

CONFIDENTIAL
UK COMMS ONLY
FM PEKING
TO IMMEDIATE FCO
TELNO 1104
OF 010225Z JUNE 89
INFO IMMEDIATE HONG KONG, JSIS HONG KONG
INFO IMMEDIATE WASHINGTON, MOSCOW, CANBERRA, TOKYO, ACTOR
INFO IMMEDIATE UKDEL NATO, MODUK, EC POSTS, HANOI, SINGAPORE
INFO ROUTINE SEOUL

SIC U2B

MODUK FOR SEC (O)(C)

HONG KONG FOR GOVERNOR/POLAD

MIPT : CHINA INTERNAL : DENG XIAOPING'S ADDRESS ON 9 JUNE.

1. WE HAVE NOW BEEN ABLE TO STUDY THE TEXT OF DENG XIAOPING'S ADDRESS OF 9 JUNE TO SENIOR PARTY AND MILITARY LEADERS RESPONSIBLE FOR MARTIAL LAW IN THE PEOPLE'S DAILY. AS REPORTED IN MY TELNO 1096, MUCH OF IT WAS A STANDARD ATTACK ON THE VERY SMALL NUMBER OF PEOPLE WHO HAD ATTACKED THE CCP AND TRIED TO SET UP A 'BOURGEOIS STATE' AND CONGRATULATIONS TO THE MILITARY FOR CARRYING OUT THEIR DUTY. HOWEVER, THE LAST SECTION WAS A STATEMENT OF POLICY FOR THE FUTURE. AS THIS IS THE FIRST SUCH STATEMENT SINCE THE IMPOSITION OF MARTIAL LAW, IT WILL REPLY FURTHER ANALYSIS.

2. DENG STATED THAT THE PATH, TARGET AND POLICIES LAID DOWN AT THE 3RD PLENUM OF THE 11TH CENTRAL COMMITTEE OF THE CCP WERE CORRECT: ONE CENTRE, TWO BASIC POINTS, UPHOLDING THE FOUR BASIC PRINCIPLES, CARRYING OUT REFORM AND OPENING UP, ALL WERE CORRECT. THEY MUST SUM UP THE PRESENT AND LOOK AT THE FUTURE.

3. THE MOST STRIKING ASPECT OF DENG'S STATEMENT IS THE REFERENCE TO THE THIRD PLENUM OF THE 11TH CENTRAL COMMITTEE AT THE CCP, AND THE ABSENCE OF MENTION AT THE 13TH PARTY CONGRESS. THIS COULD MARK A RETURN TO THE LINE LAID DOWN AT THE 3RD PLENUM OF THE 11TH CENTRAL COMMITTEE IN DECEMBER 1978 AND THE REPUDIATION OF THE POLICIES, PARTICULARLY POLITICAL AND ECONOMIC REFORM PUT FORWARD BY ZHAO ZIYANG AT THE 13TH PARTY CONGRESS IN OCTOBER 1987.

4. THIS MAY REPRESENT A RETURN TO THE HARD-WON CONSENSUS REACHED AMONG THE LEADERSHIP IN 1978 WHICH HAS SINCE BROKEN DOWN. IN PARTICULAR THIS IS HIGHLY LIKELY TO MEAN A MORE MINIMALIST DEFINITION OF REFORM AND A REJECTION OF ZHAO'S THEORY OF A PRELIMINARY STAGE OF SOCIALISM AS PUT FORWARD AT THE 13TH PARTY CONGRESS. THE SLOGAN OF 'REFORM AND OPENING UP' WILL REMAIN, BUT ITS CONTENT, IF IT RETAINS ANY, WILL BE DECIDED BY THE NEW LEADERSHIP. THE RHETORIC AND THE THIRD PLENUM OF THE 11TH CENTRAL COMMITTEE WAS THAT OF UNITY, DISCIPLINE AND STABILITY FOLLOWING A PERIOD OF UPHEAVAL: DENG'S REFERENCE BACK TO THIS MEETING MAY WELL REFLECT THAT THE LEADERSHIP NOW SEE THE CURRENT SITUATION IN THE SAME TERMS.

DONALD

YYYY

DISTRIBUTION

193

MAIN

182

.CHINA POLITICAL
LIMITED
FED
NEWS DEPT
INFO DEPT
PUSD
RESEARCH DEPT
ECD(E)
HKD
SEAD
SAD
SOVIET DEPT
CONSULAR
MWU
PSD
COMED
EED
UND
LEGAL ADVISERS
ERD

RID
SPD
POD
PRU
RMD
DEFENCE D
COD
PS
PS/MRS CHALKER
PS/LORD GLENARTHUR
PS/MR WALDEGRAVE
PS/MR EGGAR
PS/MR PATTEN
PS/PUS
PS/SIR J FRETWELL
CHIEF CLERK
MR MOSS
MR GILLMORE
MR MCLAREN
MR RATFORD

PAGE 2

CONFIDENTIAL UK COMMS ONLY