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FM HONG KONG 190850Z APR 83

TO PRIORITY FCO

TELEGRAM NUMBER 532 OF 19 APRIL 1983

INFO PRIORITY PEKING

MY TELEGRAM 499.

FUTURE OF HONG KONG: ACADEMICS VISIT.

THE DELEGATION HAD ONE SESSION WITH LIAO CHENGZHI AND A SEPARATE SESSION WITH TWO OF LIAO'S STAFF AT THE HONG KONG AND MACAU OFFICE, LI HOU AND LU PING. INDIVIDUAL MEMBERS OF THE DELEGATION ALSO HAD SOME SEPARATE CONVERSATIONS WITH LI AND LU.

2. LIAO APPEARS TO HAVE GIVEN THEM A FAIRLY STANDARD EXPOSITION OF THE CHINESE LINE. HE ALSO EMPHASISED THAT CHINA WAS NOW UNIFIED AND THE PRESENT SET OF ECONOMIC AND POLITICAL OPTIONS WOULD BE MAINTAINED EVEN AFTER THE DEATH OF THE PRESENT LEADERSHIP. OTHER POINTS OF INTEREST MADE BY LIAO WERE AS FOLLOWS:

A) HONG KONG'S IMPORTANCE TO CHINA AS A SOURCE OF FOREIGN EXCHANGE WAS LIKELY TO DECLINE AFTER THE COMPLETION OF THE CURRENT 5-YEAR PLAN:

B) FREEDOM OF TRAVEL WOULD REMAIN, BUT DETAILED QUESTIONS LIKE PASSPORTS NEEDED FURTHER STUDY:

C) THERE ARE 14 YEARS TO GO. BUT TRANSITION BEGINS NOW, AND ALL TRANSITIONAL MEASURES SHOULD BE COMPLETED BY 1997.

3. IN ADDITION TO QUESTIONS, LIAO MADE THE FOLLOWING ADDITIONAL POINTS:

A) THE SAR WOULD NOT BE PART OF GUANGDONG PROVINCE BUT WOULD COME DIRECTLY UNDER THE CENTRAL GOVERNMENT.

B) THE CHINESE WERE WILLING TO LISTEN TO IDEAS FROM HONG KONG PEOPLE BUT THE NEGOTIATIONS WERE BILATERAL AND HONG KONG PEOPLE COULD NOT PARTICIPATE IN THEM.

C) BY 1997 HONG KONG WOULD HAVE ITS OWN SUPREME COURT (BY IMPLICATION NOT ANSWERABLE TO EITHER LONDON OR PEKING).

4. THE MEETINGS WITH LIAO'S COLLEAGUES PROVIDED MORE OPPORTUNITY FOR THE VISITORS TO MAKE POINTS OF THEIR OWN. BY THEIR OWN ACCOUNT, THE VISITORS MADE THE FOLLOWING POINTS OR QUESTIONS OF SUBSTANCE:

A) WOULD THE GOVERNOR BE ACCEPTED AS A HONG KONG REPRESENTATIVE AT THE NEGOTIATIONS?

ANSWER: HONG KONG DOES NOT NEED A BRITISH PERSON TO REPRESENT THEM. HONG KONG PEOPLE ARE MEMBERS OF THE SAME FAMILY. WE CAN CONSULT THEM AT ANY TIME.

B) THE GUARANTEES GIVEN BY THE CHINESE WERE NOT GOOD ENOUGH FOR INVESTORS. HAD THE CHINESE CONSIDERED A FURTHER SINO/BRITISH TREATY BY WAY OF A GUARANTEE.

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ANSWER

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FM HONG KONG 120935Z APR 83
TO PRIORITY FCO
TELEGRAM NUMBER 494 OF 12 APRIL
INFO PRIORITY PEKING

FUTURE OF HONG KONG : PRESS COVERAGE OF VISIT TO PEKING BY HONG KONG ACADEMICS.

TODAY'S PRESS HAS GIVEN WIDESPREAD AND PROMINENT COVERAGE TO THE RETURN FROM CHINA OF A GROUP OF HONG KONG ACADEMICS, WHO HAD BEEN RECEIVED TWICE BY LIAO CHENGZHI IN PEKING AS WELL AS VISITING A NUMBER OF PROVINCIAL CITIES. ONE OF THE DELEGATION MEMBERS, DR JOHN YOUNG OF THE DEPARTMENT OF EXTRA MURAL STUDIES AT HONG KONG UNIVERSITY, SPOKE TO THE PRESS. HE SAID THAT HONG KONG WOULD HAVE ITS OWN CONSTITUTION WHEN THE TERRITORY BECAME A SPECIAL ADMINISTRATIVE REGION OF CHINA AND THAT A GROUP OF LOCAL PEOPLE WOULD BE FORMED TO WORK ON THE CONSTITUTION. HONG KONG PEOPLE WOULD BE DEFINED AS THOSE WHO HAD LIVED IN HONG KONG FOR 7 YEARS OR MORE, AND WHO ACCEPTED THAT HONG KONG WAS PART OF CHINA AND THAT THE PEKING GOVERNMENT WAS THE ONLY LEGITIMATE CHINESE GOVERNMENT. DR YOUNG DID NOT REVEAL WHAT HE OR OTHER MEMBERS OF THE GROUP HAD SAID TO LIAO CHENGZHI. ACCORDING TO PRESS REPORTS, THE FIRST MEETING WAS DEVOTED TO A BRIEFING BY LIAO ON CHINA'S POSITION AND THE SECOND TO AN AIRING OF VIEWS.

2. THE TWO MAJOR COMMUNIST NEWSPAPERS DID NOT (NOT) COVER DR YOUNG'S REMARKS BUT REPORTED ONLY THAT CHINESE LEADERS HAD INDICATED TO THE DELEGATION CHINA'S DETERMINATION TO RESUME SOVEREIGNTY OVER HONG KONG NOT LATER THAN 1997. A COMMENTARY IN THE TA KUNG PAO ON 12 APRIL SAID THAT THE REMARKS MADE TO THE DELEGATION REFLECTED CHINA'S LONG ESTABLISHED POLICY. CHINA HAD ALWAYS SAID THAT THE HONG KONG ISSUE WOULD BE SETTLED WHEN THE TIME WAS RIPE. THE FACT THAT CHINA WAS NOW PREPARING A CONSTITUTION FOR HONG KONG AND PROVIDING FOR THE SETTING UP OF SAR'S DEMONSTRATED THAT THE TIME WAS NOW RIPE.

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/ 3. THE PRO-CHINA

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3. THE PRO-CHINA TIN TIN DAILY NEWS IN AN EDITORIAL ON 12 APRIL SUGGESTED THAT LIAO'S REMARKS TO THE ACADEMICS' DELEGATION SHOWED THAT CHINA WAS MORE DETERMINED THAN EVER TO TAKE OVER HONG KONG. THE SINO/BRITISH TALKS ON HONG KONG'S FUTURE WOULD REMAIN DEADLOCKED IF LONDON REFUSED TO DISCUSS THE SOVEREIGNTY ISSUE. THE BRITISH SHOULD NOW GIVE WAY ON SOVEREIGNTY IN ORDER TO PROMOTE THEIR POLITICAL AND ECONOMIC RELATIONS WITH CHINA.

YOUDE

THIS TELEGRAM
WAS NOT
ADVANCED

FUTURE OF HONG KONG

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HD/HK + GD
HD/FED
HD/NEWS D
HD/PLANNING STAFF
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