

HONG KONG STUDY

ANNEX P

ILLUSTRATIVE QUESTIONS AND ANSWERS FOLLOWING THE PRIME
MINISTER'S VISIT TO CHINA

The suggested answers have been drafted on the assumption that agreement will have been reached to hold talks about the future, either on an agreed basis or without commitment on either side, but that there will have been no joint statement. If a joint statement were agreed some of the questions could be answered by reference to it.

Q. What discussions did you have with Chinese leaders on the future of Hong Kong?

A. I had a full and friendly discussion with Premier Zhao Ziyang and with Vice Chairman Deng Xiaoping. I can't tell you about the substance, but we had a good exploratory talk. We agreed that confidential talks should be held through diplomatic channels. The purpose of the talks will be to discuss arrangements for the future of Hong Kong [in the longer term] [after 1997] in the interests of both governments and of the people of Hong Kong. There was complete agreement between us that the objective must be to preserve the stability and prosperity of Hong Kong and the well-being of its people.

Q. Did you

Q. Did you reach an understanding about the ending of the lease in 1997? What will happen then?

A. We did not reach any definite agreement. It is a very complex matter and that is why we both saw the need for detailed talks. We were able, however, to clarify the views of both sides most helpfully. And we agreed on the need to find a satisfactory solution well before 1997, as soon as possible.

Q. Does China wish to take Hong Kong back in 1997?

A. That is not a question you should put to me. I understand the feelings of the Chinese people as represented to me by Vice Chairman Deng. I explained to him the views of the British Government, in particular our understanding of the basis for Hong Kong's success and prosperity, and of the wishes of the people of Hong Kong. I am quite sure that we shall be able to reach a mutually satisfactory agreement.

Q. But what about China's claim to sovereignty over Hong Kong? Will Peking not wish to run the territory?

A. The Chinese leaders explained their position to me. I explained ours. There is a gap to be bridged. But, I repeat, the desire for agreement is there. We must work it out together coolly and deliberately.

Q. But what basis has been agreed for the official talks?

A. The purpose of the talks will be to discuss arrangements for the future of Hong Kong in the interests

/of

of both governments and the people of Hong Kong [but without prejudice to the viewpoints of both sides and without pre-conditions]. We are agreed on the need to find a practical solution which will enable people in Hong Kong to continue their prosperity and way of life unchanged.

Q. Will Britain then continue to run Hong Kong?

A. As this government - and its predecessors - have made clear, our commitment to the people of Hong Kong remains. Naturally we shall fulfil our responsibilities. I am sure the Chinese Government appreciate this. It is because our relations are so good that we can sit down together and work out a practical solution. It will take time and the talks must be confidential. But I am confident that we shall find the right answer.

Q. But what about the wishes of the people of Hong Kong? Will they be consulted?

A. Both we and the Chinese Government realise that no arrangement could work if it did not accord with the wishes of the people of Hong Kong. I shall be discussing with the Governor how those wishes can best be consulted.

[For use in Hong Kong] My visit here has given me a clearer idea of what the people of Hong Kong want. It has been very useful.

Q. Have you

Q. Have you accepted Chinese sovereignty? Have you not implicitly accepted that the nineteenth century treaties are invalid?

A. There are obviously gaps between the two sides. This is why we are going to have talks. Any solution must be in the interests of all the parties concerned. But our common interest in the prosperity and stability of Hong Kong is much stronger than the points which divide us. Neither of us can ignore the facts of history: but we can and will work together to find a mutually satisfactory solution to this problem.

Q. Would Britain defend Hong Kong against a Chinese attack, as she did over the Falklands?

A. What makes this question, happily, quite different from that of the Falklands, is that we are working in cooperation with China, not in confrontation with her.

Q. But surely, the fact that you are negotiating with China which claims the whole of Hong Kong, means that you have accepted their right to dictate how the place is run. Will the British authority to administer Hong Kong not be seriously weakened?

A. Of course we accept that Hong Kong is geographically part of China. Cooperation is essential and has developed enormously over the past few years. But we have abdicated none of our powers. HMG through the Governor remain fully responsible and retain all their authority. I am sure that China understands and indeed welcomes that.

Q. Who will

Q. Who will conduct the talks with China?

A. Contacts will be maintained between the two governments through diplomatic channels.

Q. Will Hong Kong be involved in the talks?

A. Of course. Consultations have already taken place with the Governor and Unofficial Members.

Q. How will Hong Kong be involved in detailed discussions?

A. I am already in close touch with the Governor. Depending on how discussions develop it will be necessary to consider whether this process of consultation should be widened.

Q. [If no date has been announced for the opening of talks.]
When will the talks begin?

A. The actual date has not yet been settled. But we agreed that the talks should start [soon] [within the next month or so],

SECRET

COPY No: 1.

THE FUTURE OF HONG KONG

A SPECIAL STUDY

BY THE FOREIGN & COMMONWEALTH OFFICE

AUGUST 1982

SECRET

FUTURE OF HONG KONG

SPECIAL STUDY

Contents

Paragraph No.

MAIN PAPER

PART I

The Problem	1
British Interests	6
The Chinese Position	8
Interests of the People of Hong Kong	12

PART II

Strengths and weaknesses in the British and Chinese Positions	14
Time Factor	18
Impracticable Options	20

PART III

British Aim	21
Possible approaches to the problem of sovereignty	22
A possible solution	26
Detailed Studies	31
Conclusions	33

PART IV

Recommendations for the Prime Minister's visit to Peking	34
Public Presentation	44

Contents (continued)

ANNEXES

- A. Treaties of 1842 and 1860
- B. Convention of 1898
- C. Map showing the New Territories
- D. Chinese Proposals on Taiwan
- E. Consultation in Hong Kong
- F. Options for Solution and Legislative Requirements
- G. Constitutional Position of Hong Kong
- H. External Relations
- I. Currency and Finance
- J. Defence and Internal Security
- K. Citizenship, Nationality and Immigration
- L. Legal System
- M. External Trade
- N. Civil Aviation and Shipping
- O. Crown Land Leases in the New Territories
- P. Illustrative Questions and Answers following the Prime Minister's Visit to China



PRIME MINISTER
FIRST LORD OF THE TREASURY

FUTURE OF HONG KONG

SPECIAL BRIEFING

To Be Retained

Do Not Destroy

FUTURE OF HONG KONG

LIST OF BRIEFS

1. Introduction. Tactics
2. Labour Government Statements on HMG Commitment
3. Draft Press Statement on Hong Kong
4. Draft Aide Memoire
5. Chronology of Major Events and Statement
6. Draft Opening Statement
7. Form and Structure of Negotiation
8. Further Defensive Points
9. Possible Acceptable Package
10. Possible Concession which might be made during negotiation
11. Possible Chinese objections and suggested responses
- 11a. Answers to Criticisms Chinese Leaders may make
12. FCO Special Study
 - (a) Treaty of Nanking 1842
 - (b) Text of Second Convention of 1898
 - (c) Map of New Territories
 - (d) Chinese Proposals on Taiwan
 - (e) Consultation on Hong Kong
 - (f) Options and Solution and Legislative Requirements
 - (g) Constitutional Position of Hong Kong
 - (h) External Relations
 - (i) Currency and Finance
 - (j) Defence and Internal Security
 - (k) Citizenship, Nationality, Immigration
 - (l) Legal System on Hong Kong
 - (m) External Trade
 - (n) Civil Aviation and Shipping
 - (o) Crown Land Leases in New Territories
 - (p) Illustrative Questions and Answers Following Prime Minister's Visit to China.