

PERSONAL AND CONFIDENTIAL

MR A J COLES

HONG KONG

Thank you for sending me a copy of your important minute to Mr Donald of 17 January.

It is good to know that, with all your pressing problems, you have time to keep an eye on the important issues.

As you know, I have always had the highest regard for the Foreign Office but I think it is a pity that they had not picked up the full significance of Mr Li Chuwen's views.

I am hoping myself to make a visit to Hong Kong in April. I see from the newspapers that, despite months of negotiation, nothing has been agreed and my strong impression is that our negotiators are being outwitted day by day. If it would help, I would be quite ready to drop in on Peking for an hour or two where I am sure I could bring matters to a satisfactory conclusion.

I am sending copies of this minute to Mr Donald and to Mrs Cambine Ryder.

R W Gray

19 January 1984