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FM HONG KONG 160800Z JAN 84

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TELEGRAM NUMBER 112 OF 16 JANUARY

INFO IMMEDIATE HONG KONG GOVERNMENT OFFICE LONDON , PEKING
 ROUTINE HONG KONG GOVERNMENT REPRESENTATIVES WASHINGTON, NEW YORK,
 BRUSSELS AND GENEVA.

FUTURE OF HONG KONG: PRESS COVERAGE.**SUMMARY.**

THE MAJOR STORIES OVER THE WEEK-END WERE SIR PETER BLAKER'S PRESS CONFERENCE AT THE CONCLUSION OF HIS VISIT TO HONG KONG, CONTINUING COMMENT ON THE TAXI DRIVERS DISPUTE AND THE DISTURBANCES, THE INTERVIEW GIVEN BY STATE COUNCILLOR JI PENGFEI TO THE PEKING MAGAZINE LIA O WANG, AND REMARKS TO REPORTERS MADE BY NCHA DIRECTOR XU JIATUN AFTER ATTENDING THE FIRST ANNUAL MEETING OF THE LOCAL PRESSURE GROUP, MEETING POINT.

DETAIL.

2. ALL PAPERS GAVE EXTENSIVE COVERAGE TO SIR PETER BLAKER'S PRESS CONFERENCE. THE LEFT-WING PRESS HIGHLIGHTED HIS ASSERTION THAT HE WAS OPTIMISTIC ABOUT THE CHANCES OF REACHING AN AGREEMENT IN THE TALKS ON HONG KONG'S FUTURE BEFORE SEPTEMBER. OTHER POINTS GIVEN PROMINENT COVERAGE IN THE INDEPENDENT PRESS WERE HIS PRAISE FOR THE HARD WORK OF THE LOCAL PEOPLE AND HIS BELIEF THAT THERE WAS NO POLITICAL MOTIVATION BEHIND THE DISTURBANCES ON 13 JANUARY.

3. A NUMBER OF PAPERS HAVE PUBLISHED FURTHER COMMENT ON THE TAXI DRIVERS DISPUTE. THE WEN WEI PO AND TAN KUNG PAO (BOTH COMMUNIST) PUBLISHED SHORT COMMENTARIES ON 15 JANUARY SUPPORTING THE ACTING GOVERNORS'S CONDEMNATION OF THE VIOLENCE WHICH HAD OCCURRED ON 13 JANUARY. BUT THEY ALSO SUPPORTED THE VIEW ATTRIBUTED TO UNOFFICIAL MEMBERS OF LEGCO THAT THE GOVERNMENT'S DECISION TO INCREASE LICENCE FEES AND FIRST REGISTRATION TAX HAD BEEN TAKEN WITHOUT PROPER CONSULTATION AND WAS "INAPPROPRIATE". THE GOVERNMENT SHOULD LEARN ITS LESSON AND REVIEW ITS DECISION-MAKING PROCESS. THE LESSER COMMUNIST NEWSPAPERS ALSO PUBLISHED SIMILAR COMMENT. AMONG THE INDEPENDENT NEWSPAPERS, THE MING PAO, HONG KONG DAILY, WAH KIU EVENING NEWS AND THE ORIENTAL DAILY ALL SAID THAT THERE WAS A LESSON TO BE LEARNED FROM THESE INCIDENTS AND CALLED FOR PEOPLE TO REMAIN CALM SO AS NOT TO DISTURB HONG KONG'S SOCIAL STABILITY. THERE WAS RENEWED PRAISE FOR THE POLICE HANDLING OF THE DISTURBANCES AS WELL AS FOR NCHA'S DECISION NOT TO BECOME INVOLVED IN THE DISPUTE. THE HONG KONG ECONOMIC JOURNAL IN ITS EDITORIAL ON 16 JANUARY, SAID THAT THE GOVERNMENT MUST HAVE HAD GOOD REASONS FOR RAISING THE CHARGES

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EVEN THOUGH ITS ACTION HAD BEEN TOO HASTY. UNOFFICIAL MEMBERS OF LEGCO SHOULD NOT IGNORE THE STATISTICS ON WHICH THE DECISION WAS BASED MERELY BECAUSE OF PUBLIC PRESSURE TO CHANGE THE DECISION. THE PAPER URGED COUNCILLORS TO CONSIDER CAREFULLY THE CONSEQUENCES OF THE GOVERNMENT GIVING IN TO THE STRIKE ACTION.

4. ON 16 JANUARY ALL PAPERS REPORTED PROMINENTLY AN NCNA AND CHINA NEWS SERVICE DESPATCH GIVING DETAILS OF AN INTERVIEW WITH JI PENGFEI, STATE COUNCILLOR AND HEAD OF THE HONG KONG AND MACAU OFFICE, IN THE LATEST EDITION OF A PEKING WEEKLY MAGAZINE 'LIAO WANG' (SOMETIMES KNOWN AS 'OBSERVATION WEEKLY'). ACCORDING TO THESE REPORTS, JI SPOKE IN FAMILIAR TERMS ABOUT THE CHINESE POLICY ON THE FUTURE OF HONG KONG, EMPHASISING CHINA'S INTENTION TO PRESERVE HONG KONG'S SOCIAL AND ECONOMIC SYSTEMS, AND TO ALLOW HONG KONG A HIGH DEGREE OF AUTONOMY.

IN ADDITION TO THE FAMILIAR THEMES, JI WAS REPORTED TO HAVE MADE THE FOLLOWING POINTS:

(A) ALL THOSE HONG KONG PEOPLE WITH WHOM JI HAD EXCHANGED VIEWS ON THE FUTURE HAD SUPPORTED THE IDEA OF SETTING UP A SPECIAL ADMINISTRATIVE REGION WITH HONG KONG PEOPLE RULING HONG KONG.

(B) IMPORTANT OFFICIALS WOULD BE SELECTED THROUGH CONSULTATION OR ELECTION AND APPOINTED BY THE CENTRAL GOVERNMENT.

(C) THE ECONOMIC INTERESTS OF BRITISH AND OTHER FOREIGN COUNTRIES IN HONG KONG WOULD BE PROTECTED BY LAW.

5. XU JIATUN'S ATTENDANCE AT THE FIRST ANNUAL MEETING OF A LOCAL PRESSURE GROUP, MEETING POINT, ON 15 JANUARY WAS ALSO GIVEN EXTENSIVE AND PROMINENT COVERAGE IN ALL PAPERS. ALTHOUGH XU DID NOT PARTICIPATE IN THE PROCEEDINGS, HE WAS BESIEGED BY REPORTERS AFTER THE MEETING WHO PRESSED HIM FOR A COMMENT ON DEMOCRACY IN HONG KONG. XU SAID THAT DEMOCRACY WAS AN INEVITABLE DEVELOPMENT, WHOSE PROGRESS DEPENDED ON THE DIFFERENT BASIS IN PARTICULAR SOCIETIES AND ON THE LOCAL SITUATION. THERE WAS DEMOCRACY IN CHINESE SOCIALISM WHEN ASKED WHETHER DEMOCRACY COULD BE INTRODUCED IN HONG KONG DURING THE TRANSITIONAL PERIOD TO 1997, XU REPLIED THAT THIS WAS A MATTER FOR THE BRITISH GOVERNMENT.

6. AT THE MEETING, THE CHAIRMAN OF MEETING POINT MR. LAU NAI-KEUNG, ANNOUNCED THAT THE GROUP WAS DRAFTING A MINI-CONSTITUTION TO BE SUBMITTED TO BOTH CHINESE AND BRITISH GOVERNMENTS. A 10 MEMBER WORKING GROUP OF MEETING POINT MEMBERS AND LAWYERS HAD BEEN SET UP IN DECEMBER FOR THIS PURPOSE.

7. IN ITS EDITORIAL ON 15 JANUARY THE WEN WEI PO (COMMUNIST) SAID THAT PROPOSALS FOR 'INTERNATIONALISING' THE HONG KONG ISSUE ORIGINATED WITH THE NATIONALIST AUTHORITIES IN TAIWAN. UNDER THEIR INSTRUCTIONS, SO-CALLED LIBERAL BODIES AND OTHERS STAGED MASS

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RALLIES AND SIGNATURE CAMPAIGNS. (A REFERENCE TO THE ACTIVITIES OF CHOW HING-CHUEN AND THE PRESENTATION OF PETITIONS BY PRO-KMT ORGANISATIONS AT GOVERNMENT HOUSE (MY TELSNOs 105 -NOT TO ALL- AND 42). IT WAS SURPRISING THAT A CHINESE POLITICAL PARTY, THE KMT, SOUGHT TO HAND OVER HONG KONG WHICH WAS PART OF CHINESE TERRITORY TO FOREIGN POWERS. SUCH MOVES UNDERMINED THE CHANCES OF A SATISFACTORY SOLUTION TO THE PROBLEM OF HONG KONG'S FUTURE.

8. MOST PAPERS REPORTED CHINESE PRIME MINISTER'S ZHAO ZIYANG'S REMARKS ON HONG KONG AT HIS PRESS CONFERENCE IN SANFRANCISCO. ACCORDING TO THE REPORTS ZHAO REITERATED THAT HONG KONG'S SYSTEM AND LIFE STYLE WOULD REMAIN UNCHANGED FOR 50 YEARS AFTER CHINA REGAINED SOVEREIGNTY IN 1997 AND THAT THIS POLICY WOULD BE IMPLEMENTED IN ACCORDANCE WITH A BASIC LAW TO BE RATIFIED BY THE NATIONAL PEOPLE'S CONGRESS. THE NEW EVENING POST (COMMUNIST) AND THE TIN FUNG DAILY (PRO-CHINA) PUBLISHED EDITORIAL COMMENT PRAISING ZHAO'S REMARKS AND ASSERTING THAT THEY HAD DRAWN "A WARM RESPONSE" IN THE UNITED STATES.

9. MOST PAPERS REPORTED ROUTINELY THAT THE GOVERNOR AND UNOFFICIAL MEMBERS OF EXCO'S HAD HAD MEETINGS AT THE FCO ON 13 SEPTEMBER AND THAT A CALL ON THE PRIME MINISTER WAS SCHEDULED FOR 16 JANUARY.

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