



Foreign and Commonwealth Office

Prime Ministe

London SW1A 2AH

Agree that Sir leny Gradel may opeal as in the last paryage?

4 November 1982

A.J.C. # Yus M

Dear John

## Future of Hong Kong

The Ambassador in Peking has drawn attention to the likelihood that the Chinese will, at some stage during the talks, bring up the question of our attitude to the 19th Century Treaties. Sir P Cradock has referred to recent reports\* suggesting that some Chinese may have interpreted the Prime Minister's reference during her Press Conference in Hong Kong to 'varying' the Treaties to mean that it is HMG's intention to get them involved in a process of renegotiating the existing documents.

The Ambassador's view, with which we agree, is that there can be no question of repudiating the Treaties. They are the basis for our present administration of Hong Kong. If asked we must express our view that they are valid. However we need not go on from that to maintain that our solution involves renegotiation of the actual documents. That would be a major sticking point for the Chinese. They would moreover see it as having consequences going beyond their interest in Hong Kong (ie for their relations with the Soviet Union and the border talks in which another set of what the Chinese regard as 'unequal treaties' is involved).

Whether or not it is this concern which explains some of the strongly-worded statements by the Chinese after the Prime Minister's visit, it does seem that they may have got hold of the wrong end of the stick. It would be worth working out a means of clearing up any misunderstanding. It is important to avoid an unnecessary hiccup in the talks at this point. In essence we need to say that the Treaties exist and cannot be ignored, but that we see the right way forward as replacing rather than re-writing them.

The matter might come up at the Ambassador's next meeting with Vice Foreign Minister Zhang Wenjin. We think it would be useful to have a form of words up our sleeve that Sir P Cradock could use in such circumstances and suggest the following:

/'The Treaties

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\* ~ \* Passage deleted and retained under Section 3(4). OMayland 11 October 2012



The Treaties are an historical and legal fact.
They are the basis for what Hong Kong is today.
But it is not the wish of the British Government
to seek to revive or rewrite history now. We
wish to look to the future and to reach with the
Chinese Government arrangements for the administration
of Hong Kong that are acceptable to both Governments
and to the people of Hong Kong. This implies agreement
on the replacement of the Treaties by something which
would be more in keeping with the times. As the
Prime Minister said to Chinese leaders in September,
if she was satisfied with the arrangements agreed for the
future administration of Hong Kong, she would be prepared
to consider putting to Parliament recommendations on the
question of sovereignty'.

Perhaps you could let me know the Prime Minister's views.

Jus eve M. Hes (J E Holmes) Private Secretary

A J Coles Esq 10 Downing Street

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5 November 1982

Thank you for your letter of 4 November to John Coles about our attitude to the 19th Century Treaties on Hong Kong. The Prime Minister has agreed that Sir Percy Cradock should use the formula proposed in your letter if the matter comes up at his meetings with the Chinese Vice Foreign Minister.

Timothy Flesher

John Holmes, Esq., Foreign and Commonwealth Office.

