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UNCLASSIFIED

FM HONG KONG 090244Z DEC 82
TO PRIORITY F C O
TELEGRAM NUMBER 1439 OF 9 DECEMBER
INFO PRIORITY PEKING

Prime Minister

Our side of the case is now
beginning to be put.

MR 2/12

FUTURE OF HONG KONG : PRESS COMMENT

THE ADOPTION OF THE NEW CHINESE CONSTITUTION AT THE NPC WAS WIDELY REPORTED IN THE HONG KONG PRESS. IT IS NOW TAKEN FOR GRANTED BY ALL COMMENTATORS THAT ARTICLE 31 IS INTENDED TO PROVIDE A FRAMEWORK FOR RESUMPTION BY CHINA OF SOVEREIGNTY OVER HONG KONG. EDITORIAL DISCUSSION HAS CONTINUED TO DEBATE THE CREDIBILITY OF CHINESE ASSURANCES ABOUT MAINTAINING THE ESSENTIAL FEATURES OF HONG KONG'S WAY OF LIFE. THE COMMUNIST PRESS HAS CONTINUED TO PAINT A BRIGHT PICTURE OF HONG KONG'S FUTURE AS A SPECIAL ADMINISTRATIVE REGION (SAR), AND TO APPEAL TO HONG KONG RESIDENTS' PATRIOTISM BY URGING THEM TO COOPERATE IN ACHIEVING THIS OBJECTIVE.

MS

2. THE INDEPENDENT PRESS, BOTH ENGLISH AND CHINESE LANGUAGE, HAVE POINTED OUT THAT ARTICLE 31 IS COINED IN VERY GENERAL TERMS. THE CENTER DAILY, IN AN EDITORIAL ON 4 DECEMBER, SAID THAT THE BIGGEST PROBLEM FOR THE CHINESE GOVERNMENT WAS SETTING HONG KONG PEOPLE'S HEARTS AT EASE IN ORDER TO AVOID A FLIGHT OF FUNDS AND PEOPLE. IF CHINA RECOVERED HONG KONG AGAINST THE WISHES OF HONG KONG PEOPLE, THERE WOULD BE SERIOUS PROBLEMS. THE CHINESE SHOULD ALSO REFRAIN FROM ISSUING SO MANY PUBLIC STATEMENTS ON THE SUBJECT. THE SING TAO DAILY IN AN EDITORIAL ON 4 DECEMBER SAID THAT THE END OF BRITISH ADMINISTRATION WOULD MEAN THE LOSS OF HONG KONG'S LIBERAL CLIMATE AND BRITISH LEGAL SYSTEM. PEKING FAILED TO UNDERSTAND THAT CONFIDENCE DEPENDED ON WHETHER BRITAIN WOULD RETAIN FULL POWER TO RUN HONG KONG.

3. THE HONG KONG ECONOMIC JOURNAL ATTACKED THE IDEA THAT SINGAPORE WAS AN ENCOURAGING PRECEDENT FOR AN AUTONOMOUS HONG KONG RULED BY LOCAL PEOPLE: LEE KWAN YEW HAD THE POWER TO SUPPRESS COMMUNISTS IN SINGAPORE TO ENSURE THAT THE ECONOMY WAS NOT IMPEDED BY LEFT WING ACTIVITIES. THE ECONOMIC JOURNAL DOUBTED WHETHER SUCH A POLICY WOULD BE TOLERATED HERE AFTER CHINA HAD RESUMED SOVEREIGNTY.

4. THE MING BAO EDITORIAL ON 6 DECEMBER SAID THAT WHILST PRESERVATION OF HONG KONG'S WAY OF LIFE AND ECONOMIC SYSTEMS MIGHT BE THE PRESENT CHINESE GOVERNMENT'S POLICY, A WRITTEN GUARANTEE WHICH WOULD BID FUTURE CHINESE LEADERS WOULD BE NECESSARY FOR THE MAINTENANCE OF CONFIDENCE. THE MING BAO SUGGESTED THAT THIS SHOULD TAKE THE FORM OF AN UNDERTAKING THAT, FOR A STIPULATED PERIOD AFTER CHINA HAD RECOVERED SOVEREIGNTY, SAY 30 YEARS, HONG KONG'S ROLE AS A FREE PORT AND FINANCIAL CENTRE WOULD BE GUARANTEED.

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FUTURE OF HONG KONG

LIMITED

- HD/HK & GD
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- ED/PLANNING STAFF
- ED/PUSD
- PS
- PS/LORD BELSTEAD
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- MR GIFFARD
- MR DONALD

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- MR COLES NO 10 DOWNING STREET
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THIS TELEGRAM
WAS NOT
ADVANCED