



File

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10 DOWNING STREET

THE PRIME MINISTER

2 December 1982

My dear Governor,

I am very grateful for all you have been doing to maintain confidence in Hong Kong in the past weeks. I have been following your telegrams with the closest interest. We have just had a useful meeting here about our talks with the Chinese and it was a great help that Philip Haddon-Cave was able to attend.

I know that you think it important that you should be able to take the Unofficials into your confidence about our talks with the Chinese. I entirely understand this and would like you in future to use your discretion to brief the Unofficials, and anyone else who you feel must know, about these contacts. It should of course be made clear to all concerned that it is most important to respect the confidential nature of your briefing.

I know you will use this discretion sparingly. I simply wanted to make it clear that you do not need to seek specific authority in future but may use your own judgement in which I have full confidence.

Warm regards.

Yours sincerely

Sir Edward Youde, K.C.M.G., M.B.E.

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Margaret Thatcher

Sec

Hong Kong

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GRS 213

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FM FCO 031400Z DEC 82

TO IMMEDIATE HONG KONG

TELEGRAM NUMBER 1020 OF 3 DECEMBER

INFO IMMEDIATE PEKING (PERSONAL FOR AMBASSADOR)

PERSONAL FOR GOVERNOR FROM DONALD

TELECON WITH DONALD REFERS FUTURE OF HONG KONG

1. TEXT OF THE PRIME MINISTER'S LETTER TO YOU DATED 2 DECEMBER AS FOLLOWS:

'I AM VERY GRATEFUL FOR ALL YOU HAVE BEEN DOING TO MAINTAIN CONFIDENCE IN HONG KONG IN THE PAST WEEKS. I HAVE BEEN FOLLOWING YOUR TELEGRAMS WITH THE CLOSEST INTEREST. WE HAVE JUST HAD A USEFUL MEETING HERE ABOUT OUR TALKS WITH THE CHINESE AND IT WAS A GREAT HELP THAT PHILIP HADDON-CAVE WAS ABLE TO ATTEND. I KNOW THAT YOU THINK IT IMPORTANT THAT YOU SHOULD BE ABLE TO TAKE THE UNOFFICIALS INTO YOUR CONFIDENCE ABOUT OUR TALKS WITH THE CHINESE. I ENTIRELY UNDERSTAND THIS AND WOULD LIKE YOU IN FUTURE TO USE YOUR DISCRETION TO BRIEF THE UNOFFICIALS, AND ANYONE ELSE WHO YOU FEEL MUST KNOW, ABOUT THESE CONTACTS. IT SHOULD OF COURSE BE MADE CLEAR TO ALL CONCERNED THAT IT IS MOST IMPORTANT TO RESPECT THE CONFIDENTIAL NATURE OF YOUR BRIEFING. I KNOW YOU WILL USE THIS DISCRETION SPARINGLY. I SIMPLY WANTED TO MAKE IT CLEAR THAT YOU DO NOT NEED TO SEEK SPECIFIC AUTHORITY IN FUTURE BUT MAY USE YOUR OWN JUDGEMENT IN WHICH I HAVE FULL CONFIDENCE.'

2. I SHALL BRING THE ORIGINAL WITH ME. I LOOK FORWARD TO SEEING YOU ALL NEXT WEEK.

PYM

FUTURE OF HONG KONG

LIMITED

HD/HK & GD
 HD/FED
 HD/PLANNING STAFF
 HD/PUSD
 PS
 PS/LORD BELSTEAD
 PS/PUS
 MR GIFFARD
 MR DONALD

COPIES TO

SIR I SINCLAIR LEGAL ADVISER
 MR ROBERTS NEWS D
 MR COLES - NO 10 DOWNING STREET
 MR MARTIN ASSESSMENTS STAFF
 CABINET OFFICE

SECRET

Hong Kong

SECRET

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香港總督府

GOVERNMENT HOUSE
HONG KONG

6 December 1982

Prime Minister

A.S.C. 2/12

MS

Dear Prime Minister,

Thank you very much for your letter of December 2. I am most grateful to you for your expression of confidence and for the discretion you have given me in my briefing of Unofficials and others. This will be most useful in maintaining their confidence. You may be assured that I will use this discretion with the greatest care.

Lord Belstead has just arrived and I am looking forward to our talk with him and with the Ambassador, who arrives later today from Peking.

Yours sincerely
Edward Young

The Rt Hon Margaret Thatcher MP
10 Downing Street
London

SECRET

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