

TOP COPY

SECRET

GPS 330
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DESKBY FCO 100900Z
DESKBY HONG KONG AND PEKING 100200Z
FM UKMIS NEW YORK 091650Z JAN 84
TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE
TELEGRAM NUMBER 31 OF 9 JANUARY
INFO IMMEDIATE HONG KONG, PEKING.

HKK0404	
RECEIVED IN REGISTRY	
10 JAN 1984	
DESK OFFICER	INITIALS

FOLLOWING FROM GOVERNOR HONG KONG
FUTURE OF HONG KONG.

IN DISCUSSIONS HERE, THE GROUP OF UNOFFICIALS ACCOMPANYING ME IN NEW YORK HAVE STRESSED THREE POINTS:-

- A) THEIR WISH TO ESTABLISH CLEARLY AND EXPLICITLY WHILE THEY ARE IN LONDON, WHAT PACKAGE OF ASSURANCES HMG WILL BE SEEKING TO REPLACE THE ASSURANCE WHICH QUOTE CONTINUED BRITISH ADMINISTRATION UNQUOTE WOULD HAVE PROVIDED. THEY ARE PARTICULARLY CONCERNED ABOUT QUOTE GUARANTEES OF CHINESE PERFORMANCE UNQUOTE, OF AN AGREEMENT: ABOUT THE FORM AND ENFORCEABILITY OF AN AGREEMENT: AND ABOUT THE STATUS OF HMG IN RELATION TO THAT AGREEMENT DURING THE FIFTY YEARS QUOTE NO CHANGE UNQUOTE PERIOD.
- B) THAT THEY SHOULD BE GIVEN A FULL OPPORTUNITY TO THINK ABOUT ANY PROPOSITIONS AND PARTICULARLY ANY TEXT OF CONCLUSIONS, BEFORE THEY ARE ASKED TO GIVE A FINAL VIEW ON THEM. (I HAVE EXPLAINED THAT THE PATTERN OF DISCUSSIONS WITH MINISTERS SHOULD PROVIDE FOR THIS; BUT THEY ARE OBVIOUSLY WORRIED THAT THEY MAY BE PRESENTED WITH SOME DOCUMENT AT THE MEETING WITH THE PRIME MINISTER ON THE PATTERN OF THE LAST MEETING).
- C) THEY ARE ATTACHING SOME IMPORTANCE TO THE IDEA OF THE CONSULTATIVE COMMISSION. IT WAS APPARENTLY SUGGESTED BY WANG GUANG-YIN AND XU JIA-TUN TOLD ALAN LEE THAT QUOTE IT COULD BE CONSIDERED UNQUOTE. (IS THERE ANY CONFUSION HERE WITH THE IDEA IN PARA 2 OF HONG KONG TELNO 61 WHICH SUGGESTS A CONSULTATIVE COUNCIL AS THE GOVERNMENT OF HONG KONG?).

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2. ON (B), SIR S Y CHUNG IS MUCH TAKEN WITH THE IDEA OF A SECOND MEETING WITH THE SECRETARY OF STATE AFTER THE MEETING WITH THE PRIME MINISTER. I HAVE TOLD HIM THAT I SEE NO LIKELIHOOD THAT THIS WILL BE POSSIBLE.

THOMSON

FUTURE OF HONG KONG
LIMITED
HD/HKD
HD/FED
HD/PLANNING STAFF
HD/PUSD
D/HD/PUSD (MR FLOWER)
RES.D. (MR WALKER)
LEGAL ADVISER (SIR IAN SINCLAIR)
PS
PS/LADY YOUNG
PS/MR LUCE
PS/PUS
SIR J BULLARD

MR DONALD
MR WRIGHT
SIR C TICKELL

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COPIES TO: (VIA ADR)
MR ROBERTS N EWS D
MR BURROWS LEGAL ADVS
MR COLES NO 10 DOWNING ST
SIR A PARSONS NO 10 DOWNING ST.
MR MARTIN ASSESSMENT STAFF CABINET OFFICE
MR GOODALL CABINET OFFICE
MR BRENNAN CABINET OFFICE
PS/S OF S FOR DEFENCE D
PS/ATTORNEY GENERAL
SIR A CRADOCK
ROOM WITH MZ 21

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13 JAN 1984

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PS

PS/PUS

PS/MR LUCE

MR DONALD

ED/HKD

ED/FED

RESIDENT CLERK

COPY TO:

MR COLES, No. 10 DOWNING ST

Mr Roberts, News D.

Sir P Craddock WH Mz 21

IMMEDIATE

GRS 320

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DESKBY FCO 100900Z

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FM UKMIS NEW YORK 091700Z JAN 84

TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE

TELEGRAM NUMBER 32 OF 9 JANUARY

INFO IMMEDIATE HONG KONG, PEKING.

FOLLOWING FROM GOVERNOR HONG KONG

FUTURE OF HONG KONG

SIR S Y CHUNG HAS TOLD ME THAT THE UNOFFICIALS, PARTICULARLY LEGCO UNOFFICIALS, HAVE REVERTED TO THE IDEA THAT THERE SHOULD BE A HONG KONG CHINESE ON OUR DELEGATION TO THE TALKS. HE WOULD SIT, AS I DO, AS A MEMBER OF THE UK DELEGATION, AND NOT AS REPRESENTATIVE OF HONG KONG (TO PRE-EMPT CHINESE OBJECTIONS THAT THE TALKS ARE BILATERAL); BUT HIS PRESENCE WOULD INDICATE TO THE PEOPLE OF HONG KONG THAT THEIR INTERESTS WERE BEING FULLY TAKEN INTO ACCOUNT.

2. THEY CONSIDER THAT THE ARGUMENTS IN FAVOUR ARE NOW MUCH STRONGER IN THE SENSE THAT IF OUR OBJECTIVE IS GOING TO CHANGE TO A MAIN ROLE FOR THE HONG KONG CHINESE AFTER 1997, THEY SHOULD BE SEEN TO BE DIRECTLY INVOLVED IN THE CONSTRUCTION OF THE ARRANGEMENTS. (THE IDEA IS, OF COURSE, THAT SIR S Y HIMSELF WOULD BE THE MAN)

3. IN DISCUSSING THIS WITH THE UNOFFICIAL GROUP HERE WITH ME, I HAVE POINTED OUT THAT, ALTHOUGH ON THE FACE OF IT THERE IS MUCH IN WHAT THEY SAY, THE CHINESE ARE ALMOST CERTAIN TO OPPOSE THE IDEA, AND COULD WELL SEEK TO DRAW UNOFFICIALS INTO THEIR SEPARATE "CONSULTATIONS WITH THE HONG KONG PEOPLE". THE UNOFFICIALS' ANSWER IS THAT:

- A) IT IS BETTER FOR THE CHINESE RATHER THAN HMG TO BE SEEN TO TURN THE IDEA DOWN; AND
- B) THEY WOULD DECLINE TO BE SEPARATED FROM HMG'S POSITION ON THE GROUNDS THAT THERE COULD BE ONLY ONE CHANNEL OF NEGOTIATION.

4. THEY WILL WISH TO RAISE THE ISSUE IN LONDON.

THOMSON