PLAAF AIRLIFTS FOREIGN EXCHANGE TO SHANGHAI, JUNE 1989.

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DEPARTMENT OF DEFENSE

DOII: 890820-890824.

SOURCE: NEWSPAPER ARTICLE, "WEN WEI PO", HONG KONG, 890820-890824 (U), IN CHINESE.

SUMMARY: PLAAF AIRCRAFT USED TO TRANSFER FOREIGN EXCHANGE TO BANK OF CHINA'S SHANGHAI BRANCH IN JUNE 1989.

TEXT: 1. LAST JUNE, IMMEDIATELY FOLLOWING THE MILITARY CRACKDOWN OF THE PRO-DEMOCRACY PROTESTS IN BEIJING, THE PLAAF TWICE TRANSPORTED BADLY NEEDED FOREIGN CURRENCY BANKNOTES TO SHANGHAI TO STEM A RUN ON THE BANK OF CHINA BRANCH THERE. THIS WAS INITIALLY REPORTED BY THE PRC-AFFILIATED HONG KONG NEWS AGENCY, ZHONGGUO TONGXUN SHE, ON 24 JUNE.
2. (U) A MORE DETAILED ACCOUNT OF THE EMERGENCY AIRLIFTS HAS NOW BEEN PUBLISHED IN THE PRC-CONTROLLED HONG KONG WEN WEI PO. RUN IN FIVE INSTALLMENTS 20-24 AUGUST, THE ARTICLE IS REPRINTED FROM SHENGHUO ZHOukan (LIFE WEEKLY), AN OBSCURE MAGAZINE APPARENTLY PUBLISHED IN THE PRC.

3. (U) ACCORDING TO THE ARTICLE, THE BANK OF CHINA'S SHANGHAI BRANCH WAS LOW IN FOREIGN CURRENCY AS A RESULT OF WITHDRAWALS MADE ON 5 AND 6 JUNE. ON 7 JUNE, THE BANK APPROACHED THE PLA FOR HELP TO AIRLIFT CASH FROM HANGZHOU AS LAND TRANSPORTATION WAS IMPOSSIBLE DUE TO ROAD BLOCKS. IN RESPONSE TO THE REQUEST, AN AN-2 TOOK OFF FROM SHANGHAI'S JIANGWAN (b)(3):10 USC 424 AT 1430 ON 8 JUNE TO LAND JUST AFTER 1500 AT HANGZHOU'S JIANQIAO AIRFIELD (b)(3):10 USC 424 WHICH IS UNDER THE PLA UNIT STATIONED IN SHANGHAI." THE AIRCRAFT RETURNED TO SHANGHAI AS SOON AS THE FOREIGN CURRENCY WAS LOADED ONTO IT.

4. (U) ANTICIPATING FURTHER WITHDRAWALS, ON 9 JUNE, THE BANK ASKED THE PLA FOR HELP AGAIN, THIS TIME TO BRING IN FOREIGN EXCHANGE FROM QINGDAO. "BECAUSE THE AIR SPACE OVER QINGDAO IS NOT UNDER THE CONTROL OF THE JINAN (MILITARY REGION) AIR FORCE, AND BECAUSE THE FLIGHT ROUTE RAN CLOSE TO INTERNATIONAL WATERS," THE AIR FORCE UNIT IN SHANGHAI SUGGESTED THAT THE BANK SHOULD MAKE A REPORT (REQUEST ASSISTANCE) TO THE SHANGHAI MUNICIPAL GOVERNMENT. THE MUNICIPAL GOVERNMENT ISSUED A RECOMMENDATION LETTER, WHICH WAS RUSHED TO JIANGWAN SHORTLY PAST 1100. MEANWHILE, THE SHANGHAI AIR FORCE UNIT FILED AN IMMEDIATE REPORT TO THE NANJIING MILITARY REGION (MR) AIR FORCE, WHOSE COMMANDER THEN INSTRUCTED THE UNITS TO GIVE THEIR FULL SUPPORT TO THE OPERATION, FREE OF CHARGE.

5. (U) THE NANJIING MR AIR FORCE ALSO REPORTED THE MATTER TO THE PLA HIGH COMMAND, WHICH IN TURN MADE A REPORT TO THE GENERAL STAFF DEPARTMENT (GSD). NEARLY ALL REPLIES FROM THE TOP WERE ISSUED DURING THE AFTERNOON REST PERIOD, AND BY 1630 FULL INSTRUCTIONS WERE RECEIVED BY THE AIR FORCE UNIT IN SHANGHAI. "THE RAPID RESPONSE... WAS INCREDIBLE, CONSIDERING THAT IT IS NORMAL PLA AF PRACTICE TO TAKE SEVERAL DAYS TO HANDLE A FLIGHT APPLICATION, FROM THE DESIGNATION OF THE AIRCRAFT NUMBER, FLIGHT ROUTE, ALTITUDE AND CREW COMPOSITION TO THE DETERMINATION OF THE WEATHER CONDITIONS."

6. (U) THE AIRCRAFT FOR THE QINGDAO MISSION WAS AN IL-14 FROM AN AIRFIELD OF THE NANJIING MR AIR FORCE, WHERE THE GROUND PERSONNEL WERE ASSEMBLED AT 0300 ON 10 JUNE TO GIVE IT A FULL CHECKOUT. AT SHORTLY AFTER 0700 THE PLANE TOOK OFF IN HEAVY RAIN FOR SHANGHAI'S JINGQIAN AIRPORT TO PICK UP BANK PERSONNEL. AT 1358, IT LANDED IN QINGDAO WHERE, AFTER THE BANKNOTES WERE LOADED AND THE PLANE REFUELED,
IT TOOK OFF AGAIN AT 1430, ARRIVING SAFELY IN SHANGHAI.