

SECRET

29

FUTURE OF HONG KONG - ADVANCE COPIES

31

PS
PS/PUS
PS/MR LOCE
MR WILSON
HD/HED
HD/PED
PS | LADY YOUNG
SIR W HARDING
~~RESIDENT CLERK~~



COPIES TO:
MR COLES, NO. 10 DOWNING ST
MR ROBERTS, NEWS DEPT
SIR PERCY CRADOCK

IMMEDIATE

SECRET

DESBKY 121200Z

FROM PEKING 121100Z JUN 84

TO IMMEDIATE FCO

TELEGRAMNUMBER 1091 OF 12/6/84

INFO IMMEDIATE HNG KONG

MIPT: FUTURE OF HONG KONG: FIRST DAY: COMMENT

- i.e. Joint Group

1. THE TERMS OF ZHOU'S STATEMENT ON ITEM TWO WERE AS EXPECTED. HIS TONE WAS MODERATE THROUGHOUT BUT HE ARGUED THAT WE HAD FAILED TO MATCH CHINESE PROPOSALS. ALTHOUGH THE DIFFERENCE BETWEEN THE TWO SIDES ON THE NATURE AND TASKS OF THE GROUP WAS NOT GREAT, OUR ASSERTION THAT IT NEEDED NEITHER A PERMANENT BASE NOR STANDING MACHINERY DIVESTED THE CHINESE PROPOSALS OF THEIR CORE. THIS WOULD CONTRIBUTE NOTHING TO PROGRESS IN THE TALKS, TO FUTURE COOPERATION BETWEEN

PROPOSALS OF THEIR CORE. THIS WOULD CONTRIBUTE NOTHING TO
PROGRESS IN THE TALKS, TO FUTURE COOPERATION BETWEEN
BRITAIN AND CHINA AND TO THE STABILITY AND PROSPERITY
OF HONG KONG.

2. ZHOU AGAIN INSISTED REPEATEDLY ON THE IMPORTANCE FOR
THE CHINESE OF THE BASING OF THE GROUP IN HONG KONG. ZHOU'S
ARGUMENTS FOR THIS WERE FAMILIAR. HIS INSISTENCE ON THE NEED
FOR STANDING MACHINERY WAS STRONGER AND MORE EXPLICIT THAN
BEFORE. BUT HIS CONCERN HERE TOOK SECOND PLACE TO WHAT HE SAID
ABOUT LOCATION. ON THE WORK OF THE GROUP HE DREW ATTENTION TO
A NUMBER OF IDEAS THAT WERE COMMON TO BOTH SIDES. BUT THERE
WAS NO DISGUISED THAT WHAT THE CHINESE HAVE IN
MIND IS INCREASING INVOLVEMENT IN HONG KONG'S AFFAIRS BEFORE 1997.

3. REFERRING TO THE CHINESE REFUSAL TO ACCEPT OUR PROPOSAL
FOR 1997 AS THE TIME BASE FOR QUOTE EXISTING SYSTEMS UNQUOTE
ZHOU ADDUCED THE NEED TO AVOID A SITUATION WHERE CHANGES WE
HAD MADE UNILATERALLY RESULTED IN ARRANGEMENTS WHICH WERE IN
CONFLICT WITH THE BASIC LAW, AND WHICH WOULD THEREFORE HAVE TO
BE CHANGED AGAIN. THIS IS A NEW GLOSS ON ARGUMENTS WHICH HAVE BEEN
PUT FORWARD BEFORE.

4. ON LAND ZHOU SAID HE DETECTED NOTHING NEW IN MY STATEMENT.
HE AVOIDED ANY SUGGESTION THAT THE CHINESE
MIGHT CONCEDE ANY OF OUR POINTS.

5. I SHALL BE TELEGRAPHING SEPARATELY ABOUT THE INFORMAL
MEETING I HAD WITH ZHOU ON THE WORKING GROUP.

EVANS