

**Title: Memorandum of Conversation between Stalin and CCP Delegation****Author:****Date:**  
27 June 1949**Source:** *[Source: APRF: F. 45, Op. 1, D. 329, Ll. 1-7. Reprinted in Andrei Ledovskii, Raisa Mirovitskaia and Vladimir Miasnikov, Sovetsko-Kitaiskie Otnosheniia, Vol. 5, Book 2, 1946-February 1950 (Moscow: Pamiatniki Istoricheskoi Mysli, 2005), pp. 148-151. Translated for CWIHP from Russian by Sergey Radchenko.]***Description:** about a credit from the USSR to China, possibility of sending Soviet specialists to China, and about other questions of Soviet aid to China.

To Cde. V. M. Molotov personally.

Record of conversation of I.V. Stalin with a delegation of CCP CC The meeting [*priem*] took place on 27 June and continued from 23 hours until 24 hours.

Present at the meeting were: cdes. [Vyacheslav] Molotov, [Georgii] Malenkov, [Anastas] Mikoyan, Liu Shaoqi—secretary of the CCP CC, Gao Gang—member of the Politburo of the CCP CC, the same being the secretary of the Bureau of the CC and the chairman of the government of Manchuria, Wang Jiaxiang, member of the CCP CC, Karskii (Shi Zhe)— interpreter, and I[van] V. Kovalev.

After mutual greetings and handshakes with the delegation Cde. Stalin asked about the health of Cde. Mao Zedong. Cde. Liu Shaoqi thanked Cde. Stalin for his attention to Cde. Mao Zedong and handed to him a letter from Cde. Mao Zedong, which expressed gratitude to Cde. Stalin for enormous aid, given to China by the Soviet Union and requested Cde. Stalin to receive the delegation. Whereupon Cde. Stalin turned to the discussion of the questions raised by the delegation.

1. About the credit. Cde. Stalin said that the VKP(b) CC decided to provide to the CCP CC a credit of 300 million dollars. With this, he remarked that this is the first time in history that such an agreement is being concluded between [the] two parties.

A credit of 300 million dollars with one percent annual interest will be provided to China in the form of equipment, machines, and various kinds of materials and goods by equal parts of 60 million in the course of 5 years.

Repayment of the credit by China will take place in the course of 10 years after the full appropriation of the credit. With regard to this Cde. Stalin said that Cde. Mao Zedong, in a telegram addressed to [Stalin], expressed the opinion that 1% annual interest is small for such a credit, that one should increase it.

Cde. Stalin explained to the delegation that the Soviet Union provided credits with 2% interest rate to the countries of Western democracy [Eastern Europe], while one percent is taken from China because there [in China], in comparison to the countries of Western democracy, where there is no war and their economy had already strengthened, the war continues, devastation continues, and by the force of this [circumstance] China needs greater help, on more privileged terms.

Then Cde. Stalin, laughing, said: "Well, if you insist on a bigger annual interest rate, this is your business, we can accept an increased interest rate."

With regard to the signing of an agreement on credit, Cde. Stalin said that there are two options: the first—for the representatives of the VKP(b) CC and the CCP CC to sign the agreement, and the second—for the plenipotentiaries of the Soviet government and the government of Manchuria, which already exists [to sign it] so that later, when the all-Chinese democratic coalition government is created, to formalize the agreement by treaties between the governments of the Soviet Union and China.

2. About the specialists. As for the specialists, Cde. Stalin said, [we] will give them. We are prepared to send at the nearest time the first group, requested by you. But we should come to an agreement about the conditions of the specialists' livelihood. We consider that the pay, perhaps foodstuffs, if you give it to your specialists, must stand at the level of the highest pay for your best specialists, not lower, but also not higher.

In connection to the fact that our specialists have high [pay] rates, we, if this is needed, will pay them extra at the expense of the Soviet state.

We ask you, Cde. Stalin said, that you report to us about bad behaviour of our specific specialists, for, as they say, there is a black sheep in every family [*vsem'ie ne bez uroda*], there may be a bad one among the good ones.

Bad behaviour will shame the honour of the Soviet state, therefore we will take measures of pre-emption, education, and, if needed, also punishment.

We will not allow the Soviet specialists to look down on the Chinese specialists and the Chinese people and to slight them.

In response to these words of Cde. Stalin Cde. Liu Shaoqi said: in China there are foreign specialists, not connected with the activity of the imperialists, and that they receive rates much higher than the Chinese specialists. To this Cde. Stalin replied: we, the Soviet state, have [our] own judgments and practices different from the capitalist countries, and we want to stick to them.

3. About the sending of specialists to Shanghai. Cde. Stalin said that we have selected 15 specialists and can, on your demand, send them at any time. Discuss this and tell us. In general You should keep in mind that in large cities, and especially in Shanghai, there are many of your specialists and qualified workers, who are able to give you not less but more aid than the Soviet specialists, therefore You need to draw them to active work.

4. We, Cde. Stalin said, are also prepared to provide you with aid to demine waters near Shanghai, both in terms of specialists, of whom we have many, and in terms of minesweepers.

We could, for instance, sell several minesweepers to the government of Manchuria, train Chinese sailors in Dairen, Port Arthur or Vladivostok in the business of demining, and the Manchurian government, Cde. Stalin said laughing, can "sell" them to the Chinese government.

5. About Xinjiang. Cde. Stalin said that one should not put off occupation of Xinjiang, because a delay may lead to the interference by the English in the affairs of Xinjiang. They can activate the Muslims, including the Indian ones, to continue the civil war against the communists, which is undesirable, for there are large deposits of oil and cotton in Xinjiang, which China needs badly.

The Chinese population in Xinjiang does not exceed 5%, after taking Xinjiang one should bring the percentage of the Chinese population to 30% by means of resettling the Chinese for all-sided development of this huge and rich region and for strengthening China's border protection.

In general, in the interests of strengthening the defence of China one should populate all the border regions by the Chinese.

You, Cde. Stalin said, exaggerate the forces of Ma Bufang. He has cavalry, which can be easily defeated with artillery. If you want, we will give you 40 fighter planes, which will help destroy and scatter this cavalry very quickly.

6. About the fleet. China does not have its own fleet, Cde. Stalin said and immediately added: don't you already have some number of ships captured from the GuoMinDang?

China must have a fleet and we are prepared to help you in the creation of a fleet. Now, for example, we can raise sunk military and merchant ships and help repair them.

As far as your request about the strengthening of defence of Qingdao is concerned, we can send our squadron to the port of Qingdao with a visit after the creation of all-China government.

7 Cde. Liu Shaoqi thanked Cde. Stalin for the enormous aid, which is now being provided in all spheres of life and activity of China on exceptionally privileged conditions, which history has never seen. He stressed right away that the CCP CC developed an instruction, which will be sent to the party organizations, to create such conditions of work for the Soviet specialists that nobody offends them.

8. Cde. Stalin said that we will also develop a detailed instruction for the Soviet specialists, that they also do not offend the Chinese specialists.

9. In reply to a request of the Chinese comrades to establish air links between Moscow and Beiping, Cde. Stalin said that we are already prepared now to undertake the organization of this air route.

We can help you build an assembly-repairs plane factory, we can give you fighter planes of the latest makes, Czechoslovak if you want, Russian if you want, so that you prepare your aviation cadres with them.

10. Cde. Stalin agreed to the delegation's request to be heard at the Politburo with their reports about the military-political and economic situation of China and exchange opinions on a series of most important questions at the time when they are ready, after 3 or 4 days.

11. Cde. Stalin said that we are prepared to help you all sidedly in studying the state apparatus, industry and all that you wish, but for this aim one should legalize you, naming [you] a trade delegation from Manchuria.

12. If it suits you, we will publish a report in the press that a trade delegation arrived in Moscow headed by Cde. Gao Gang, and then you will be provided with a wide opportunity to look at everything, including any spectator [*zrelishchnye*] activities. The Chinese comrades asked to give them an opportunity to reply after they consult with Cde. Mao Zedong.

Kovalev [signature] Printed 1 copy.

#### Remarks

This trip was kept very secret, under cover of the Gao's mission. This mission was publicly known. Gao went to Moscow before formal governmental relations existed between Moscow and Peking. Most important, an undeniably significant role was played by Soviet economic aid and advisers in the Northeast during the early 1950s and Gao necessarily developed close contacts with Russian representatives.

Gao made his first recorded trip to Moscow as head of an industrial and commercial mission which negotiated a one-year trade agreement between Manchuria and the Soviet Union.

Among members of the delegation were Gao Gang, Wang Jiaxiang, Deng Liqun, and Ge Baoquan. Shi Zhe was Liu's interpreter and Xu Jiepan was Gao Gang

After its first meeting with Stalin, the delegation drafted a written report to Stalin and the Soviet Communist Party Central Committee. This report consisted of four parts: "The current situation of the Chinese Revolution," "New Political Consultative Conference and the Central Government," "On the diplomatic question," and "On Sino-Soviet relations." It relatively comprehensively outlined the domestic and external policies after the establishment of the new national government and the basic principles the CCP would follow in handling its relations with the Soviet Union and the Soviet Communist Party.

In view of the content of the report, the CCP CC hoped to reach agreement with the Soviet Union at least on the following questions: (1) help the Soviet Union understand the formation of the new Chinese Government and its major policies; (2) achieve consensus with the Soviet Union on the international situation and the foreign policy; (3) seek earliest possible diplomatic recognition from the Soviet Union and other socialist countries; (4) obtain aid from the Soviet Union to achieve national reunification including gaining understanding and support from the Soviet Union on the question of Xinjiang and Soviet assistance in PLA's efforts to liberating Taiwan; (5) seek Soviet economic and technological assistance to the New China; (6) abolish the Sino-Soviet treaty concluded between the Soviet Union and the GMD Government in 1945 and if possible its replacement with a new Sino-Soviet alliance treaty; (7) establish basic principles in handling the relationship between the CCP and the Soviet Communist Party.

**Title: Memorandum of Conversation between Liu Shaoqi and Stalin****Author:****Date: 27 July 1949****Source:** Jianguo Yilai Liu Shaoqi Wengao (This selection was co-edited by the Chinese Communist Party Central Committee's Document Research Unit and the Central Archives) Vol. 1, (Beijing, 2005), pp. 40-41. Translated from Chinese by David Wolff. Published in Bulletin #16 by CWIHP**Description:** Stalin, Bulganin, and Vyshinsky on one side and Liu Shaoqi, Gao Gang, and Wang Jiaxiang discuss the state of the Chinese civil war

We said: During the first cooperation between the GuoMinDang and the Communist Party, after the GuoMinDang betrayed us by doing an about-face, we were not at all prepared, we suffered a terrible defeat and were terribly taken in [shangle hendade dang]. But on account of this our heads were clear during the second cooperation between the GuoMinDang and the Communist Party. Even as the cooperation began, we were preparing to overthrow Jiang Jieshi. At the time of the anti-Japanese war of resistance, we prepared steadily for eight years, since this time Jiang Jieshi was also planning to destroy the Communist Party. So when the anti-Japanese war of resistance ended, Jiang Jieshi turned to face us, but we were ready. Having listened this far, Stalin said: This is what the enemy has taught you. He also said: Have we harassed or done you harm? We said: No. And we continued: Comrade Mao Zedong did not have to go to Chongqing. It would have been enough to send Comrade Zhou Enlai. But Comrade Mao Zedong went to Chongqing with good result. It gave us an immediate initiative on the political side of things. Stalin said: Mao's trip to Chongqing was dangerous. The CC<sup>2</sup> or other secret services could have hurt him. At that time the Americans asked us: The GuoMinDang wants peace. Why do the communists not want peace? I [Stalin] answered them: We do not interfere [guanbuzhao] in the affairs of the Chinese Communist Party. Comrade Stalin also asked us: Did your participation with the Americans in the peace movement cause you losses or harm? We answered: The Chinese Communist Party was quite clearheaded going into the peace movement, but there was another responsible comrade who entertained illusions about peace and experienced a minor loss. But this kind of peace movement is very necessary with the result this time that we isolated the Americans and Jiang. When we overthrow the GuoMinDang later and depose Jiang Jieshi, there will not be a single person to say we have not done right. Comrade Stalin said: The victors are not brought to judgment. Victors are always correct.

Printed from an original revised and approved by Liu Shaoqi.

1. This conversation took place during a banquet at Stalin's dacha.
2. This has a double meaning as the initials of a group within the GuoMinDang devoted to keeping Jiang Jieshi in power through party and strong-arm activities, many of them violently anti-Communist.

On July 26, the CCP Central Secretariat cabled Liu with instructions to make the following requests: (1) to supply the Chinese with one hundred to two hundred Yak fighters and forty to eighty heavy bombers along with Japanese and German bombs; (2) to help the Chinese by training twelve hundred pilots and five hundred mechanics in Soviet aviation schools; and (3) to send three to five high-ranking air force officers to work with China's air force in September.

Should the Soviet leaders agree to the first two requests, the directive continued, Liu Yalou (the future air force commander) would be dispatched to the Soviet Union to negotiate the details. Liu Shaoqi discussed these requests with Stalin and other Soviet leaders the next day, and their response was positive. According to Liu Shaoqi, Stalin felt that the CCP should have asked for Soviet assistance a year earlier. He agreed to provide China with planes, but suggested establishing aviation schools in China rather than training the Chinese at Soviet schools.

**Red Wings over the Yalu, 33-34**

According to Kovalev, a serious clash occurred during the July 27 session between Liu Shaoqi and Gao Gang in connection with the debate over the planned attack on Taiwan that should be seen in the context of Gao's pro-Soviet leanings. Gao was in all probably aware of Stalin's true intention not to withdraw the Soviet troops from Manchuria immediately through his confidential contacts with Kovalev. In order to support Stalin's position, he went further than Stalin did himself. At the July 27 session, he proposed reinforcing the Soviet troops in Dairen and stationing Soviet naval units in Qingdao to protect Manchuria from American attacks and transform it into an even more dependable base for the advance to the south and the final defeat of the KMT army,<sup>56\*</sup>

In this contest, Gao may have said that the KMT and the United States would not dare to attack Manchuria if it was a Soviet republic. Stalin immediately recognized that Gao had made his statements without authority from Peiping and distanced himself from Gao. Liu was furious at Gao's performance and **accused** him of treason after the session Stalin then sought to mediate between Liu and Gao, and even put in a good word for Gao to Mao Zedong. Mao complied with Liu's suggestion to recall Gao from Moscow early for his treasonous behavior. Gao travelled back to Manchuria on July 30—but not without having previously offered to inform the Soviet side confidentially of the anti-Soviet behavior of certain Chinese Party leaders\* which he subsequently also did. *Pg 213 The Soviet Union and Communist China, 1945-1950: The Arduous Road to the Alliance. Dieter Heinzig*

Stalin proposed to turn the matter of aid in liberating Taiwan over to an expanded Politburo meeting, which would bring together senior military leaders and some ministers. On July 27, he invited the Chinese delegation to the Central Committee's headquarters, and Liu Shaoqi, Gao Gang, and Wang Jiaxiang attended. In addition to all the Soviet Politburo members, Marshals Nikolai Bulganin and Aleksandr Vasilevskii took part, Stalin reiterated the arguments he had advanced earlier and offered the Chinese no opening. On the conclusion of his speech, Liu announced that the request for support was withdrawn and the issue was closed.'