

GRS 700
UNCLASSIFIED

FROM PEKING 050855Z OCT 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 987 OF 5/10/83

REPEATED FOR INFO TO IMMEDIATE HONG KONG

MY TELNO 973: FUTURE OF HONG KONG: XINHUA COMMENTARY

1. PEOPLES DAILY OF 5 OCTOBER CARRIES A LENGTHY NCNA COMMENTARY CRITICAL OF THE PRIME MINISTER'S 23 SEPTEMBER REMARKS ON HONG KONG. TEXT IS AS FOLLOWS.

BEGINS: BRITISH PRIME MINISTER MARGARET THATCHER'S RECENT STATEMENT ON THE HONG KONG ISSUE AGAIN REVEALED BRITAIN'S INTENTION TO CONTINUE ITS COLONIAL RULE OVER HONG KONG AND TO FIND NEW PRETEXTS TO PREVENT CHINA FROM RESUMING THE EXERCISE OF HER SOVEREIGNTY OVER HONG KONG.

MRS. THATCHER SAID IN HER STATEMENT TO AMERICAN REPORTERS IN LONDON ON SEPTEMBER 23 THAT "BUT FOR THE PECULIAR SITUATION OF HONG KONG AND THE LEASES (OF THE NEW TERRITORIES), BUT FOR THAT, HAD IT BEEN AN ORDINARY BRITISH COLONY, SHE WOULD HAVE BEEN INDEPENDENT YEARS AGO. " "SHE WOULD HAVE BEEN ANOTHER SINGAPORE".

SHE STATED THAT BRITAIN "CANNOT BE ACCUSED OF COLONIALISM IN ANY WAY " IN RELATION TO HONG KONG.

"BRITAIN DOESN'T TAKE A PENNY PIECE OUT OF HONGKONG" AND IS ONLY CONCERNED ABOUT THE "BENEFIT" OF THE PEOPLE OF HONG KONG, SHE ALLEGED.

IT IS KNOWN TO ALL THAT HONG KONG HAS SINCE ANCIENT TIMES BEEN PART OF CHINESE TERRITORY. IT WAS ONLY IN 1840 THAT BRITISH COLONIALISTS CROSSED VAST OCEANS AND SEIZED HONG KONG ISLAND AND LATER KOWLOON WITH GUNSHIPS. THE "NEW TERRITORIES" TOO WERE "LEASED" UNDER DURESS TO BRITAIN FOR 99 YEARS. FOR OVER A CENTURY, THE CHINESE PEOPLE, IN THE FACT OF NATIONAL HUMILIATIONS, HAVE NEVER ACCEPTED THE THREE UNEQUAL TREATIES IMPOSED ON CHINA. IN EVERY WAY, THESE TREATIES ARE ILLEGAL AND INVALID.

HONG KONG DOES NOT FALL INTO THE CATEGORY OF COMMONLY-DEFINED COLONIES. THE QUESTION IS ONLY FOR CHINA TO RESUME THE EXERCISE OF ITS SOVEREIGNTY THERE. THERE IS ABSOLUTELY NO QUESTION OF "INDEPENDENCE".

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AS EARLY AS IN MARCH , 1972, THE CHINESE REPRESENTATIVE TO THE UNITED NATIONS HAD EXPLICITLY STATED THIS POSITION OF CHINA ON HONGKONG IN HIS LETTER TO THE CHAIRMAN OF THE U.N. SPECIAL COMMITTEE ON DECOLONIZATION.

MRS THATCHER KNOWS ONLY TOO WELL THAT THE INDEPENDENCE OF HONGKONG IS IMPOSSIBLE AND THAT THE CHINESE GOVERNMENT AND PEOPLE WILL NEVER AGREE TO THIS. THEN WHY DID SHE BOTHER TO MAKE SUCH REMARKS? DID SHE WANT TO ABET OUR HONGKONG COMPATRIOTS IN SEPARATING FROM THEIR MOTHERLAND? DID SHE ATTEMPT TO EXERT PRESSURE ON THE CHINESE GOVERNMENT SO AS TO BLOCK ITS RECOVERY OF SOVEREIGNTY OVER HONGKONG? OR DID SHE HAVE BOTH IN MIND? ONE CANNOT BUT BE SERIOUSLY CONCERNED ABOUT THIS:

THE CHINESE PEOPLE FIRMLY OPPOSE AND STRONGLY CONDEMN ANY STATEMENTS OR ACTIONS MEANT TO DISMEMBER A COUNTRY OR A NATION. IT WOULD BE WISE NOT TO FORGET THE WAVES OF PROTESTS ON THE TERRITORY OF CHINA INCLUDING HONGKONG CAUSED BY A SPEECH IN SEPTEMBER LAST YEAR PREACHING THE THREE UNEQUAL TREATIES ON HONGKONG AS ''STILL VALID''.

FURTHER, IT SOUNDS RIDICULOUS TO CLAIM THAT '' BRITAIN DOES'NT TAKE A PENNYPIECE OUT OF HONGKONG''. THE HONGKONG AND SHANGHAI BANKING CORPORATION ADMITTED IN A REPORT LAST JUNE THAT MAJOR AND PROFITABLE BRITISH INVESTMENTS IS VISIBLE IN ALMOST EVERY SECTOR OF THE HONGKONG ECONOMY. BRITAIN REVENUE IN HONGKONG HAS EXCEEDED ITS PRESENT VISIBLE TRADE DEFICIT. EVEN BRITISH UNDER-SECRETARY FOR FOREIGN AND COMMONWEALTH OFFICE RICHARD LUCE HAD TO ACKNOWLEDGE THAT HONGKONG IS VITAL TO BRITAIN SINCE IT IS ITS LARGEST EXPORT MARKET IN THE FAR EAST. SINCE SOME BRITISH OFFICIALS STATED TIME AND AGAIN THAT BRITAIN HAS A ''MORAL RESPONSIBILITY'' FOR HONG KONG, THEN, THEY SHOULD CHANGE THEIR USUAL PRACTICE AND CEASE TO PUT OBSTACLES IN THE WAY FOR HONGKONG TO RETURN TO THE EMBRACE OF ITS MOTHERLAND. THIS SHOULD BE BRITAIN'S ''MORAL RESPONSIBILITY'' FOR HONGKONG. NOW IN THE 1980S, IT IS EVIDENTLY IMPOSSIBLE FOR ANYONE TO HAVE HIS WAY BY REVIVING THE POLICY OF THE 19TH CENTURY. WE HOPE THAT BRITAIN WOULD GO WITH THE TIDE, ABANDON THE LINGERING DREAM OF A COLONIALIST EMPIRE AND COOPERATE FRIENDLY WITH CHINA IN A SINCERE AND CONSTRUCTIVE ATTITUDE FOR A FAIR SETTLEMENT OF THE HONGKONG ISSUE SO AS TO ENSURE THE STABILITY AND PROSPERITY OF HONGKONG.

ENDS

2. SEE MIFT FOR COMMENT.
CLARK

FUTURE OF HONG KONG

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HD/FED
HD/PLANNING STAFF
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GR 250

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FM PEKING 050915Z OCT 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 988 OF 5 OCTOBER

INFO IMMEDIATE HONG KONG

OR 2/10.
f.a.

MIPT: FUTURE OF HONG KONG: XINHUA COMMENTARY COMMENT

1. THOUGH THERE ARE NO NEW POINTS IN THIS COMMENTARY, THE USE OF A NEW CHINA NEWS AGENCY COMMENTARY IS IN ITSELF A SLIGHT ESCALATION OF THE PROPAGANDA. THE REFERENCE BACK TO THE PRIME MINISTER'S REMARKS IN SEPTEMBER 1982, AND TO WHAT IS DESCRIBED AS QUOTE WAVES OF PROTESTS ON THE TERRITORY OF CHINA UNQUOTE AT THE TIME SHOWS THAT THE REFERENCES TO INDEPENDENCE FOR HONG KONG, ALBEIT AN ENTIRELY HYPOTHETICAL INDEPENDENCE, HAVE CAUGHT THE CHINESE ON THE RAW. THERE IS A CERTAIN INCREASE IN THE EMOTIONAL LANGUAGE, IN PARTICULAR THE SUGGESTION OF "SERIOUS CONCERN" ABOUT THE PRIME MINISTER'S REMARKS ON INDEPENDENCE, AND THE ALLEGED "RIDICULOUS" NATURE OF THE SUGGESTION THAT BRITAIN GAINS NOTHING FROM HONG KONG. NEVERTHELESS THE COMMENTARY RETURNS TO THE SUGGESTION OF FRIENDLY COOPERATION OVER HONG KONG IN ITS FINAL NOTE, AND IS THEREFORE NOT UNREMITTINGLY POLEMIC IN TONE.

2. WHILE THIS IS NO DOUBT PART OF THE GENERAL PROPAGANDA PRESSURE ON THE UK TO MAKE CONCESSIONS IN THE TALKS, WE SUSPECT THAT THE COMMENTARY MAY ALSO BE DEALING WITH POTENTIAL INTERNAL CRITICISM OF A NATIONALIST NATURE OF THE CHINESE GOVERNMENT'S CONTINUED PURSUIT OF TALKS WITH THE UK OVER HONG KONG.

CLARK

FUTURE OF HONG KONG

LIMITED

HD/HKD

HD/FED

HD/PLANNING STAFF

HD/PUSD

PS

PS/LADY YOUNG

PS/MR LUCE

PS/PUS

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