

~~CONFIDENTIAL~~

8859

THE WHITE HOUSE

WASHINGTON

~~CONFIDENTIAL~~

MEMORANDUM OF CONVERSATION

SUBJECT: President Bush's Informal Tea with Premier Li Peng of the State Council of the People's Republic of China

PARTICIPANTS: U.S.
The President
The First Lady
James A. Baker III, Secretary of State
Winston Lord, Ambassador to China, and Mrs. Lord
John Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President for National Security Affairs
Marlin Fitzwater, Assistant to the President for Press Relations
Andrew Card, Deputy Chief of Staff
Robert Zoellick, Counselor-Designate, State Department
Gaston J. Sigur, Assistant Secretary of State for East Asia and Pacific Affairs
Margaret Tutwiler, Assistant Secretary of State, Public Affairs (Designate)
Notetaker
Interpreter

China
Premier Li Peng and Mrs. Li
Foreign Minister Qian Qichen and Mrs. Qian
Vice Foreign Minister Zhu Qizhen and Mrs. Zhu
General Cheng Shaoling
Vice Premier Wu Xueqian
PRC Ambassador to the U.S. Han Xu
Assistant Foreign Minister Liu Huaqiu
Ministry of Foreign Affairs Protocol Director Wu Minglian
Ministry of Foreign Affairs Information Director Li Zhaoxing
Ministry of Foreign Affairs Deputy Director for American and Oceanian Affairs Zha Peixin
Ministry of Foreign Affairs Counselor Wang Li
Interpreter

~~CONFIDENTIAL~~

Declassify on: OADR

~~CONFIDENTIAL~~

DECLASSIFIED
PER E.O. 12958,
AS AMENDED

2000-0429-F

DATE, TIME: February 25, 1989, 5:15 p.m. - 5:25 p.m.
and PLACE: Diaoyutai State Guest House, Beijing, China

SUMMARY: President and Mrs. Bush were greeted at the Diaoyutai State Guest House by Premier and Mrs. Li Peng. They had a brief, informal tea and then exchanged gifts.

Premier Li extended President and Mrs. Bush a warm welcome and recalled his being hosted by the President during his visit to the United States in 1985. Premier Li said that the Chinese side was looking forward to extensive and in-depth discussions on bilateral issues and international matters, and the Premier offered to bring President Bush up-to-date on the situation in China in a meeting the next day.

President Bush expressed his pleasure in being back in China. He said that he was looking forward to the visit of National People's Congress Chairman Wan Li to the United States. Noting Chairman Wan's interest in tennis, President Bush observed that as our relationship started with ping pong diplomacy, it might as well continue with tennis diplomacy. END SUMMARY

President and Mrs. Bush were warmly greeted by Premier Li Peng and his wife upon their arrival at the Diaoyutai State Guest House. Also greeting President and Mrs. Bush on arrival were Foreign Minister and Mrs. Qian Qichen; Vice Foreign Minister and Mrs. Zhu Qizhen; and General Cheng Shaoling. After greeting Guest House staff members, President and Mrs. Bush joined Premier Li and his wife in a brief informal welcome tea.

Premier Li: It is such a pleasure to see you again.

President Bush: It is an honor and a pleasure to be back.

Premier Li: We saw each other in 1985.

President Bush: I remember that very well.

Premier Li: I remember at that time you gave me a tour of the White House. At that time you were not the "owner" of the White House. Now you are the "owner." At that time you gave me a tour of the Oval Room.

President Bush: You must come back to visit. I never thought when I came here in 1974 that I would be President someday.

Premier Li: I remember when I visited the Vice President's residence, you told me it had a tennis court.

President Bush: That's right.

Premier Li: If my memory serves me right, you said it was the Naval Observatory.

President Bush: Exactly right. It has a clock that is accurate to a billionth of a second. You are an engineer and understand that is called a nanosecond.

Premier Li: A very warm welcome to Beijing. On behalf of Chairman Deng Xiaoping, Party Secretary General Zhao Ziyang, and President Yang Shangkun, please allow me to extend to you our greeting and warm regards. Welcome.

Tonight, I will jointly host a dinner with Yang Shangkun in honor of you and Mrs. Bush and your entourage. Tomorrow, you will have meetings with Deng Xiaoping, Zhao Ziyang and myself.

President Bush: I am looking forward to that very much.

Premier Li: During your stay we will have extensive and in-depth discussion on bilateral issues and international matters. We can also brief you on developments on the "home front."

President Bush: I have a lot of interest.

Premier Li: At present we have some economic difficulties, but they will not have any effect on our policies of reform and openness.

President Bush: I'll make a deal. I'll not tell you about my economic problems at home, and you don't tell me about your economic problems.

Premier Li: Well, there could be a deal like that, but if you have some interest in what is going on here, I'll be glad to tell you.

President Bush: I would be interested. When I was here, I remember our bilateral trade was not even a billion dollars, maybe even less than 800 million dollars a year. Now it is 14 billion dollars, isn't that right, Win?

Ambassador Lord: Yes.

Premier Li: According to our figures it is 10 billion dollars.

President Bush: Oh yes, I forget. We can talk about that.

Ambassador Lord: The Chinese don't count exports through Hong Kong.

President Bush: I remember that.

Premier Li: Hong Kong won't come under China until 1997.

President Bush: We are looking forward to Chairman Wan Li's visit to the United States. I particularly want to take him on the White House tennis courts.

Premier Li: This time in China you have a chance to meet Chairman Wan Li. He is disappointed that your stay here is short and you won't have a chance to play tennis with him.

President Bush: He hits the ball with a lot of spin.

Premier Li: I said to tell him that he mustn't feel too sorry, that maybe soon he will realize his hope and that a game can be arranged in the United States.

President Bush: Definitely. That is a commitment. After all, it all started with ping pong diplomacy. We might as well continue with tennis diplomacy.

Premier Li: Ping pong diplomacy began in 1971. When we talk about ping pong diplomacy, we still talk about and remember Zhou Enlai, President Nixon and Kissinger.

President Bush: President Nixon is still in good health. Kissinger is still very active. I have one regret that when I was here I never had the opportunity to meet Zhou Enlai. I saw him once at the Great Hall but never shook his hand. Han Xu would know. We didn't have formal relations and did not attend the functions at the Great Hall, except that one time.

Premier Li: Maybe it had to do with your means of transportation - by bicycle.

President Bush: Yes, a Flying Pigeon. A very good one.

Premier Li: I'll present you with bicycles later. By the way, since you were last in China, there have been changes in Beijing. This building is a case in point. This will be your first chance to stay here. Villa 18 has been remodeled. The first guest after it was remodeled was Queen Elizabeth II of Great Britain.

Since you must be fatigued and will dine soon, I will say farewell momentarily. But I hope you will introduce your party to me. I can see this is Secretary Baker.

President Bush: Yes. He has been Secretary of Treasury and the White House Chief of Staff. The gentleman wearing a red tie is John Sununu, the new White House Chief of Staff, who used to be a governor of one of our states. Many of you know Brent Scowcroft. Betty (Mrs. Lord). Gaston Sigur -- whom many of you know. Margaret Tutwiler, who is the new State Department Assistant Secretary for Public Affairs. Next is Marlin Fitzwater, White House Press Secretary.

Premier Li: A very important job and a difficult one.

President Bush: And, of course, this is my wife. How is the widow of Zhou Enlai? Is she in good health?

Premier Li: Yes. She is 84 now. When Mrs. Bush came to China last time, she met with her.

The informal tea ended, and President and Mrs. Bush and Premier and Mrs. Li went to the anteroom to exchange gifts.