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Message Text

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22
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INFO OCT-01 EUR-12 EA-07 ISO-00 DODE-00 NRC-05 NSAE-00

USIA-06 TRSE-00 ERDA-05 CIAE-00 COME-00 MC-02 INR-07

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FM SECSTATE WASHDC
TO AMEMBASSY PARIS
USMISSION OECD PARIS
INFO USLO PEKING

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E.O. 11652: N/A

TAGS: ESTC, CH

SUBJECT: PRESS REPORT ON COMPUTER SALE TO PRC

1. FOR YOUR INFORMATION, FOLLOWING ARTICLE WAS PUBLISHED
IN OCTOBER 25 ISSUE OF AVIATION WEEK AND SPACE TECHNOLOGY:

BEGIN TEXT:

WASHINGTON - PRESIDENT FORD AND THE NATIONAL SECURITY
COUNCIL HAVE APPROVED THE SALE OF U.S. COMPUTER EQUIPMENT
TO THE PEOPLE'S REPUBLIC OF CHINA.

IN A NATIONAL SECURITY COUNCIL DECISION MEMORANDUM OCT. 12,
THE WHITE HOUSE AGREED TO THE SALE OF THE CONTROL DATA CORP.
CYBER 172 COMPUTER SYSTEM AND ASSOCIATED EQUIPMENT SUBJECT
TO SOME SAFEGUARDS RECOMMENDED BY THE DEFENSE DEPT.
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THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION (ERDA)
HAS OPPOSED THE SALE, BUT THE PENTAGON RECOMMENDED APPROVAL
WITH A NUMBER OF SAFEGUARDS:

THAT ONLY ONE OF THE TWO CYBER 172 COMPUTERS BEING PROCURED
BY CHINA INITIALLY WILL BE DELIVERED TO PEKING FOR USE IN
OIL EXPLORATION. THE SECOND WILL BE DELIVERED WHEN IT IS

ACTUALLY REQUIRED FOR SEISMIC EXPLORATION.

A REQUIRED STATEMENT CERTIFYING THAT THE EQUIPMENT WILL
ONLY BE USED FOR CIVIL APPLICATION, AND THAT THE EQUIP-
MENT WILL NOT BE REEXPORTED WITHOUT PRIOR U.S. APPROVAL.

RESIDENCY OF A WESTERN CONTROL DATA CORP. OFFICIAL AT THE
CHINA NATIONAL OIL AND GAS EXPLORATION AND DEVELOPMENT
CORP. COMPUTER CENTER FOR THREE YEARS AFTER COMPUTER
INSTALLATION WITH FULL ACCESS TO THE CENTER.

PROVISIONS FOR FULL INFORMATION ON COMPUTER USE AND
PROGRAMING DATA. CONTROL DATA CORP. WILL BE REQUIRED TO
MONITOR THE USE OF THE EQUIPMENT AND UTILIZATION OF SPARE
PARTS.

AFTER DEMONSTRATION BY THE CHINESE TO CONTROL DATA CORP.
THAT THE COMPUTER AND EQUIPMENT IS DEDICATED TO SEISMIC
RESEARCH, MONTHLY VISITS TO BE REQUIRED TO THE COMPUTER
CENTER WITH A REPORT ON THE USE.

PROVISIONS TO REMOVE ALL CDC PERSONNEL AND TO HALT
DELIVERY OF ALL SPARES AND TECHNICAL SUPPORT IF THE SAFE-
GUARDS ARE VIOLATED.

IN APPROVING THE SALE, THE PRESIDENT REVIEWED INFORMATION
IN MEMORANDUMS FROM THE CHAIRMAN OF THE EXPORT REVIEW
BOARD. THE NATIONAL SECURITY COUNCIL MEMORANDUM SAID
THAT, WHILE THE TERMS OF THE SALE DO NOT MEET SAFEGUARD
REQUIREMENTS GENERALLY AGREED TO FOR EAST-WEST TRADE, THE
SECRETARY OF STATE HAS CONCLUDED THE SALE IS IN THE
FOREIGN POLICY INTEREST OF THE U.S.
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THE SAFEGUARD CONDITIONS PLACED ON THE COMPUTER SALE TO
CHINA ARE ADEQUATE TO SATISFY THE PENTAGON REQUIREMENTS
BUT NOT AS STRINGENT AS THOSE PLACED ON THE SALE OF HIGH-
TECHNOLOGY EQUIPMENT TO THE EASTERN EUROPEAN BLOC NATIONS.

FINAL APPROVAL OF THE SALE CAME LAST WEEK AFTER THE
COMPANY AND THE CHINESE AGREED TO THE CONDITIONS. NO

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EXPORT LICENSE HAS BEEN GRANTED YET, BUT CDC WILL BE INFORMED TO PROCEED ON THE BASIS THAT IT WILL BE ISSUED.

APPROVAL WILL BE REQUIRED BY THE INTERNATIONAL EXPORT CONTROL COORDINATING COMMITTEE (COCOM). AN EXCEPTION FROM THAT COMMITTEE IS REQUIRED IF THE SALE OF EQUIPMENT TO COMMUNIST BLOC NATIONS EXCEEDS THE LIMITS ESTABLISHED BY COCOM. (AW&ST APR. 12, P. 16).

THE ESTIMATED COST OF THE EQUIPMENT TO CHINA IS TWO MILLION DOLLARS. THE SOFTWARE FOR THE CYBER 172 SYSTEM WILL BE DEVELOPED BY COMPAGNIE GENERALE GEOPHYSIQUE, A FRENCH FIRM.

THE CYBER 172 IS THE SMALLEST OF THE 170 SERIES COMPUTERS, AND THE MACHINE HAS THE CAPABILITY FOR 1.4 MILLION INSTRUCTIONS/SEC. AVERAGE IN A GENERAL-PURPOSE ROLE. THE CYBER 172 HAS 1.3 MILLION CHARACTERS IN THE CENTRAL STORAGE MEMORY AND IS A NETWORK OPERATED SYSTEM.

THE MODEL 844 DISK PACKS BEING SOLD WITH THE TWO 172S HAVE FOUR DISKS IN EACH PACK WITH A STORAGE CAPACITY OF 870 MILLION BITS AND AN ACCESS TIME OF 30 MILLISEC.

IN ADDITION TO THE POSSIBILITY OF USING THE COMPUTER EQUIPMENT FOR NUCLEAR WEAPONS CALCULATION WITHOUT THE SAFEGUARDS, CYBER 172S AND MEMORY CORE COULD BE USED FOR ANTI-BALLISTIC MISSILE SYSTEMS AND A LARGE PHASED-ARRAY RADAR TO TRACK ICBMS, SOME ADMINISTRATION EXPERTS SAY.

A HIGHER-CAPACITY COMPUTER, THE CYBER 74 IS NOW USED IN USAF'S COBRA DANE PHASED-ARRAY RADAR ON SHEMYA IN THE ALEUTIAN ISLANDS, AND A NEWER VERSION, THE CYBER 174, WILL
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BE USED IN THE AIR FORCE'S TWO NEW PAVE PAWS PHASED-ARRAY RADARS TO BE INSTALLED ON THE EAST AND WEST COASTS TO DETECT SUBMARINE-LAUNCHED BALLISTIC MISSILES.

CDC REFUSED TO COMMENT ON THE SALE OF THE COMPUTER EQUIPMENT TO CHINA. END TEXT.

2. PLEASE REFER ANY INQUIRIES FROM PRESS OR PUBLIC TO WASHINGTON. DO NOT COMMENT. KISSINGER

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