

GR 500

SECRET

SECRET
DESKBY 251300Z
FM HONG KONG 250945Z NOV 83
TO IMMEDIATE FCO
TELEGRAM NUMBER 1628 OF 25 NOVEMBER
INFO IMMEDIATE PEKING

*Pa
DWB
25/11*

FUTURE OF HONG KONG

1. SIR S.Y. CHUNG RE-AFFIRMED TO ME LAST NIGHT HIS BELIEF, SHARED BY HIS UNOFFICIAL COLLEAGUES, THAT WE HAVE REACHED A CROSS-ROADS IN THE TALKS WITH THE CHINESE ON THE FUTURE OF HONG KONG. WHATEVER THE OUTCOME OF THE MEETING ON DECEMBER 7/8, THEY BELIEVE THAT THEY NOW NEED A CLEARER UNDERSTANDING OF HMG'S POSITION AND WHERE WE THINK THE TALKS ARE LEADING.

2. HE REFERRED AGAIN TO THE POSITION TAKEN BY UMELCO IN SEPTEMBER 1982 THAT CONTINUING BRITISH ADMINISTRATION SHOULD BE THE OBJECTIVE. IF HMG THOUGHT THAT THIS WAS NO LONGER ACHIEVABLE THEN THIS SHOULD BE CONVEYED IN SOME FORM TO UMELCO: OTHERWISE THE UNOFFICIALS IN EXCO WOULD BE IN AN ENTIRELY FALSE POSITION IN RELATION TO THEIR LEGCO COLLEAGUES. (THERE IS FORCE IN THIS: WHEN MR EVANS MET UMELCO LAST WEEK THEY WERE STILL STRONGLY ON THE TACK OF CONTINUING BRITISH ADMINISTRATION, BUT IT IS CLEAR FROM OUR INFORMAL CONTACTS WITH THEM ON THE FUTURE THAT THEY ARE BECOMING INCREASINGLY CONCERNED ABOUT THE GAP BETWEEN THIS OBJECTIVE AND WHAT MAY BE ACHIEVABLE IN THE LIGHT OF THE PUBLIC AND OTHER EVIDENCE OF THE CHINESE POSITION).

3. SIR S.Y. ALSO REFLECTED THE CONCERN OF HIS COLLEAGUES ABOUT WHAT ASSURANCES (OR 'INSULATORS') HMG WILL NOW BE SEEKING. IN THEIR MINDS IT WILL NOT BE SUFFICIENT TO RELY ON CHINESE ASSURANCES ALONE (AND IN THIS THEY CERTAINLY REFLECT THE VIEWS OF THE BULK OF THE POPULATION). HE RAISED THE QUESTION OF WHAT STANDING THE UK COULD CLAIM TO MONITOR CHINESE RESPECT FOR THE AUTONOMY OF HONG KONG AFTER 1997. (THIS RAISES THE ISSUE OF WHAT SHOULD BE INCLUDED IN THE BILATERAL AGREEMENT AND, IF AFTER SIGNATURE THE CHINESE DID NOT ABIDE BY IT, THE EXTENT TO WHICH THE UK COULD AND WOULD ASSERT A RIGHT TO INTERVENE WITH THE CHINESE GOVERNMENT ON THE ISSUE).

SECRET

14.

SECRET

4. SIR S.Y. SAID THAT, GIVEN THEIR CONCERNS, HIS UNOFFICIAL COLLEAGUES HAD ASKED HIM TO SUGGEST THAT I SHOULD DRAW YOUR ATTENTION TO THE FACT THAT A NUMBER OF THEM WILL BE IN NEW YORK (ON A TRADE DEVELOPMENT OCCASION) ON JANUARY 9/10 AND 11. THE END OF THAT WEEK AND THE BEGINNING OF THE NEXT (EG FRIDAY 13TH AND MONDAY 16TH) WOULD BE A CONVENIENT POINT AT WHICH, IF MINISTERS AGREED, THEY COULD TRAVEL ON TO LONDON FOR A REVIEW OF THE POSITION REACHED AND OF WHERE THE NEXT PHASE OF THE TALKS SHOULD LEAD, WITH OTHER EXCO UNOFFICIALS FROM HONG KONG JOINING THEM THERE.

5. PLEASE SEE MIFT.

YOUDE

FUTURE OF HONG KONG

LIMITED

HD/HKD

HD/FED

HD/PLANNING STAFF

HD/PUSD

D/HD/PUSD(MR FLOWER)

RESEARCH DEPT(MR WALKER)

LEGAL ADVISER(SIR IAN SINCLAIR)

PS

PS/LADY YOUNG

PS/MR LUCE

PS/PUS

SIR J BULLARD

MR GIFFARD

MR DONALD

MR WRIGHT

COPIES TO: (VIA DISTR. ROOM)

SIR PHILIP MOORE BUCKINGHAM PALACE

PS/LORD PRESIDENT OF THE COUNCIL

PS/HOME SECRETARY

PS/CHANCELLOR OF THE EXCHEQUER

PS/LORD PRIVY SEAL

PS/SECRETARY FOR TRADE AND
INDUSTRY

COPIES TO: (VIA ADR)

MR ROBERTS NEWS DEPT

MR BURROWS LEGAL ADVISERS

MR COLES NO 10 DOWNING ST

SIR A PARSONS " "

MR MARTIN ASSESSMENT STAFF
CABINET OFFICE

MR GOODALL CABINET OFFICE

MR BRENNAN " "

PS/S OF S FOR DEFENCE

PS/ATTORNEY GENERAL

-2-
SECRET

~~PS~~ No 10

M 4/10

V

LUK 523/23
G 307/23
OO PEKING
OO DELHI

RECEIVED
BRITISH HIGH COMMISSION
NEW DELHI
CHANCEERY DEPT
24 NOV 1983
DUPLICATES

IMMEDIATE

SECRET

GRS 86
SECRET
DESKBY 240100Z
FM FCO 231200Z NOV 83
TO IMMEDIATE HONG KONG
TELEGRAM NUMBER 1238 OF 23 NOVEMBER
REPEATED INFO IMMEDIATE PEKING AND IMMEDIATE, DELHI (FOR PRIVATE SECRETARY)
YOUR TELNOS 1809 AND 1811: FUTURE OF HONG KONG: CONSULTATION WITH EXCO
1. THE AMENDMENTS SUGGESTED BY EXCO MEMBERS TO THE FORMULA FOR THE CHINESE SEEM REASONABLE TO US. SUBJECT TO ANY COMMENTS BY THE SECRETARY OF STATE AND PEKING WE AGREE THAT YOU SHOULD INCLUDE THEM IN THE FINAL TEXT TO BE SHOWN TO EXCO ON 26 NOVEMBER.

HOWE
NNNN