



10 DOWNING STREET

Sir P. Craddock

This is my  
edited version  
of an FCO draft.  
Is it all right?

CDP

Mr Poyne

File of name wrong on p. 3.  
K. 375

SPEECH AT DINNER IN HONOUR OF THE

CHINESE PREMIER

ON MONDAY 3 JUNE



Premier Zhao Ziyang, members of the Chinese delegation,  
your excellencies, my lords, gentlemen.

We are delighted, Mr Premier, that you accepted our  
invitation to pay an official visit to the  
United Kingdom.

We extend to you and all your delegation a  
very warm welcome.

You have been my host twice in Peking, in 1982 and  
again last December.

They were two of the most memorable visits  
abroad which I have made: memorable  
historically because we laid foundations for,  
and then set the seal on, the Joint



Declaration on Hong Kong: memorable personally because I have never received such magnificent hospitality.

I am delighted now to be able to take my turn as host.

I well remember the day in Peking last December when

you and I signed the Joint Declaration on Hong Kong.

It was in the presence of Mr Deng <sup>Xiao</sup>~~Tsai~~ping, x  
of your President Mr Li Xiannian and Mr Hu Yaobang.

Many Hong Kong representatives were also present and I am delighted that some of the most distinguished among them are also here



tonight.

Seven days ago in Peking, Vice-Minister Zhou Nan

exchanged with Sir Richard Evans the

instruments of ratification of that Joint

Declaration and it entered into force.

We believe that it provides a firm basis for

Hong Kong's continued prosperity and

stability.

We for our part will faithfully and fully

implement its provisions.

And we are confident that the Chinese

Government will do likewise.

It is an agreement which is good for China,

good for Hong Kong and good for Britain, as



well as an example for the rest of the world.

Mr Premier, Britain's contacts with China have been expanding at a truly remarkable rate, more comprehensively indeed than with any other country.

Total trade more than doubled between 1982 and 1984.

So did the number of Chinese visitors to Britain.

In the last month, we have welcomed to Britain your Ministers for Environment and Culture.

In the next month we look forward to seeing the Commander of your Air Force and your



Minister of Agriculture.

We are also building a sound framework of bilateral

agreements for further cooperation.

This afternoon we signed agreements on

nuclear cooperation and on economic

cooperation.

Exchanges in the fields of science, education

and culture are more extensive than ever, and

millions of your compatriots are learning

English from the BBC.

Many British teachers and young people giving

voluntary service are now engaged in

full-time language teaching in China.



These examples - and there are many more - illustrate a relationship which already has more substance than ever before, which is enjoying vigorous growth, and which is deeply rooted in the belief that such growth benefits us both.

Why is contact between us blossoming so rapidly?

Your presence here tonight, Mr Premier, supplies much of the answer.

You and your colleagues have, in recent years, been engaged in implementing two basic policies: the policy of invigorating the national economy and the policy of opening to the outside world.



Your economic policies have attracted much interest and admiration in Britain.

I recall that I said in the Great Hall of the People in December that, despite the differences between our economies, we are applying the same basic principles to the challenges we face.

You said in April in Wuhan: 'opening generates competition and competition promotes progress and growth'.

We both realise the need to put our resources into what we are good at; to raise efficiency; not to spend money we don't have; and to encourage innovation.



I was very struck by a quotation from an early Chinese historian which was carried in People's Daily last year: "The way to govern a country is first to enrich the people".

That principle is guiding you, and it is guiding us.

You have achieved some enviable successes.

I have been particularly impressed by your progress in agriculture.

With good reason you, Mr Premier, gained a rhyiming reputation for removing the need for grain rationing:



"Yao chur liang,

djao Ziyang"

[Roughly: "If it's grain you seek, look for

Zhao Ziyang".]

We in Britain wish you success in your modernisation  
programme.

We are also very well placed to contribute to  
it.

As we hope to show you during the coming  
week, the British approach to problems, with  
its stress on imagination and ingenuity,  
matches your circumstances.

And British experience, in energy,



communications, transport; in industrial renovation, information technology and management consultancy, matches your priorities.

Technology transfer between Europe and China has ancient roots.

Much of the foundation for the West's industrial revolution was laid in China.

The compass, gunpowder, paper and printing - your famous "four inventions" - as well as the seismograph, the suspension bridge and, of course, porcelain - all came to Europe from China.

A notable recent contribution, which



impressed me when I visited Shanghai, is the artificial synthesis of insulin.

We look forward to many more benefits to the world as your four modernisations bear fruit.

And we are ready to reach agreements for the transfer of some of our most modern

technology to you.

Mr Premier, we hope that you will find your programme

here varied and stimulating.

You will see something of our history when

you dine with the Secretary of State for

Scotland in Edinburgh Castle, which was a

royal court when the Sung imperial court was

at Kaifeng. [The city where Premier Zhao was



educated.]

You will hear of our recent achievements in technology, when, tomorrow morning, you meet leading industrialists and financiers, including representatives of the service sector whose rapid expansion will be so vital to both our economies.

And you will see what the 21st century has in store for us when you visit Cambridge Science Park on Friday.

Mr Premier, you have a saying in Chinese that new

clothes and old friends are best.

The new clothes are our common commitment to reform and progress.



We personally, and our two countries, can now  
be considered old friends.

I raise my glass to the continued blossoming  
of the friendship between Britain and China.