

GR 640

SECRET

SECRET

FM PEKING 060703Z JAN 83
TO IMMEDIATE F C O
TELNO 12 OF 6 JANUARY
RPTD IMMEDIATE INFO HONG KONG.

*The F/C.O. will be
writing about this*

A.S.C. 2

HONG KONG TELNO 10: FUTURE OF HONG KONG

1. I WELCOME THE GOVERNOR'S PROPOSAL THAT I SHOULD JOIN HIM IN LONDON. IF YOU AGREE, I COULD ARRIVE ON MONDAY, 24 JANUARY, LEAVING ON THE EVENING OF 23 JANUARY, WHICH WOULD GIVE ME 25-28 INCLUSIVE AS WORKING DAYS. I ALSO AGREE WITH HIS VIEWS ON PUBLIC PRESENTATION.
2. WHETHER OR NOT WE HAVE HEARD FROM THE CHINESE, WE SHALL NEED TO REVIEW THE SITUATION AND DISCUSS OUR NEXT MOVES. ALTHOUGH ZHANG WENJIN WAS CLEAR ON 4 DECEMBER THAT WE COULD EXPECT A REPLY SOON, THERE HAS BEEN NO SIGN OF ONE AND I CAN HAVE NO CONFIDENCE THAT THE CHINESE WILL BE READY TO REPLY BEFORE THE DATES ABOVE.
3. THE REASONS FOR THIS DELAY REMAIN OBSCURE. IT IS STILL POSSIBLE THAT PERSONNEL CHANGES AND MOVEMENTS (ZHAO ZIYANG AND WU XUEQIAN HAVE BEEN IN AFRICA FOR TWO WEEKS AND DO NOT RETURN TO PEKING UNTIL MID-JANUARY) CONTINUE TO BE A FACTOR, BUT THIS MAY BE WISHPFUL THINKING. PROBABLY PART OF THE REASON AT LEAST IS A CHINESE WISH TO MAKE US SWEAT AND FORCE SOME MODIFICATION OF OUR POSITION BEFORE TALKS BEGIN. THE OTHER FORM OF PRESSURE - THE "CAMPAIGN" OF LEAKS AND STATEMENTS TO THE PRESS - HAS APPARENTLY BEEN TONED DOWN OF LATE, THOUGH THIS MAY REFLECT MORE A SHORTAGE OF VISITING DELEGATIONS THAN DELIBERATE POLICY. THE ABSENCE OF ANY REPLY, AS DISTINCT FROM A NEGATIVE OR UNHELPFUL REPLY, IS ODD, SINCE THE CHINESE LIKE TO APPEAR CORRECT. IT MAY BE THAT THIS REFLECTS INTERNAL DEBATE AMONG THIS REFLECTS INTERNAL DEBATE AMONG THE CHINESE LEADERS, PERHAPS ON THE QUESTION OF WHETHER TO GIVE US OUR TALKS WITHOUT OUR PRIOR ACCEPTANCE OF THEIR "PREMISE", OR PERHAPS ON THE MORE FUNDAMENTAL QUESTION OF WHAT THERE IS TO TALK ABOUT. BUT I WOULD NOT ATTACH TOO MUCH IMPORTANCE TO THIS, SINCE EVEN IF WE GET OUR TALKS WE MUST EXPECT TO RUN UP QUICKLY AGAINST THE SOVEREIGNTY OBSTACLE.
4. SO FAR WE HAVE NOT ALLOWED OURSELVES TO BE PANICKED BY THE LONG DELAY AND WE HAVE AVOIDED ANY APPEARANCE OF CHASING THE CHINESE FOR A REPLY. THIS, I THINK, HAS BEEN CORRECT IN TERMS OF TACTICS WITH THE CHINESE. EVIDENT ANXIETY ON OUR PART WILL ONLY ENCOURAGE THEM TO BELIEVE THAT WE CAN BE MORE EASILY DRIVEN TO CONCESSIONS. BUT CLEARLY OUR PATIENCE CANNOT ENDURE INDEFINITELY. THE GOVERNOR WILL BE ABLE TO ADVISE ON HOW LONG HONG KONG CAN WAIT. THE SITUATION HERE IS VERY FIDDERENT, BUT EVEN SO THE POINT IS APPROACHING WHERE WE SHALL LOSE CREDIBILITY IF WE CONTINUE TO DO NOTHING. I THEREFORE PROPOSE, IF YOU AGREE THAT I SHOULD GO TO LONDON, THAT I SHOULD SEEK A CALL ON YAO GUANG BEFORE I LEAVE. IT WOULD IN ANY CASE BE NATURAL FOR ME TO CALL ON THE RESPONSIBLE VICE FOREIGN-MINISTER TO DISCUSS BILATERAL RELATIONS BEFORE GOING TO LONDON FOR TALKS, BUT I HAVE YET

SECRET

/10

SECRET

TO HAVE A FORMAL MEETING WITH YAO, THOUGH I HAVE MET HIM SOCIALLY. THE CALL WOULD THEREFORE NOT DEAL EXCLUSIVELY WITH HONG KONG, INDEED WE ARE NOT YET ABSOLUTELY CLEAR THAT YAO IS TO BE OUR INTER-LOCUTOR ON HONG KONG. BUT IF I WERE TO MAKE IT CLEAR IN ASKING FOR THE CALL THAT EXPECTED TO SEE THE PRIME MINISTER IN LONDON, IT IS POSSIBLE THAT I MIGHT GET SOMETHING UDEFUL FROM HIM, EVEN IF THE CHINESE ARE NOT YET PREPARED TO GIVE THEIR FORMAL REPLY.

5. IF I DID NOT GET A SUBSTANTIVE REPLY FROM YAO, WE SHOULD CONSIDER IN LONDON WHAT FURTHER CARDS REMAIN TO BE PLAYED. ONE MIGHT BE A MESSAGE FROM THE PRIME MINISTER TO ZHAO ZIYANG, WHICH I COULD DELIVER ON MY RETURN TO PEKING.

6. GRATEFUL FOR VERY EARLY INDICATION WHETHER YOU WISH ME TO RETURN SO THAT I CAN MAKE ARRANGEMENTS.

CRADOCK

FUTURE OF HONG KONG

LIMITED

HD/HK&D

HD/FED

HD/PLANNING STAFF

HD/FUSD

PS ~~PS~~ (MR HUR)

PS/LORD BELSTEAD

PS/FUS (SIR G. BULLARD)

MR GIFFARD

MR DONALD

COPIES TO

SIR I SINCLAIR LEGAL ADVISER

MR ROBERTS NEWS D

MR COLES NO 10 DOWNING STREET

MR MARTIN ASSESSMENTS STAFF
CABINET OFFICE

2
SECRET