

CONFIDENTIAL

cf: Marker
: KAMPUCHEA, Oct 79, situ
: VIETNAM, Pt 3, Refugees.

RECORD OF DISCUSSION BETWEEN THE PRIME MINISTER AND
PREMIER HUA GUOFENG AT No. 10 DOWNING STREET ON 29 OCTOBER 1979
AT 1530 HOURS

Present:

The Prime Minister	Premier Hua Guofeng
The Foreign and Commonwealth Secretary	Vice Premier Yu Qiuli
Mr. Peter Blaker M.P.	Foreign Minister Huang Hua
Sir Robert Armstrong	H.E. Mr. Ke Hua
Sir Michael Palliser	Vice Minister Zhang Wenjin
Mr. Percy Cradock	Vice Minister Gan Ziyu
Mr. Hugh Cortazzi	Vice Minister Cui Qun
Mr. Michael Alexander	Mr. Pu Shouchang
Mr. Richard Samuel	Mr. Wei Yongqing
Mr. Hugh Davies	Mr. Wang Benzuo
Mr. James Richards	Interpreter

* * * * *

Following a tete-a-tete conversation between the Prime Minister and Premier Hua lasting 30 minutes, the Prime Minister opened the plenary session by formally welcoming Premier Hua. She much looked forward to their talks. They had agreed that international issues would be discussed during this first session and bilateral matters during the second session. Under international issues, the Prime Minister proposed that they should discuss East/West relations, problems relating to the Soviet Union, developments in Europe, the problem of oil shortages and the related Middle East issue, and particularly the problems in South East Asia which were causing great concern.

Premier Hua thanked the Prime Minister for her invitation to him to visit Britain. He was grateful to the British Government and Mrs. Thatcher for the ceremonial welcome that he had received. The arrangements made were all most satisfactory. He had told Mrs. Thatcher that a major purpose of his visit was to have serious discussions with the British leadership.

CONFIDENTIAL

/His meeting

CONFIDENTIAL

- 2 -

His meetings with President Giscard and Chancellor Schmidt and his forthcoming meeting with the Italian Prime Minister were all for the first time; but in Mrs. Thatcher's case he had already met her in Peking. In China she was very much respected as a leader, for her insight into the international situation. He would like now to exchange views with her and hear her views not only on the current international situation but also on how this might develop in the long run. In France he had had good talks with President Giscard and both sides had been pleased with the results; in Germany he had long discussions with Chancellor Schmidt and at the end both sides considered that a wide measure of agreement had been reached. The British papers had published what Chancellor Schmidt had said about Premier Hua on his departure; he had appraised the visit very highly. Premier Hua had formed a good personal relationship with both these leaders. Since Mrs. Thatcher was a good friend of both President Giscard and Chancellor Schmidt and would meet them from time to time in the future she would undoubtedly learn about what had passed in Premier Hua's discussions with them. When he had offered to brief Chancellor Schmidt about his talks in Paris, the latter had said that President Giscard had already told him of them on the telephone.

The Prime Minister said that French and German views of Europe and of the North Atlantic Alliance were virtually identical with British views. There was perhaps no need to go over this ground. The British Government was concerned that while the world had remained free of world wars for thirty years there were now many limited areas of tension, for instance South East Asia, Iran, the Horn of Africa, and Southern Africa particularly Rhodesia. It was difficult to know whether all these formed part of a grand design or whether they represented opportunism by the Soviet Union making trouble where it could.

/SOUTH EAST ASIA

CONFIDENTIAL

CONFIDENTIAL

- 3 -

SOUTH EAST ASIA

The Prime Minister suggested that they take South East Asia to start the discussions. This was both because of the tragedy taking place there and because she had raised the subject with Premier Kosygin on her way to the Tokyo Summit. She had told him of how concerned we were about events in Vietnam. She had called on him to use his influence with the Vietnamese authorities to dissuade them from turning so many people out. Regrettably his reply had hardly been worth the time it took to deliver. He had claimed that all those leaving were drug addicts, criminals or spies. The Prime Minister had told him that this was impossible since over half a million refugees had left. Premier Hua said that those arriving in China alone numbered 260,000. The Prime Minister said that she had told Kosygin that those arriving in Hong Kong and in the UK were hard-working individuals. Their expulsion was deliberately designed to hurt the refugees themselves, to hurt those countries which received them and to cause instability in South East Asia. Premier Hua commented that quite apart from the huge numbers of refugees recorded there were innumerable who had been lost at sea. The Prime Minister said that she had got nowhere with Mr. Kosygin. Finally she had told him that Vietnamese policy was not a good advertisement for the Russian brand of Communism. She asked Premier Hua whether he agreed that Vietnamese policy was an attempt to destabilize the whole of South East Asia.

Premier Hua said that he agreed and thought highly of Mrs. Thatcher's analysis. He wished to say a few words, starting with South East Asia. Following the war Vietnam had needed a period of peace to heal its wounds. Had they set on that course they would have received widespread support from the whole world. Chinese aid to Vietnam would have been no problem and many other countries would have willingly helped Vietnam to recover from the wounds of war. But Le Duan and other Vietnamese leaders were determined to take the other course - building an Indochina Federation. So instead of reducing their army after the war, they expanded it. They now had an

/army of

CONFIDENTIAL

CONFIDENTIAL

- 4 -

army of one million, which was disproportionate to the size of the country. But the Vietnamese had the backing of the Soviet Union in pursuing their aim of regional hegemony. It was part of what Mrs. Thatcher had rightly described as the grand design of the Soviet Union. It served Soviet purposes to help Vietnam with their expansionism. The Soviets would gain the use of Cam Ranh bay. This would push them forward from their Vladivostock base by 4,500 kms. From Indochina the Soviets could further threaten and endanger Thailand and Malaysia and win control of the Malacca Straits. Control of the Malacca Straits meant control of the sea lanes between the Pacific and Indian Ocean.

Premier Hua said that without Soviet backing the Vietnamese would not have dared to do what they had. They had signed a so-called Treaty of Peace and Friendship; in fact Article 6 made it a military pact. The Vietnamese had launched their invasion of Cambodia at the end of December 1978 and then they had whipped up a massive anti-China campaign. They had decided to drive out all ethnic Chinese and even some national minorities from Vietnam. They had carried on armed provocation to an increasing degree along the Sino-Vietnamese border. In the past this border had not been defended on the Chinese side. But the repeated Vietnamese incursions made it impossible for Chinese inhabitants to carry on their peaceful activities. Before the Chinese had undertaken their "counter-attack in self defence" they had suffered about 400 casualties.

SOVIET GLOBAL STRATEGY

Premier Hua said that in the West there was Cuba and in the East there was Vietnam. Both acted on behalf of the Soviet Union. In Afghanistan Mrs. Thatcher would be aware that the former President Daoud had been a good friend of the Soviet Union. All he had wanted was a little more independence and freedom to develop relationships with a wider selection of countries. But the Soviet Union had engineered a coup against him and thus got rid of him. This had increased the danger to Pakistan. In Iran opposition to the Pahlavi dynasty had begun as a religious movement. But the Russians had also taken

CONFIDENTIAL

/a hand and

CONFIDENTIAL

- 5 -

a hand and had tried to influence events. In 1978 on his way back from Romania and Yugoslavia Premier Hua had been asked by the Shah to visit Iran because of Soviet meddling. He and the Shah had had tete-a-tete talks. The Shah had displayed considerable lack of confidence. He had been dissatisfied with the US. He was then already in a difficult situation yet the Americans had pressured him to carry out democratic reforms and had not allowed the Iranian army to reimpose order. The Americans had then asked him to leave the country and replace his Government by a civilian Government. Once the Shah had left, the army had lost its rallying point and events had got out of control. The Shah had told Premier Hua both about Soviet meddling and about US policies. It was the combination of these two that had caused the Shah to lose confidence. Present indications from Iran were that chaos would continue for some time.

Premier Hua said that in 1978 the Soviet Union and Cuba had caused a coup d'etat in South Yemen. The former South Yemeni President had also been on good terms with the Soviet Union. But he too had wanted a more omni-directional foreign policy in order to safeguard the sovereignty and territorial integrity of South Yemen. There were Cuban and Soviet troops based in South Yemen. Chinese information was that the Cuban troops had taken part in the attack on the Presidential Palace. Furthermore, within 24 hours the Soviets had got rid of the President in North Yemen too.

In Ethiopia the army was in fact controlled by Cubans and Russians. President Mengistu was not having an easy time with them, even though he abused the Chinese. A political opponent of Mengistu had been introduced into the Cuban Embassy from abroad although he had been subsequently removed. From South Yemen and Ethiopia the Russians could control the Red Sea and the traffic lanes in the Gulf area. Even Saudi Arabia which had always been on good terms with the West was now tending to waver vis-a-vis the United States. Because of events

/in Iran the

CONFIDENTIAL

CONFIDENTIAL

- 6 -

in Iran the Saudis now doubted the US commitment.

Premier Hua said that while the Soviet Union was increasing its military pressure on Western Europe both by deploying SS20s and by increasing political pressure, its strategic design seemed to be to encircle Europe from its periphery. The Soviets were showing particular interest in the oil-producing countries in the Middle East. As to prospects for the 1980s, some British and Japanese analysts saw a danger of world war breaking out in the mid-80s. The Chinese considered that there were grounds for agreeing with this conclusion. But taking an overall view they considered that there had been gains as well as losses in recent years. The Soviets were unhappy about some developments. These included China's good relations with Japan; the normalisation of China/US relations; the steady development of relations between Western Europe and China; and the fact that more and more people in West Europe now saw the necessity of standing together and strengthening their defences. The Soviet Union was feeling restrained on both flanks, in Europe and in the Far East. Both Western Europe and China had good relations with the United States. Some people considered there were five forces in the world: the Soviet Union, Western Europe, the USA, China and Japan. Among these only the Soviet Union was isolated. If the Soviets wished to launch a world war they would have to face war on two fronts. History showed that no-one had succeeded in winning a war on two fronts. China's development of good relations with Europe and the US was therefore a cause for concern in the Soviet Union. So long as this situation prevailed the Soviets would be hesitant to provoke a war.

The Prime Minister agreed with Premier Hua's analysis. She was confident that both the US and Western Europe would hold fast in the West, and looked to China and Japan to do so in the East. The Soviets were now attacking the soft underbelly to cut away our friends - in South East Asia, Africa and the Middle East. She would like to discuss what could be done to counteract this in South East Asia, and to explain what Britain intended to do in Rhodesia. It was vital to stop the Soviets' outflanking movement, or they might achieve their aims without a shot being fired.

CONFIDENTIAL

/Premier Hua

CONFIDENTIAL

- 7 -

Premier Hua agreed with the Prime Minister. This explained why when the Soviets had acted in collusion with the Vietnamese the Chinese had been faced with the choice of either doing nothing or of combating Soviet intentions. They had concluded that they must do something. The Chinese "counterattack in self-defence" was undertaken because of provocation along the border. But it was also undertaken because of the strategic need to counter hegemony. China had just established relations with the US, and Vice Premier Deng Xiaoping had informed President Carter of Chinese intentions. President Carter had not agreed and had set out his objections in writing to the Chinese. When Vice Premier Deng had passed through Japan he had also informed the Japanese Prime Minister Ohira. Vice Premier Deng had told President Carter that despite his objections the Chinese were prepared to take on all risks themselves. He had made a three-part statement:

- i. first the Chinese always meant what they said: they had always opposed hegemony, and now that hegemony was on their doorstep they must take action;
- ii. when they did take action it was always after careful consideration;
- iii. the Chinese did not act rashly.

/Premier Hua

CONFIDENTIAL

CONFIDENTIAL

-8-

Premier Hua said that because of the Soviet/Vietnamese Treaty the Chinese had calculated that the Soviets would react when China struck back. But they had considered a large scale war unlikely. There were only about 1 million troops along the Sino-Soviet border. If what friends told the Chinese was true, Soviet divisions along the border were of three types, consisting of respectively 8,000, 7,000 and 4,000 men per division. If the Russians really wished to fight a war with China they would need 5-6 million men. At present they only had 4 million under arms so they would need to carry out an emergency mobilisation and, more important, to transfer men from the West to the Eastern front. The Chinese analysis was that in that case they would be worried not only about what the West Europeans would do but also about developments in their own backyard in Eastern Europe. Of course Chinese weaponry was poor but the Soviets knew that if China were attacked the Chinese would be determined to fight to the end.

The Prime Minister asked what effect there would be on Chinese policy if the Vietnamese really won control of the whole Indochina peninsula, including possibly Thailand. Premier Hua asked to be allowed to continue his analysis. As he had said, the Chinese had concluded that a large scale war was unlikely but the possibility of a medium scale war, with the Soviet Union seizing installations in North China, had to be guarded against. The Chinese had therefore made preparations, although they thought that the eventuality unlikely given Soviet fears of the risk of wider hostilities developing. The most likely scenario in their view had been some small-scale joint Soviet/Vietnamese operations along the Sino-Vietnamese border. But in the end, the Russians did nothing except to issue a statement saying that it was not too late for China to withdraw. The Chinese ignored this. The Russians also carried out military manoeuvres on the Sino-Soviet border and despatched a number of warships to the vicinity of the Vietnamese coast.

CONFIDENTIAL

/Premier Hua

CONFIDENTIAL

-9-

Premier Hua said that the Chinese counter-attack had deflated Vietnamese ambitions. But of greater importance it had also bolstered the ASEAN countries. Mrs Thatcher would have noted the firm stand taken by General Kriangsak. ASEAN countries had acted together and had taken a good position in the UN. The Americans had also indicated that they would support Thailand. The result was that all had acted in co-ordination against Vietnam.

KAMPUCHEA

Premier Hua said that Chinese information from Thailand and from their own sources was that the remnants of the forces of Democratic Kampuchea numbered some 30,000. There had been some recent regrouping. The Democratic Kampuchean Government was in regular telegraphic contact with various regional areas. Resistance continued in the South, the South West, the North, North West, North East, and central parts of the country. For the dry season offensive the Vietnamese had mobilised some 200,000 men. It was of course possible that the Kampuchean resistance would suffer losses in the coming campaign. But there was one favourable factor, namely the proximity of the Thai border. When under pressure the resistance fighters could cross into Thailand and return to Kampuchea by another route.

Premier Hua said that the Pol Pot Government had made some errors in their policies. The Chinese had criticised them. Subsequently they had paid attention to overcoming their mistakes and to bringing together all patriotic forces. Naturally, the Vietnamese had exaggerated their cruelties. But the Chinese considered that it was this force which could stick it out in the resistance. It was important to continue to support all forces of resistance. Son Sann, a former Prime Minister under Sihanouk was also organising a force of about 3,000 which still remained outside Kampuchea. The war in

CONFIDENTIAL

/Kampuchea,

CONFIDENTIAL

-10-

Kampuchea, being a national war, was such that if some forces failed others would rise up in resistance. There was a traditional hostility between Khmers and Vietnamese. Premier Hua had asked President Giscard about conditions in Laos because the French had an Embassy in Laos until it was recently expelled. President Giscard had said that resistance to the Vietnamese in Laos was fairly substantial. Premier Hua said the worst possibility was that the Khmers would be driven out of Kampuchea like the Palestinians out of Israel. But the Palestinians had not given up their struggle and the majority of the people of the world supported them.

Premier Hua said that the Vietnamese faced very serious difficulties at home. The escape of 1 million people had brought this home to world opinion. Ho Chi Minh's comrade in arms, the ex-politburo member Hoang Van Hong who had defected from Vietnam, had told the Chinese that the situation in the South was even worse than was generally known. Those sent to the New Economic Zones suffered a cruel fate and were effectively sent there to die. Cadres at all levels, even at the top, were dissatisfied with the policies of the leadership. The question was, how long could Vietnam's present policy continue? Prince Sihanouk was a friend of the Chinese. He was about to visit France. As friends the Chinese could only make suggestions to him and could not influence him. Prince Sihanouk was trying to work for a political settlement. The Chinese thought that such a settlement depended on two premises: (i) complete withdrawal of Vietnamese forces from Kampuchea, (ii) after the Kampuchians had driven out the Vietnamese aggressors it would be up to the Kampuchean people to decide what government and system they required. But if the Vietnamese agreed to a political settlement without withdrawing their troops, Sihanouk would be under their sway if he returned because Kampuchea would still be under military occupation. The Chinese therefore maintained that a political solution was only possible if there were both international pressure on the Vietnamese and internal resistance, and if the Vietnamese were forced to face up to the realisation that if they could not swallow Kampuchea they must regurgitate it.

CONFIDENTIAL

/Premier Hua

CONFIDENTIAL

-11-

Premier Hua conceded that the Kampuchean people were in very difficult straits. Both President Giscard and President Carstens had mentioned the need for emergency relief. Premier Hua had said he was in favour. The Chinese were ready to do their bit. They had already taken in many refugees. Premier Hua had however suggested that any relief sent in must not go through the Vietnamese. The Vietnamese economy was in such bad shape that they themselves would take what supplies were available. It was much better to send relief supplies across the Thai border because many refugees were in the vicinity of the border. The International Red Cross had tried to send relief supplies by air to Phnom Penh but the Vietnamese and the Heng Samrin regime had called this interference in their internal affairs. In the Chinese view, relief must be sent in such a way that it really reached the Kampuchean people and was not diverted to help the Vietnamese army. It was known that the Vietnamese army was in considerable trouble. Vietnamese troops on the Thai border were crossing over for food and cigarettes.

Premier Hua said in conclusion that he must re-emphasise the continued need to support the Kampuchean people and not to let the Vietnamese have everything their own way. Mrs Thatcher had spoken of Soviet attempts to outflank the West. Premier Hua agreed that this was well worth discussing if there were time later. As for the Middle East, the United States had little influence there because they tended to favour the Israelis. But the UK, France and Germany were on good terms with the Arab countries. China was also on good terms and could do something to influence them. In his conversations with President Giscard and Chancellor Schmidt Premier Hua had said that, during the 80s, the areas of tension would be South East Asia, the Middle East, Africa and the Caribbean. The first two areas would be the most serious.

The Prime Minister thanked Premier Hua for his analysis and agreed that these subjects were worth discussing if there were time at the second session. She emphasised the great

CONFIDENTIAL

/concern

CONFIDENTIAL

concern felt in this country about the Kampuchean situation. The British Government would take to heart the warning that Premier Hua had given about ensuring that relief supplies went to the right people.

The talks concluded at 1700 hours.

30 October 1979

CONFIDENTIAL