

Hong Kong

HONG KONG

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GRS 262
 SECRET
 DESKBY 010100Z
 FM FCO 281306Z FEB 83
 TO IMMEDIATE HONG KONG
 TELEGRAM NUMBER 181 OF 28 FEBRUARY
 INFO IMMEDIATE PEKING (PERSONAL FOR AMBASSADOR)

A.S.C. 1/3
 h-a.

MY TELNO 106: FUTURE OF HONG KONG

1. THE PRIME MINISTER HAS NOW CONSIDERED PAPERS WHICH OUTLINE THE PRESENT POSITION AND A NUMBER OF OPTIONS BEFORE US, AND LOOKS FORWARD TO DISCUSSING THE SITUATION WITH YOU AND SIR PERCY CRADOCK DURING THE WEEK BEGINNING 7 MARCH.
2. THE PRIME MINISTER HAS NOT YET FORMED A VIEW ON THE DIRECTION IN WHICH WE SHOULD NOW MOVE. SHE RECOGNISES THE PROBLEM POSED BY THE CHINESE RESISTANCE SO FAR TO SUBSTANTIVE TALKS ON ACCEPTABLE TERMS AND BY THE LIKELIHOOD THAT THEY WILL TAKE EARLY ACTION TO REVEAL MORE OF THEIR OWN PLANS PUBLICLY.
3. THE PRIME MINISTER CONFIRMS THAT YOU SHOULD CONSULT EXCO BEFORE YOU COME TO LONDON. SHE WOULD LIKE YOU TO GIVE EXCO AN ANALYSIS OF THE PRESENT POSITION AND THE PROBLEMS FACING HMG, GIVING DUE WEIGHT TO THE STATEMENT TO SIR P CRADOCK BY YAO GUANGO ON 9 FEBRUARY. YOU SHOULD FOLLOW THIS UP BY ASKING EXCO FOR THEIR VIEWS ON THE WAY FORWARD.
4. YOU SHOULD NOT REPEAT NOT PUT THE PAPER OUTLINING THE OPTIONS TO EXCO, NOR SHOULD YOU PUT THOSE OPTIONS TO THEM ORALLY. IT IS ALSO VERY IMPORTANT THAT YOU SHOULD NOT (NOT) GIVE ANY IMPRESSION THAT THE PRIME MINISTER HAS CHANGED IN ANY WAY HER VIEWS ON THE ISSUE OF SOVEREIGNTY OR THE HANDLING OF THIS WITH THE CHINESE. YOUR PURPOSE SHOULD BE TO GET EXCO TO GIVE THEIR VIEWS ON THE BEST WAY FORWARD. YOU WILL NO DOUBT UNDERTAKE TO CONVEY THEIR VIEWS FULLY TO MINISTERS IN LONDON WHO ARE ANXIOUS TO HAVE THEIR COUNSEL AT THIS STAGE.

PYM

FUTURE OF HONG KONG

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