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MO 5/14

FOREIGN AND COMMONWEALTH SECRETARY

REINFORCEMENT OF HONG KONG

The Governor of Hong Kong is coming to London for discussions this week, and is seeing you, the Prime Minister and the Home Secretary as well as myself. I think it is important that you should be aware of my views beforehand on the requests for reinforcement which have been made. (These are set out at Annex.)

2. The Governor's problems arise from the present juxtaposition of the rapid increase in the flow of illegal immigrants into Hong Kong from China and the arrival of large numbers of Vietnamese refugees. Under these twin pressures, the Governor, recognising the effects on morale in the Colony, clearly wishes to be seen to be taking positive steps and one way of achieving this is the early introduction of more troops. In considering this liability, there is a distinction to be drawn between illegal immigrants and refugees. The latter are a recent phenomenon whereas there have always been large numbers of illegal immigrants. The recent substantial increase in their numbers has probably occurred partly because of a more liberal Chinese regime and partly because of the absence from the border of Chinese regular forces deployed to the China-Vietnam war. The Governor's aim is to reduce the influx of illegal immigrants by deploying an increased level of military presence, although in practice it is doubtful if the flow of immigrants across the border can be effectively stemmed except by action on the part of the Chinese Government. Thus only diplomatic action can attack the kernel of the problem. Military reinforcement will help to reduce the number getting through, though the extent to which this will be achieved is difficult to quantify. What is clear, however, is that reinforcements will, in the Governor's view, have a significant political impact locally.

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3. The cost in military terms is, however, very high, even for a period of 6 months. If, as seems likely, that period were to be extended, the impact would be progressively more severe. The penalties involve a diminution of troops and helicopters committed to NATO, where we are already under strength, and the disruption of national and NATO exercises planned to take place in UK and overseas. In particular, BAOR will have to find up to 3 battalions for SPEARHEAD duties, with consequences for organisation, equipment and training. There will be a reduction of no less than a quarter in WESSEX support for BAOR, where deployment plans and training will be adversely affected; furthermore, the preparatory training in Germany for Northern Ireland will be curtailed. The impact on movement resources would be particularly severe, and this in turn could restrict the opportunities for overseas training very considerably. The general effect will be to increase overstretch, and exacerbate the factors which have had such a damaging effect on retention in the Services. In addition, NATO allies would have to be informed of the reductions in our NATO capability. This is particularly unfortunate since because of the manning situation in all three Services which we have inherited it seems inevitable that I shall shortly have to expose some depressing news to our Allies on this score.

4. Nevertheless, if Commander British Forces Hong Kong is to meet the tasks which the Governor has laid upon him, in the view of the Chiefs of Staff the reinforcements would be necessary. The penalties are, however, so serious that I would be very reluctant indeed to accept them unless the Hong Kong commitment is to be regarded as absolutely overriding. It does not seem to me that Hong Kong should be given that degree of priority over our NATO commitments.

5. If the reinforcement consisted of two companies of Gurkhas and some of the other elements requested, but without an additional UK battalion, the Governor would have material for an announcement which would achieve a political impact on his return, but at less cost in military terms. If you agree, I suggest that our discussions with the Governor should be conducted on this basis. I believe there would be advantage if we were to discuss the problem before we meet the Governor.

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6. I am sending copies of this minute to the Prime Minister, the Home Secretary, the Chancellor of the Exchequer, and to Sir John Hunt.

HP
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12th June 1979

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ANNEX TO MINUTE
MO 5/14 DATED
12th JUNE 1979

REINFORCEMENTS FOR HONG KONG REQUESTED

Navy

3 WESSEX 3 helicopters, 7 pilots and
necessary ground staff

3 Patrol Craft or Hovercraft and crews

HQ Staff

Army

1 Battalion plus 2 companies

4 Scout helicopters, 6 pilots and
necessary ground staff

HQ Staff

Additional personnel for Maritime Troop

Air Force

6 WESSEX 2 helicopters, 9 pilots and
necessary ground staff

NITESUN equipment

Air Traffic Controllers and Operations Staff.

12 JUN 1979



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Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

15 June 1979

Dear Francis

*pa
Jm
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REINFORCEMENT OF HONG KONG

I have seen your minute of 12th June to the Foreign and Commonwealth Secretary. The question of the relative priority of our Hong Kong and NATO commitments is not one for me, though I have considerable sympathy for your views.

I see no objection on financial grounds to your meeting the Governor's request, provided it is understood that the Hong Kong Government will make a financial contribution at least equal to their contribution (75 per cent of full costs) in respect of the normal garrison under the 1975 Agreement. The financial savings which you would achieve by making the units available in Hong Kong on such terms, rather than keeping them in Germany or this country, might go some way to offset the military disadvantages to which you have drawn attention.

I am sending copies of this minute to the Prime Minister, the Home Secretary, the Foreign and Commonwealth Secretary, and to Sir John Hunt.

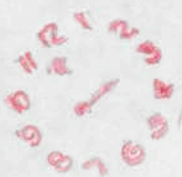
A handwritten signature in dark ink, appearing to read 'Geoffrey Howe', with a horizontal line above and below the name.

(GEOFFREY HOWE)

The Rt. Hon. Francis Pym, MC., MP.

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15 JUN 1979



PRIME MINISTER

Mr. Pym's office have told us that the Governor of Hong Kong had an hour with Mr. Pym this afternoon. Much of the conversation concentrated on the re-inforcement issue. Mr. Pym made the difficulty of finding any extra forces very clear, and gave no undertaking about whether re-inforcement would be provided.

He told the Governor that the decision would need to be a collective one, so that he would need to consult his colleagues. He said that he hoped it would be possible to treat the matter expeditiously.

Mr. Pym also told the Governor that this Government had been elected on the basis that our forces were very weak. In practice we have found the situation was even worse than we had feared. The manning situation in particular was very badly stretched. It was not a question of our willingness to help Hong Kong but our ability.

In particular, diverting our helicopters would affect our NATO commitment at once just when we had made a good impression with NATO.

One last possibility that was raised - and is now being discussed between MOD and FCO - was using our Battalion in Brunei.

14 June 1979

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