

SECRET

Overall comment

FROM PEKING 050450Z AUG 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 764 OF 5/8/83

REPEATED FOR INFO TO IMMEDIATE HONG KONG

FUTURE OF HONG KONG

1. I SAID IN MY TEL NO 759 THAT I WOULD TELEGRAPH CONSIDERED COMMENTS ON THE FIRST THREE PLENARY ROUNDS AND THE PROSPECTS FOR THE RESUMPTION OF TALKS IN SEPTEMBER.
2. THE SECOND AND THIRD ROUNDS FOLLOWED THE SCENARIO ENVISAGED IN MY TEL NO S 678 AND 679. WE HAVE ACHIEVED WHAT WE SET OUT TO DO IN THESE ROUNDS IS TO DELIVER PRESENTATIONS ON THE ARRANGEMENTS NOW PREVAILING IN HONG KONG AND TO HAND OVER TO THE CHINESE DETAILED PAPERS ON THE SYSTEMS IN FORCE THERE.
3. THE CHINESE HAVE LISTENED TO OUR PRESENTATIONS AS THEY SAID THEY WOULD. THEY APPEARED TO BE GENUINELY GLAD TO HAVE THE FOUR PAPERS AND THEY WILL, I THINK, STUDY THESE CAREFULLY DURING THE SUMMER RECESS. THERE IS SOME HOPE THAT THE SUMMARIES OF THESE PAPERS MIGHT BE PASSED UP TO SENIOR LEADERS.
4. IT REMAINS TO BE SEEN WHAT IMPACT, IF ANY, THIS MATERIAL AND THE STATEMENTS WE HAVE MADE DURING THE MEETINGS WILL HAVE ON THE CHINESE. IT MAY WELL MAKE THEM REALISE THAT HONG KONG IS MORE COMPLEX THAN THEY THOUGHT. BUT I SHALL BE VERY SURPRISED INDEED IF IT BRINGS ABOUT A FUNDAMENTAL CHANGE IN THEIR POSITION. WE SHOULD BE VERY UNWISE NOW TO SUPPOSE THAT THE CHINESE CAN BE SHIED FROM THEIR PRINCIPLE THAT ADMINISTRATIVE CONTROL IS A PART OF SOVEREIGNTY AND MUST PASS TO CHINA IN 1997. THIS PRINCIPLE WAS RAMMED HOME REPEATEDLY DURING OUR TALKS, AND LATTERLY TO THE EXCLUSION OF ALMOST ALL OTHER POINTS.
5. WE MUST EXPECT TO RUN UP AGAINST THIS FUNDAMENTAL PROBLEM IN SEPTEMBER. THE CHINESE HAVE INDICATED THAT THEY ARE NOT PREPARED TO CONTINUE LISTENING TO PRESENTATIONS ABOUT CURRENT ARRANGEMENTS IN HONG KONG IN WHAT THEY SAY IS EVASION OF THE CENTRAL QUESTION. IF WE DO NOT SHOW READINESS TO MOVE TOWARDS ACCEPTANCE OF THE CHINESE PREMISE I CONSIDER IT MORE THAN LIKELY THAT WE SHALL FACE THE PROSPECT OF A SWIFT BREAKDOWN OF THE TALKS, WITH VERY SERIOUS CONSEQUENCES IN HONG KONG.

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6. IT WOULD BE TACTICALLY WRONG TO MODIFY OUR POSITION FOR THE 22/23 SEPTEMBER ROUND OF TALKS BEFORE WE HAVE HAD A FURTHER CHINESE REACTION. HOWEVER, UNLESS IT IS CONSIDERED THAT A BREAKDOWN IN THE NEGOTIATIONS WOULD BE PREFERABLE TO PAYING THE SORT OF PRICE WHICH THE CHINESE WILL PROBABLY DEMAND, I SUGGEST WE MUST BEGIN NOW TO LOOK BEYOND THAT ROUND AND CONSIDER HOW TO AVOID A BREAKDOWN. AS I SAID IN MY TEL NO 679, WE SHOULD PONDER NOW WHETHER THERE IS ANYTHING SHORT OF OUR PRESENT DEMAND FOR THE CONTINUITY OF BRITISH ADMINISTRATION INTACT WHICH WOULD BE SUFFICIENT TO AVOID A COLLAPSE OF CONFIDENCE IN HONG KONG. SINCE IT IS QUITE PLAIN THAT WE SHALL NOT ACHIEVE OUR IDEAL SOLUTION, WE SHOULD CONSIDER WHAT IS THE BEST WE CAN REALISTICALLY HOPE FOR. I LOOK FORWARD TO DISCUSSING THESE POINTS ON MY RETURN TO LONDON

CRADOCK

FUTURE OF HONG KONG

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83

SECRET

DESBKY 031200Z

FROM PEKING 031050Z AUG 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 759 OF 3/6/83

REPEATED FOR INFO TO IMMEDIATE HONG KONG

MIPT: FUTURE OF HONG KONG: THIRD PLENARY ROUND:

SECOND MEETING

1. THIS SESSION WENT VERY MUCH AS EXPECTED, ALTHOUGH WE THOUGHT WE MIGHT HAVE HEARD MORE FROM LI JUSHENG. YAO AGAIN TOOK A VERY FIRM LINE ON THE SOVEREIGNTY/ADMINISTRATION PRINCIPLE AND WARNED US SOLEMNLY TO CHANGE OUR TUNE BY SEPTEMBER. THERE WAS HOWEVER NO WRANGLE OVER THE DATE OF RESUMPTION.

2. I SHALL BE SENDING COMMENT ON THE THREE ROUNDS AND THE PROSPECTS FOR SEPTEMBER SHORTLY.

(REPEATED AS REQUESTED)

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