

SECRET

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DESKBY FCO 191000Z
DESKBY PEKING 190600Z
FM HONG KONG 190410Z JAN 83
TO IMMEDIATE FCO
TELEGRAM NUMBER 86 OF 19 JANUARY
INFO IMMEDIATE PEKING (PERSONAL FOR AMBASSADOR)

49

A.T.C. 1/1

h.a.

FUTURE OF HONG KONG: HKGCC SPEECH

I HAVE TO SPEAK AT THE ANNUAL DINNER OF THE HK GENERAL CHAMBER OF COMMERCE ON FRIDAY EVENING 21 JANUARY, JUST BEFORE I LEAVE FOR LONDON. THIS IS BY TRADITION A SUBSTANTIAL SPEECH. MOST OF IT WILL BE CONCERNED WITH THE ECONOMIC SCENE BUT IT WILL HAVE TO INCLUDE A PASSAGE ON THE FUTURE. MIFT CONTAINS WHAT I PROPOSE TO SAY.

2. I HAVE CONSIDERED WHETHER FOR LOCAL REASONS I SHOULD TAKE ISSUE DIRECTLY WITH WHAT LIAO CHENGZHI SAID TO THE NT DELEGATION ABOUT THE BALL BEING IN OUR COURT. THE DELEGATION IS BACK IN HK AND THERE WILL NO DOUBT BE FURTHER PUBLICITY BETWEEN NOW AND FRIDAY. OUR DISPLEASURE HAS BEEN FIRMLY CONVEYED TO THE CHINESE IN PEKING DURING THE CALL ON ACTING PREMIER WAN LI ON 16 JANUARY (PEKING TELEGRAM UNDER REFERENCE 37). THERE IS NO NEED TO SEND THE CHINESE AN ADDITIONAL MESSAGE THROUGH THE MEDIUM OF MY SPEECH. BUT WE CANNOT MAKE THAT PUBLIC AND THERE REMAINS THE QUESTION OF WHAT THE PUBLIC HERE NOW BELIEVE.

3. EVEN SO, I DO NOT THINK IT WOULD BE PRUDENT FOR ME TO TAKE UP THE ISSUE DIRECTLY. IT WOULD BE CONTRARY TO OUR POLICY OF NOT GETTING DRAWN INTO PUBLIC DEBATE WITH THE CHINESE AND COULD LEAD TO A PUBLIC COUNTER-BLAST FROM THEM. AT THE SAME TIME, IF I SAY NOTHING ON THE POINT, IT MAY GIVE THE IMPRESSION THAT WE DO NOT CONTEST THAT IT IS THE CHINESE WHO ARE MAKING THE RUNNING AND WE WHO ARE HOLDING BACK. PARA 3 OF MY DRAFT IS AN ATTEMPT TO STRIKE THE BALANCE AND GET ROUND THE DIFFICULTY. I SHOULD BE GRATEFUL FOR ANY COMMENTS YOU MAY HAVE BY 210001Z (IE TO BE DISPATCHED BY CLOSE OF PLAY YOUR TIME ON THURSDAY). HM AMBASSADOR PEKING WILL NO DOUBT ALSO HAVE COMMENTS WHICH YOU WILL WISH TO TAKE INTO ACCOUNT.

YOUDE

FUTURE OF HONG KONG

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