

Hong Kong 41



Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister

Would you like Lord  
Belstead to be present?

17 December 1982

A.F.C. 20.12.

Dear John,

Future of Hong Kong: Call on the Prime Minister by  
Sir S Y Chung CBE, Senior Unofficial Member of the Executive  
Council of Hong Kong: 20 December

Sir S Y Chung is in London to interview candidates for the post of Director of Hong Kong's new second Polytechnic. He will be staying in the UK on holiday until the end of the month.

Lord Belstead's visit went very well, although he was left in no doubt about the strength of feeling and concern on the future. Press reactions in Hong Kong have, on the whole, been favourable. Lord Belstead came under much pressure at his press conference to reveal the form and content of the talks in Peking, but maintained the line that the talks were confidential. He was able to take the opportunity to stress that it was the talks themselves which mattered and that no-one should regard statements made outside as prejudicing the outcome of the discussions.

Lord Belstead had meetings on 7 December with the Executive Council (EXCO) and the Unofficial Members of the Executive and Legislative Councils (UMELCO). He was able to have a very full discussion with them in confidence, which they clearly appreciated. But they nevertheless expressed concern that they had not been given sufficient briefing earlier.

They remained worried about the Chinese campaign of statements on the future and at the apparent inaction on the part of HMG, although they accepted that it would be wrong for the Government to engage in public polemics.

/At the end



/ At the end of the visit Sir S Y Chung sent Lord Belstead a letter dated 10 December (I enclose a copy). This reflects the concern of the Unofficials about EXCO being fully involved in the formulation of HMG's position and the conduct of the negotiations. It makes the specific suggestion that Unofficial Members of EXCO should be present, though not taking part, in Peking during the negotiations.


During his call on the Prime Minister, Sir S Y is likely to take the same line. Both the Governor and the Ambassador in Peking have reservations about his specific proposal. The Ambassador does not believe it would be possible to involve them fully in discussions on the British side on strategy and tactics and doubts whether the Chinese would accept them as part of the UK team. The Governor, while stressing the importance of being as forthcoming as possible to the Unofficials on their general involvement, also does not see their presence in Peking during negotiations as practicable at this stage. He points out that the Unofficials probably had in mind the procedure by which Unofficial Members of the Hong Kong Textile Advisory Board have been present in Brussels to support Hong Kong's negotiators during discussions with the Community on textiles imports to Europe. He has already explained to Sir S Y that the pattern of the Peking talks is different from those in Brussels, the former being confined to individual meetings at intervals while the latter are intensive negotiations in a series of daily meetings over a period of up to a week.

/ We share these reservations. The Prime Minister may wish to welcome the involvement of EXCO and express satisfaction that they had a full discussion with Lord Belstead. But she could suggest that the time was not ripe for their going to Peking and that this should be kept under consideration as the talks develop. I enclose a speaking note on these lines.

*Yours ever*  
*J E Holmes*

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street



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CALL IN THE PRIME MINISTER BY SIR S Y CHUNG CBE, SENIOR  
UNOFFICIAL MEMBER OF THE EXECUTIVE COUNCIL OF HONG KONG:  
15 DECEMBER 1982

POINTS TO MAKE

1. Glad to see you in London. Welcomed opportunity for discussions before visit to Peking and in Hong Kong afterwards.
2. Fully understand concern of Unofficials about future of Hong Kong. Glad they were able to have a full discussion with Lord Belstead. Valuable to have their views.
3. Very important to get talks with Peking going. Understand worry in Hong Kong over Chinese campaign of statements. Important for our side to make clear that it is the talks and their outcome that matter.
4. Intend to see that EXCO are fully involved on the future. We will of course discuss with them before taking any new decisions on our negotiating position. At present we are basing ourselves on the advice given by Sir S Y Chung in September.
5. [If Sir S Y Chung suggests that Unofficial Members of EXCO should be present in Peking during talks] The present pattern of talks would probably make this impracticable. They tend to be individual meetings fairly well spaced out. Unofficials might find themselves without any clear role and their credibility might be weakened rather than enhanced. More important for them to be involved in discussion with Governor in Hong Kong. But we will keep the idea under review in case circumstances change.

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Sir S.Y. CHUNG

20 17/12  
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10 DOWNING STREET

*From the Private Secretary*

15 December, 1982

Just to confirm that the Prime Minister is seeing Sir S.Y. Chung at 1815 hrs on Monday, 20 December. Could you please let us have a brief by close of play this Friday.

CAROLINE STEPHENS

R.B. Bone, Esq.,  
Foreign and Commonwealth Office

RM



10 DOWNING STREET

Prime Minute

Tell + Co

Sir S. Y. Chung

I spoke to him yesterday - he was quite unperturbed about the nuddle over his appointment with you, for which I apologized.

2. May I ask him to come in for 30 minutes next week?

A.J.C.  $\frac{14}{12}$

Yes no

Hotel Bristol : 493-8282  
or Hong Kong Post-Office

or his apartment : 01-370-7288.



Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister

Agree to see Sir S. Y. Chung  
for 30 minutes (at 3.15 on  
13 December)?

8 December 1982

A.P.C.  $\frac{2}{12}$ Yes  
ms

Dear John,

Hong Kong: Visit of Sir S Y Chung CBE

Sir S Y Chung, the Senior Unofficial Member of the Executive Council in Hong Kong, will be visiting London from 12 to 16 December. The main purpose of his visit is to conduct interviews to select a Director for the proposed second Polytechnic in Hong Kong.

When Sir S Y last visited London in October, arrangements were made for him to see the Secretary of State and Lord Belstead; on the previous occasion, in September, when he led a delegation of Unofficial Members of the Executive and Legislative Councils, he was entertained to lunch by the Prime Minister. Mr Pym believes that this time, given the delicate state of the negotiations over the future of Hong Kong and the important role of the Unofficials in preserving confidence in the Territory, it would be extremely helpful if the Prime Minister could find time to have a brief meeting with Sir S Y Chung. 13 December would be the best day for him.

If this would be acceptable to the Prime Minister, we could make the arrangements or Sir S Y could be contacted through the Hong Kong Government Office.

Yours ever  
John Holmes

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street