## MEETING WITH HU YAOBANG

 ask about <u>internal developments</u> in China and economic regions. Admire modernisation efforts.

- time ripe for rapid expansion of <u>cooperation</u>. Visits of <u>Queen</u> to China and <u>Zhao</u> to UK. <u>Hepe you will</u> come too at mutually convenient time.

- followed with interest development of <u>open-door</u> policy. Welcome improvement in <u>investment</u> climate.

- still difficulties for <u>foreign enterprises</u> (bureaucratic obstacles, high rents).

want to see trade between Britain and China expand.
/ - predictions

- predictions for progress on <u>Korean</u> peninsula and development of <u>Sino-Japanese</u> relations (two areas where you have been very active).