



Foreign and Commonwealth Office

London SW1A 2AH

PO/84/7

6 January 1984

Prime Minister.

A.S.C. 6/11.

Dear John,

Future of Hong Kong: Change of Chinese Negotiator

Peking telegrams 17 and 18 report that Vice Foreign Minister Yao Guang told our Charge in Peking, Mr Galsworthy, that he is being replaced as leader of the Chinese negotiating team before the next round of talks by Assistant Foreign Minister Zhou Nan.

Yao Guang expressed concerned that we might think the Chinese side were downgrading the level of their negotiating team and thus attached less importance to the talks than hitherto. He stressed that this was not the case. While Zhou Nan was not a Vice Minister in name he exercised the responsibilities of one in practice. He, Yao Guang, was to be moved to another important post in charge of Party rectification.

Mr Galsworthy told Yao that a Chinese announcement of this change needed to be handled carefully so as not to cause people, particularly in Hong Kong, to think that the talks had been downgraded. We understood the position but others might not, unless it was carefully explained to them.

We share Mr Galsworthy's assessment that the Chinese are sincere in saying that the talks are in no way being downgraded; it is encouraging that Yao agreed that there should be further liaison on the announcement before one was made by the Chinese.

As Mr Galsworthy comments, Zhou Nan, with whom Sir Percy Cradock has already had a good deal of contact over Hong Kong, though less so recently, is very bright and has excellent English. He is a more sophisticated operator than Yao and negotiating with him may prove less heavy-going. On the other hand, Zhou Nan's appointment could cause us some

/difficulties



difficulties. He can be devious and may well make use of sharper negotiating tactics, although like Yao Guang, he is bound to be on a tight rein during the formal talks.

I am copying this letter to the Private Secretaries of the other members of OD(K) and of Sir Robert Armstrong.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

11 12 1
10 9 8
7 6 5 4

6 JAN 1984