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SENSITIVE

DEPARTMENT OF STATE WASHINGTON

January 12, 1982

MEMORANDUM FOR: THE PRESIDENT

From

Walter J. Stoessel, Acting Secretary of State

Talks with Chinese on Arms Sales to Taiwan. The tone of yesterday's discussions in Beijing improved substantially. Following our public announcement of the decision on arms sales to Taiwan, Beijing's official protest -- while strong -was expected and "for the record." The Chinese have expressed "appreciation" for the decision on the FX and have agreed with our proposal to begin developing a broad communique on US-China strategic and other bilateral relations in which statements regarding Taiwan arms sales can be subsumed. We will now begin the process of working out an agreed communique, which could then be issued on the 10th anniversary of the original Shanghai Communique (February 28). While there is now a positive atmosphere in which to resolve the issue, the substance is difficult and Chinese concern over public treatment of the aircraft replacement issue will remain a key aspect of these talks. Nevertheless, we have crossed a difficult first hurdle.

RDS-1 1/12/02 (STOESSEL, Walter J., Jr.)

SENSITIVE

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THE WHITE HOUSE

WASHINGTON

SECRET ATTACHMENT

January 13, 1982

OS

MEMORANDUM FOR THE PRESIDENT

FROM:

William P. Clark

SUBJECT:

Acting Secretary Stoessel's Evening Report

Attached is Walter Stoessel's Evening Report for January 12, 1982.

cc: The Vice President
Ed Meese
James Baker
Michael Deaver

SECRET ATTACHMENT
Received 12 January 1982, 8:15 p.m.