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FUTURE OF HONG KONG ADVANCE COPIES 9 10

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RESTRICTED  
DESKBY 311200Z  
FM HONG KONG 310845Z OCT 83  
TO IMMEDIATE FCO  
TELEGRAM NUMBER 1642 OF 31 OCTOBER  
INFO IMMEDIATE PEKING  
INFO ROUTINE HONG KONG GOVERNMENT OFFICE LONDON, HK GOVT REPS  
WASHINGTON, CG NEW YORK, BRUSSELS, UKMMS GENEVA

FUTURE OF HONG KONG: PRESS COVERAGE.

GIVEN PROMINENT COVERAGE IN TODAY'S INDEPENDENT AND ROUTINE COVERAGE IN THE LEFT-WING PRESS WERE AGENCY REPORTS OF THE PRIME MINISTER'S COMMENTS ON A BBC WORLD SERVICE PHONE-IN PROGRAMME YESTERDAY. PARTICULAR ATTENTION WAS PAID TO HER COMMENT THAT THE LAST ROUND OF SINO-BRITISH TALKS ON HONG KONG "WERE VERY CONSTRUCTIVE AND WENT MUCH BETTER", AND TO HER BELIEF THAT "WE ARE REACHING A BETTER BASIS OF UNDERSTANDING OF WHAT IT IS THAT HAS MADE THIS REMARKABLE SUCCESS IN HONG KONG, AND HOW WE SHOULD ARRANGE FOR IT TO CONTINUE". THERE WAS LITTLE COMMENT ON THE AGENCY REPORTS.

2. WEN WEI PO (COMMUNIST) ON 30 OCTOBER QUOTED THE DIRECTOR OF THE CCP'S PROPAGANDA DEPARTMENT, DENG LIQUN, AS SAYING THAT THE LAST ROUND OF TALKS WAS "BETTER" THAN THE PREVIOUS ROUNDS. SPEAKING TO THE DIRECTOR OF A JAPANESE NEWS AGENCY, DENG SAID HE HOPED BOTH SIDES WOULD TRY HARD TO REACH A UNANIMOUS AGREEMENT. HE REITERATED CHINA'S INTENTION TO ANNOUNCE A UNILATERAL DECISION IN SEPTEMBER OF NEXT YEAR IF NO AGREEMENT ON HONG KONG'S FUTURE HAD BEEN REACHED BY THEN. HE DESCRIBED THE BASIC PRINCIPLE OF CHINA'S FORMULA FOR HONG KONG AS "ONE STATE, TWO SYSTEMS".

3. BOTH THE INDEPENDENT AND COMMUNIST PRESS GAVE PROMINENT COVERAGE TO, BUT MADE NO FURTHER COMMENT ON AGENCY REPORTS OF DENG XIAOPING'S COMMENTS TO THE SPANISH FOREIGN MINISTER, MORAN. IN PEKING ON SUNDAY. DENG IS REPORTED TO HAVE SAID THAT



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~~DENG XIAOPING'S COMMENTS TO THE SPANISH FOREIGN MINISTER,~~  
~~MORAN, IN PEKING ON SUNDAY.~~ DENG IS REPORTED TO HAVE SAID THAT  
THE QUESTION OF WHO WOULD ADMINISTER HONG KONG AFTER CHINA HAD  
REGAINED SOVEREIGNTY OVER THE TERRITORY WAS NOT OPEN TO NEGOTIATION.

4. WHILST THERE HAS YET BEEN LITTLE COMMENT ON THE REMARKS  
ATTRIBUTED TO EITHER DENG, AN EDITORIAL IN THE FINANCIAL DAILY  
(INDEPENDENT) TODAY ARGUED THAT DENG XIAOPING AND DENG LIQUN'S  
REMARKS SHOWED THAT CHINA HAD "STUDIED THE NEW PROPOSALS" AND  
THAT THE SINO-BRITISH TALKS WERE MAKING GOOD PROGRESS.

5. BOTH THE INDEPENDENT AND COMMUNIST PRESS GAVE SOME PROMINENCE  
TO DR HENRY KISSINGER'S COMMENT (IN AN ADDRESS TO THE HONG KONG  
TRADE FAIR SEMINAR) THAT THE U.S. SHOULD STEER CLEAR OF ANY  
INVOLVEMENT IN THE DISCUSSIONS OVER HONG KONG'S FUTURE. THIS WAS  
STRICTLY A MATTER FOR THE CHINESE AND BRITISH GOVERNMENTS. HOWEVER,  
HE DID EXPRESS HIS CONFIDENCE THAT A SOLUTION COULD BE FOUND.  
THE NEW EVENING POST (COMMUNIST) PLAYED UP KISSINGER'S REPORTED  
REMARK THAT CHINA WAS NOT IN THE HABIT OF BREAKING ITS PROMISES.

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