say when. Your several shipping fleets in the Pacific have met with trouble created by them. Since we had first established diplomatic relations with Japan, we signed a non-governmental agreement with Japan on fishing areas in our coastal sea, in the East Sea and the Yellow Sea; we have settled the problem on an equal footing. Along the border rivers between China and the Soviet Union, the Heilungkiang and the Ussuri, the Soviet Union also created troubles in fishing; they tried to stop the movement of fish to our area as we are on the upper reaches of the river.

TRUDEAU

This is an example of the importance of establishing international régimes on the matter. We signed an agreement with the Russians on fleets to the west of Canada, and they respect them. Of course, we have to be careful and, only last week, we had to protest to the Soviet Union concerning the east coast. We have agreements on quotas of fish, and all submit to inspection to see that the quota is respected. But the Soviet Union does not accept such inspection, so we have no way of knowing whether the quota is being respected. We also have a fisheries problem similar to yours, concerning salmon, which spawn upstream. If they swim out to sea and the stock is depleted there, we lose the resource. We need international

TRUDEAU
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cooperation to prevent depletion of that resource, so we need international cooperation not only between Canada and China, but with many countries. Therefore, we are very glad to see China in the United Nations. China is powerful but not imperialistic. It has no aggressive or expansionist interests, no territorial demands on others, and it can play a constructive role in many such areas, and can help the world to establish fair rules on such questions as Law of the Sea, fisheries, etc.

CHOU

Your hope is correct. Ours is a large country but not powerful. What we say carries some weight, but not great. If we speak too profusely, people will not listen to us. But the second point is that in international conferences, there are bound to be controversies. There should be settlement by compromise. The other question arising, with constant controversies at conferences, is that if things are developing in a good direction, we might achieve equality among countries of the world, but with the presence of Imperialism, this is not easy to achieve. We must prepare for inevitable obstructionism. The big powers are bound to create obstructionism, especially Social Imperialists. That is why, on one hand, we need cooperation. But we also need to recognize reality so that we can struggle to go forward steadily. Constant struggles are necessary. I know that you once spoke to a United Nations conference about the signing of an international agreement on hijacking. Do you think it is possible to carry it out? Basically, we are not in favour of such actions, but there are many causes to them, and circumstances lead to these risky actions. Just think: in the area of Palestine, in the beginning of the twentieth century, the number of Palestinians or Arabs was greater than the number of Jews. There was a great gap in the relative numbers of populations, you could hardly compare them, they were incomparable. But after World War I and World War II, as a result of the exercise of outside political forces, the whole thing was turned upside down. Now, the population of Israel is almost three million. The Arabs, those who had been there for a long time,

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have been expelled. The number of Arabs expelled has almost reached two million. Some have gone to Lebanon, Iraq, Syria, Jordan, Saudi Arabia, or Kuwait and Yemen, and some to North Africa. Since they are left homeless and bullied everywhere, they have become desperate. That is just to mention Resolution 242 in 1967, and not earlier cases. Israel turned a deaf ear, and ignored the resolution. So what to do? This has made the Palestinians desperate. Of course, we don't fully agree with Resolution 242, we think that it is not enough. But even it cannot be implemented and six years have passed. There are indeed a number of persons who have adopted desperate actions. We are lucky because we are in the Far East; there are no Palestinian refugees nor Jews in China. But the problem is going to be extended, because the world is growing smaller. So we have been confronted with the matter; in the Philippines, an airplane was hijacked. Earlier, it had flown over our air space and the question was whether to open our air space to it or not. The crew and the passengers asked for our help. At first, we rejected their request, but they flew round and round over our airfield in Canton. When they landed, fortunately there were no wounded, so we gave them good treatment, and after that, it flew back to the Philippines with all safe and sound. The hijackers remained here in China. If once a precedent is set, it can recur. But if they were not desperate, they would not resort to such action. In the past, China had been safe from such accidents, but this year there was one such incident which recurred. Another almost occurred yesterday. The Hong Kong authorities told us that they had settled it; I don't know how they did it. Now, as we will open international airlines from other countries, we think this danger may arise. We already have PIA, Ethiopian Airlines, and Air France, and we will soon have many more, including Canada and Japan. Before Japan manages to settle this, perhaps they will not allow your airline to stop there. We think it quite reasonable for you to refuel in Tokyo. Air France would like to fly from Shanghai to Tokyo, but the Japanese have also

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refused. But the question will be settled, and many more airlines would like to fly to China: Italy, Scandinavian Airlines, England, Switzerland. So if Japan opens access to us, an international airline will already be started in China. Then we will be facing such questions, and perhaps you will still stick to your desire to arrive at an international agreement. Do you think it could possibly be effective?

TRUDEAU

Well, for example, if an Air France plane goes from Peking to Paris with Chinese passengers, and some Palestinians take control and say to the French Government "we will shoot all the passengers if France does not establish diplomatic relations with Taiwan", what does the French Government do? Does it sacrifice the lives of perhaps hundreds of innocent Chinese onboard? Does it give in to the terrorists to save them? The dilemma is impossible to solve: on one hand, there is the right of a government to act freely, and on the other hand, there is the desire to protect innocent passengers from being murdered. We do not condone this; we want a solution. Only an international agreement seems able to cope with it, because one government alone, in those circumstances, is placed in an impossible situation.

CHOU

Once there is an international agreement, do you think that they would observe it? If they are desperate, they don't mind risking their own lives. Do you think that they would worry about an international agreement? Those hijackers do not come only from Palestine; there are also cases in the USA. There was a case of an aircraft hijacked from the USA to Italy and it is a well-known case; it had nothing to do with Palestinians.

TRUDEAU

But if every country refuses to let hijackers land, they will have no place to hijack to, and if some countries agree to a convention not to let hijackers land or if they do land to put them in jail, they won't go there anymore, and you will find an increasing number coming to China. If China does not sign the agreement and every other country does, we wish you good luck. [Chou En-lai laughs]

TRUDEAU
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I am not disputing the value of the cause of some hijackers, nor am I disputing the right of asylum, or the right to admit refugees. All I say is that they should not endanger the lives of hundreds of people who have nothing to do with their cause, and this is what hijackers do.

CHOU

Just because we have sympathy for the plane owners and for innocent passengers, if you do not allow them to land, there might be an explosion in the air. Would we not be blamed?

TRUDEAU

Well then, let them land, and put them in jail.

CHOU

That is our method.

TRUDEAU

The important thing is that they should be punished; whether they are punished by being sent back or by being jailed is up to the state concerned. We should not treat with hospitality people who threaten innocent lives. It is not a wise course to tolerate their threatening innocent lives no matter how right their cause.

CHOU

I said at the beginning that we are opposed to such actions, and we have also warned those Palestinian parties against taking such actions, because we think they are desperate actions, not revolutionary actions. I am not speaking of Black September, but of other organizations. We are inexperienced in this case, since we have had only one case. Besides, we are quite far off from Palestine. But it is not until today that I learned that you have rich experience in this respect because you are close to Cuba. Because we have different experiences, we have different viewpoints. Let us stop discussing it; it can be left to the United Nations.

TRUDEAU

Of course. I was just taking it as an example of the merits of international cooperation among countries of goodwill in dealing with problems which transcend the borders of one country. I repeat that we are happy that the People's Republic of China is in the United Nations because we know that on all these problems, the People's Republic of China will seek solutions which are just and right and in the interests of all peoples.

CHOU

I would like to ask you about multinational corporations. By this, do you mean the relationship between the head of a corporation and its subsidiaries or do you mean a corporation operated by several countries?

- TRUDEAU I mean a corporation owned by nationals of several countries and which is operating in a number of countries.
- CHOU So it contains both elements.
- TRUDEAU Yes. Some might be wholly owned or almost wholly owned by US, Japanese, or even Canadian capital, and operate in many countries, and because of its size, it can impose its will on small states, and because of the multinational aspect, it can impose the will of one state upon others. One country alone is not very strong in the face of such corporations.
- CHOU Does this mean that the subsidiaries in a certain country do not necessarily observe the decisions of the host country, but rather observe the policy of the head office of the company?
- TRUDEAU Exactly. As for instance, when the subsidiaries of some corporations in Canada were told that they could not trade with China because it was the policy of the State Department not to trade with China.
- CHOU But is there any instance which would prove the opposite? For example, are there instances in which they would not allow subsidiaries to trade with a country like China, but the Head Office of the Corporation would do so?
- TRUDEAU Yes, there are many examples of that, of setting themselves up so that subsidiaries do not challenge the position of the head corporation in world markets.
- CHOU This is also a characteristic of monopoly capital, and since there are a good number of monopoly groups which do not cooperate with each other, will they not engage in competition among themselves, so that if one does not trade, the others will compete to do so?
- TRUDEAU Yes, and that is why, here again, we must establish international
5:40 p.m. rules of conduct, so that small countries will not be pressed by the rule of large corporations, but can appeal to the rule of international law to protect themselves.
- CHOU Do you think that such international law could be adopted in present circumstances, or should we work for it over a period? In

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CHOU
(CONT.) other words, even once an international decree is established, monopoly capitalist groups might not observe it.

TRUDEAU I think that what is happening, in fact, is that many countries are reacting violently against such interference in their affairs, by expropriating them, as Castro did, others more moderately as Canada did, to screen such investment. But, I think that the major corporations are learning that they will have to respect norms of international conduct. As they learn this, by force, or by threats, or by the fear of threats, we can develop, codify, and enforce such a régime of international law. Nous en avons eu un exemple cet été, à la conférence du Commonwealth à laquelle participaient des pays de toutes grandeurs. Nous avons beaucoup discuté de ce problème, et nous avons convenu qu'à la prochaine conférence, nous le mettrions à l'ordre du jour, et que nous mettrions en commun nos expériences dans le domaine de contrôle des corporations multinationales. Des pays des Caraïbes s'y sont montrés particulièrement intéressés.

CHOU Is the embargo list of COCOM still effective?

TRUDEAU Oh, I think it is still effective; I will ask my trade officials to reply.

T.M. BURNS Yes, I confirm that. There is still a committee which considers the export of strategic goods. The experience of recent years has been that the list is diminishing in size year by year.

CHOU So COCOM is still there?

T.M. BURNS Yes.

CHOU How many countries are involved?

T.M. BURNS I am not sure exactly; it is 12 or 14.

TRUDEAU It is the NATO countries plus Japan.

CHOU So the list is diminishing?

TRUDEAU (to his own officials) How effective is it?

A.J. ANDREW Every time a country gets a good sale, the list goes down by one item.

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CHOU You are quite a practical man. It also includes the USA itself? The theory of monolithic blocs has long since been exposed. It was Dulles' theory. We didn't care much about that; in the Ministry of Foreign Trade, there is detail about it, but I did not even read it. The British have expressed willingness to sell Harrier Spey engines.

TRUDEAU We could sell nuclear power plants, for example; if we wanted to, we would find a way.

CHOU I would guess that if we wanted to buy some, it would not be difficult. When Japan imports a nuclear reactor from Canada, do they come under international supervision? How about Pakistan?

TRUDEAU All our reactors are under IAEA safeguards.

CHOU What about France?

TRUDEAU Countries which are nuclear powers do not have to be supervised. Except that when a supplier sells to France, supervision would be required; that is a supplier's obligation.

M. DUPUY

TRUDEAU On that point, I should add that Canada foregoes some very important uranium sales to France because the French do not want to submit to that requirement; so we do not sell.

CHOU So you have already sold nuclear power plants to Japan?

TRUDEAU No, but we have to Pakistan and we have now almost sold one to Argentina. But there are nuclear power plants in full power production in Canada, in Ontario, not far from Toronto.

CHOU Do you share electricity with the USA?

TRUDEAU Yes, some surplus electricity which is sold by contract to the USA. But under our energy laws, a province can only sell if the energy product is surplus to Canada's needs.

CHOU Is this a federal energy law or a provincial energy law?

TRUDEAU This is a good occasion to talk of an aspect of Canada which I have not covered yet. Under our constitution, the provinces own the energy resources, and they can do what they wish with them. We, as the federal government, cannot tell them to build a dam

TRUDEAU
(CONT.)

or to dig for oil; however, we can make laws when the product enters international or interprovincial trade. We cannot prevent a province from squandering energy if it wants to, but we can prevent it from selling it to the USA if it is not in Canada's interest. Generally speaking, contracts or laws regulating property within a province come within provincial jurisdiction. Federal laws only operate when the contract or resource moves beyond the frontiers of that province.

CHOU

So there might be controversy over the rights of the province and the federal governments.

TRUDEAU

Oh, yes, frequently. Would the Premier allow me to ask a question about Viet-Nam before we adjourn. [At Premier Chou's request, the meeting adjourned for a five-minute break.] We have been present in one capacity or another in Viet-Nam since 1954. We went there at the request of the powers that met in Geneva, and especially towards the end, we found it a ^{frustrating} ~~frustrating~~ experience. Our recent experience was not a happy one either, and we are now being asked by the Laotian Government to re-establish the ICSC in Laos. We have not yet answered. I am ignorant of the future in the whole area of Viet-Nam and I am wondering where it is all going. I don't mind speculating on it; I have no great knowledge about Viet-Nam. But I would be interested in Premier Chou's view. If he is interested in one aspect or other of our policy there, I will be glad to answer, but we can't pretend to know an area which is so far from us.

CHOU

What is India's attitude toward reactivation of the Commission in Laos?

A.J. ANDREW

They seem to be very interested in getting in; but we are getting two different signals: one from the Indians in Laos and one from the Indians in Delhi. But they seem, on the whole, interested in getting in. We got the impression that they are beginning to have doubts in Delhi, however, particularly since the arrangements made for the Commission in Laos would make it a particularly useless one.

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CHOU As for the Viet-Nam situation, if it is said that the ICSC comes from the Geneva Conference, then we have a part in the blame. Why is this? It is because we were taken in at that time. We are the only ones to put forward such a view. The Vietnamese do not entirely agree with us, but overall we think it true. The memoirs of two persons prove our point: one is Anthony Eden's memoirs and the other is President Eisenhower's memoirs. Both reveal that at the time of signing of the Geneva agreements, the USA was not sincere in implementing the second step: the agreement provided that there should be preparations for general elections one year after, and for the elections themselves, two years after. But Eisenhower clearly shows that the USA was not sincere. You, no doubt, have your own views on this, but I am quite clear. I was there, and I am still dealing with it. At the time, we believed in those agreements, we believed that it was a provisional military line of demarcation, and we believed that Viet-Nam would not be divided. We thought it was different from the Korean situation; there was fighting there, and your country followed the USA in. For our part, we made it clear that if they approached the Yalu, we would not stand idly by. But it was the Security Council that sent us in.

TRUDEAU

CHOU [laughs] That was because the Soviet Union walked out of the Security Council. We still don't know why Stalin did that. If they had been there, they would have vetoed, and if the Soviet representative had vetoed, the question would not have come up.

TRUDEAU

CHOU And Canada would not have gone to Korea. That is not our business, and even we cannot understand why Stalin adopted such a policy. He said it was because he was supporting the PRC, because it was Chiang Kai-shek's clique that was represented in the Security Council. But that explanation does not hold water. That was a story which led to many complicated issues. But the situation in Korea is different, because the ceasefire has been kept for twenty years. The USA and China both signed the ceasefire

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(CONT.)

agreement, and both sides are responsible in its implementation, although no results have been reached.

TRUDEAU

But, of course, the USA was not present at Geneva. It produced a bad ceasefire.

CHOU

Oh yes, the USA was present. There were two stages. In the first stage, although there was no permanent agreement, the ceasefire held good, although the USA paid no attention to China. Dulles refused to shake hands with me; he stared at me with hostility, and I stared back. But the second stage, on Viet-Nam, was more complicated. You were not there. Agreement was reached, but the USA refused to put its signature to it. The crux of the issue was that France had staged a colonial war against Indochina, and that it was withdrawing. The two major parties were France on one side and Viet-Nam, Laos and Cambodia on the other side; all the others were bystanders. The political conditions agreed upon were as I mentioned: the 17th parallel was a provisional military line of demarcation, French withdrawal, Vietnamese forces concentrated in the north. But, in the signing, the USA representative said that he would not sign. He attended the international conference, but he would not put his signature to paper. That showed that it was a fraud. It was the first time that we attended such an international conference, and we lacked experience. We should have refused to sign, and watched what they would do. It proved that the agreement was good only for the withdrawal of certain forces, but not for the rest. Elections were not held because everyone knew that Ho Chi Minh would have been elected. Eisenhower recognized this publicly. Ho Chi Minh had very high prestige at that time. In the south, there was Bao Dai. Dulles had told Eden that the agreement could only be carried to this point, and that all the other provisions were not to be carried out. Then the Americans established SEATO and drew a line to protect their interests in Asia. That was the first step in Dulles' brinkmanship. After SEATO, there was the USA/Chiang Kai-shek "Mutual Defence Treaty",

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CHOU
(CONT.) and a series of treaties in Asia. The USA wanted to draw a line to isolate China. Under those circumstances, how could the ICSC accomplish anything? That is the reason for your 20 years' unhappy experience.

TRUDEAU I suppose that, at the time, the USA thought that Chiang Kai-shek could be reestablished in China. They must have believed that; otherwise they were being irrational.

CHOU Is this your thinking? Perhaps Dulles cherished that hope. But what of the Soviet Union? It was after the Korean War, after MacArthur's withdrawal from his command in Korea. He had been called back by then, by Truman. Dulles was then only a Truman adviser; it was under Eisenhower that he became Secretary of State and a very powerful one indeed. Then the course of events became inevitable.

6:30 p.m. Because the Vietnamese would of course never be satisfied with a situation in which their forces withdrew to the north, with their families remaining in the south under oppression. The USA changed horses in the south many times. How could the South Vietnamese people refrain from arising in resistance? Struggle was forced out of the people. According to the stipulations of the Geneva Agreement, some Cambodian ~~colonels~~ ^{elements} were also withdrawn to the northern part of Vietnam, because Sihanouk's rule was recognized in Cambodia. From Eden's memoirs, you can see that Dulles himself told him that the agreements were not to be carried out in full. Eisenhower also said in his memoirs that Ho Chi Minh would have won the elections. Both memoirs ^{prove} my point. Perhaps your foreign ministry has more complete ^{archives} ~~articles~~ on all this; I am not asking. Since 20 years, the ceasefire has been effective in Korea. It was clearcut, although political agreement was not settled at that time. We now see declarations and statements issued by both Korean sides and the two sides entering into ^{dialogue} ~~dealings~~. In Viet-Nam, it was different; the South Vietnamese people themselves arose first in armed resistance. It was a complicated situation.

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TRUDEAU And there is no longer any line in Viet-Nam. The situation is one of leopard~~ly~~ spots but there is no demarcation line.

CHOU No, it is not entirely leopard~~ly~~ spots. The PRG has some tracts, some larger areas. There was also the four-party meeting in Paris. From South Viet-Nam there were two parties; but at the time of signing, they still refused to put their signatures to the same copy. That beginning was rather ominous. But, of course, the USA does want to get out of the area. At the same time, they do not want to give up their good old friends. So, their way of doing it is to arm their old friends so that they can stand in South~~ly~~ Viet-Nam. So, we say, if you are going to arm your old friends, the PRG is entitled to be armed too. That complicates the issue even more. In view of your 20 years of bitter experience in Viet-Nam, we can understand what you said in Paris. But your Indonesian friends are very enthusiastic, because they have not had that experience.

TRUDEAU And the Iranians, who have replaced us.

CHOU So the question could have been solved if those who got in had gotten out in a more forthright manner. For example, de Gaulle got out from Algeria in a forthright manner; he withdrew 800,000 troops from Algeria.

TRUDEAU But he let the French Algerians withdraw to France; I am doubtful that Nixon would allow the South Viet~~ly~~namese to emigrate to the USA.

CHOU Impossible.

TRUDEAU That is why it is impossible, why the Americans knew that their friends would not last long if they were left alone. That is why de Gaulle could withdraw without inviting massacres, whereas the USA could foresee that their friends would not survive very long.

CHOU But they were the ones who committed aggression there; they were the cause. De Gaulle not only withdrew the French from Algeria, he left some of their enterprises there. It was not easy to do, it took will and determination. We had not thought that he would do it, but he did it in less than a year. In Viet-Nam, it is not the same; but the problem is for the Viet~~ly~~namese people to solve.

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TRUDEAU De Gaulle withdrew from Algeria, but that allowed the French to return to invest in oil there.

CHOU Well, that shows the intelligence of the thing.

TRUDEAU Mendes-France took the French out of Indochina.

CHOU Yes, but he agreed to have USA advisers stay behind. He left that profit to the USA and in that respect, Mendes-France did not have the wisdom of de Gaulle. That is all I can say; the USA should withdraw and should not meddle. But apparently, they can't, because they won't give up their dear old friends. Dr. Kissinger told me before the agreement that if, in the course of a few years, there should be ^{an evolution,} ~~evaluation,~~ the USA would not care who came to power in South Viet-~~nam~~^{nam}, and would not return there. But since both sides have armed forces, who knows what can happen? There is modern equipment on both sides. The present policy of the PRG is to see the establishment at all levels of the National Council for National Reconstruction and Concord. But Nguyen Van Thieu is fearful of this, and the situation is somewhat like the Geneva Conference, where political solutions could not be reached. As for major fighting, that is not the wish of the DRVN, because they wish to rehabilitate their country. The USA is now saying that it will not participate in the economic reconstruction of the DRVN if the Cambodian issue is not settled. But who is responsible for Cambodia? The USA ~~did~~ not have to get involved. The USSR attitude has now changed and the USA should now ponder that. I would not think that the DRVN would take the initiative now to start major fighting. I do not think that they want a resumption of the war. We can, I think, bear witness to that from our contacts with the DRVN. The political tendency of the PRG is to see the Paris Agreement implemented in all its aspects, and gradually to gain strength among the people of South Viet-~~nam~~^{nam}. That is what Thieu is afraid of, and that is why he has refused to carry out the political aspects of the Paris Agreement. That is why small conflicts often break out. But in my opinion, major fighting will not break out, for the moment at

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CHOU
(CONT.)

least. In Laos, neither side wants fighting; if both sides abide by the agreement and India is active, it would not be unbeneficial for you to go in. Each side has its own ^{one}, and if fighting can cease and areas are defined, the ^{coalition} Government can be formed. Souvanna Phouma and the King also intend to work for this reconciliation, and the coalition government can work. The USA attitude is that if the North Vietnamese will refrain from providing military assistance to Laos, the USA will do the same. But the CIA must abide by that too. The CIA has a free hand in Laos. You can see appropriations for Laos in their annual budget; everyone can see that. If Souvanna Phouma wishes you to be active in Laos, he is worth sympathizing with. The King is also comparatively fair. Souphanouvong is also the half-brother of Souvanna Phouma. China also can cooperate; Laos is a neighbour of China. We do not menace them and we can assist them in some economic projects like roads. Also commodity help, and if they set up the coalition government, we can assist them. For example, when Pathet Lao ^{personnel} travelled to Luang Prabang, the King welcomed our plane to carry them. I can say that if the King wishes you to go and to be active, and Souvanna Phouma as well, I think there would be some good in your going. Of course, Poland, which is on the side of the Pathet Lao, would undoubtedly participate; and India as Chairman, what is its attitude?

A.J. ANDREW

The Indians say yes, but with varying degrees of enthusiasm, depending on where one speaks to them.

CHOU

That is not surprising. There have been changes in India; in 1954, India was neutral, and our experience goes back to that. But we have not had much dealings with them for ten years. The final decision will have to be taken by you; I cannot tell you what to do. But I also wish to see agreement reached in Cambodia. How can the people, who took up arms, agree to capitulate? They had large areas. Under the government of Prince Sihanouk, there was no possibility of such a turn of events. It is impossible to say whether Cambodia will invite you to keep the peace there, negotiations have not yet begun. The place should have been left alone; I cannot understand

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CHOU
(CONT.)

why it could not have been left alone, as neither the USA nor the Soviet Union have interests there. As for the Vietnamese people, they are very independent. They do not heed China very much, and will not heed the Soviet Union much either. Why can't the people of the three countries of Indochina be left alone? There is no basis for an oil struggle there; the only resource of interest to outsiders is rubber, and natural rubber can be replaced by synthetics. Why must people reach their hands out everywhere? I do not understand it.

TRUDEAU

They are learning the lesson, and the USA, having achieved what it calls peace with honour, does want to get out of Viet-Nam, and as Dr. Kissinger told you, to allow the South Vietnamese people to choose their own destiny. But history does not move by sharp turns. I wish to thank the Premier for his exposition on Laos; it is now up to us to take our decision.

7:00 p.m.