

43A

SECRET

FM PEKING 270910Z JAN 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 157 OF 27TH JAN 84

INFO IMMEDIATE HONG KONG

NY TELNOS 143 AND 144: FUTURE OF HONG KONG: EIGHTH ROUND: DINNER.

1. THE FOLLOWING POINTS EMERGED DURING ZHOU NAN'S DINNER ON 26 JANUARY.

## TIMETABLE

2. ZHOU SAID TO ME THAT HE HOPED THAT WE HAD NOTED WHAT HE HAD HAD TO SAY IN HIS INTERVENTION THAT MORNING ABOUT THE TIMETABLE WHICH THE CHINESE SIDE HAD DRAWN UP AND ABOUT THE DATE FOR THE NEXT ROUND. HE VERY STRONGLY HOPED THAT FURTHER WORKING PAPERS WOULD BE Tabled BY 10 FEBRUARY. IF NO PAPERS WERE AVAILABLE BY THAT DATE THE CHINESE MIGHT HAVE TO ASK FOR POSTPONEMENT OF THE NINTH ROUND. THIS WOULD BE BAD FOR BOTH SIDES AS WELL AS FOR CONFIDENCE IN HONG KONG. LUO JIAHUAN SEPARATELY SAID THAT, IF FURTHER PAPERS WERE NOT AVAILABLE BY 10 FEBRUARY, POSTPONEMENT OF THE ROUND WOULD ALMOST CERTAINLY BE NECESSARY. SEVERAL OF THE CHINESE PRESSED US ABOUT THE REASONS FOR THE LENGTH OF TIME NEEDED FOR THE PREPARATION OF THE CENTRAL PAPERS. LU PING ASKED OUTRIGHT IF THESE PAPERS WERE SUBMITTED FOR CLEARANCE TO EXCO. ALTHOUGH HE DID NOT RECEIVE A DIRECT ANSWER, HE WILL HAVE HAD NO DIFFICULTY GUESSING THAT THE ANSWER WAS YES. IT IS CLEAR THAT THE CHINESE SUSPECT EXCO OF DELIBERATELY SLOWING UP THE PROCESS. WE SUGGESTED THAT IT WAS NOT IN THE CHINESE INTEREST FOR US TO PUT FORWARD PROPOSALS WHICH DID NOT COMMAND CONSENSUS.

## WORKING PAPERS

3. ZHOU NAN ALSO URGED THAT OUR FUTURE WORKING PAPERS SHOULD NOT BE TOO DETAILED, THEY MIGHT OTHERWISE OVERSTEP 'A CERTAIN LIMIT'. LUO JIAHUAN SAID IT WOULD HELP GREATLY IF JUST ONE PAPER COULD BE MADE AVAILABLE ON 10 FEBRUARY AND THE OTHERS SUBMITTED BETWEEN THAT DATE AND THE NEXT ROUND. THE PAPERS DID NOT NEED TO BE PERFECT. FURTHER DISCUSSIONS OF THEM WOULD BE POSSIBLE LATER.

4. LU PING MADE THE FOLLOWING SPECIFIC COMMENTS:  
 (A) GOVERNMENTAL STRUCTURE: THIS WOULD BE THE MOST DIFFICULT PAPER. THERE WAS DISAGREEMENT ON THE CHINESE SIDE, EG ABOUT WHETHER ELECTIONS SHOULD BE INTRODUCED

(B) NATIONALITY: THIS WOULD NOT BE AS DIFFICULT AS THE BRITISH SIDE SEEMED TO ENVISAGE. BRITISH DEPENDENT TERRITORIES CITIZENS COULD SIMPLY BE MADE INTO BRITISH OVERSEAS CITIZENS. LU PING ADDED THAT IT WOULD BE BETTER IF THE NATIONALITY PAPER COULD BE DISCUSSED BEFORE THAT ON THE PUBLIC SERVICE,  
(C) LEGAL: WE RECEIVED THE IMPRESSION THAT THE CHINESE SIDE WOULD BE PREPARED TO THINK AGAIN IN THE DISMISSAL OF JUDGES. IT WAS AGREED THAT WE SHOULD PRODUCE A PIECE OF PAPER, SETTING OUT IN DETAIL THE CURRENT ARRANGEMENTS,  
(D) SHIPPING: DIFFICULTIES WERE NOT FORESEEN,  
(E) CIVIL AVIATION: THIS WOULD RAISE THE QUESTION OF LANDING RIGHTS. WE ADDED THOSE OF PRESERVING HONG KONG'S EXCELLENT AIRLINE AND ROUTE NETWORK.  
(F) ID CARDS: LU PING CONFIRMED THAT THE CHINESE SIDE HAD BEEN THINKING OF A RESIDENCE QUALIFICATION, PERHAPS OF 7 YEARS.

### THREE PART CONSULTATIVE COUNCIL

5. ON MUN KIN-CHOK'S ACCOUNT OF JI PENGFEI'S COMMENTS ABOUT A CONSULTATIVE COUNCIL FOR HONG KONG (HONG KONG TELNO 61), LU PING SAID THAT JI HAD BEEN MISREPORTED. JI HAD SIMPLY ASKED MUN FOR HIS VIEW ABOUT THIS IDEA. HE HAD NOT EXPECTED THIS THOUGHT TO BE PUBLISHED. LU PING COMMENTED THAT ANYWAY THIS SUGGESTION WOULD BE QUITE UNWORKABLE.

6. ZHOU NAN ALSO SAID TO ME THAT THERE HAD BEEN TROUBLE IN HONG KONG SINCE THE 7TH ROUND. IT WOULD HAVE BEEN APPARENT FROM THE WAY THE CHINESE HAD REACTED THAT THEY DID NOT WANT SUCH TROUBLE AT THE PRESENT TIME. HE ASSUMED THAT WE SHARED THIS DESIRE. HE HAD BEEN TOLD THAT "CERTAIN POLITICAL ELEMENTS" HAD DECIDED TO EXPLOIT THE TAXI DRIVERS' DISSATISFACTION. I SAID IT WAS OUR UNDERSTANDING THAT NO POLITICAL MOTIVE LAY BEHIND ANY PHASE OF THE RECENT DISTURBANCES.

EVANS

FUTURE OF HONG KONG  
LIMITED  
HD/HKD  
HD/FED  
HD/PLANNING STAFF  
HD/PUSD  
D/HD/PUSD (MR FLOWER)  
RES.D. (MR WALKER)  
LEGAL ADVISER (SIR IAN SINCLAIR)  
PS  
PS/LADY YOUNG  
PS/MR LUCE  
PS/PUS  
SIR J BULLARD  
SIR W HARDING  
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