

No written reply.  
Sir PC discussed  
with PM + CDP.

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SIR PERCY CRADOCK

Possible visit by the Prime Minister to Peking

What should we recommend to the Prime Minister about going to Peking to sign the Hong Kong Agreement? Her own view is that, if it matters to the people of Hong Kong and to the Chinese Government that she should sign, she is ready to go to Peking to do so. I think that it would be helpful to her to have your personal assessment of two points:-

- (i) To what extent will confidence in Hong Kong in the Agreement be boosted by her going to Peking to sign it? I imagine that, to have an effect on confidence, her intention to go to Peking would have to be announced while the test of acceptability was being conducted. But there is of course an element of risk in this if the test of acceptability were to turn out wrong. There may be only a small chance of this. But there is also the consideration that the Prime Minister may be reluctant to decide to go to Peking, let alone to announce it publicly, until the present industrial problems in the UK are resolved.
- (ii) Whether the Chinese Government are likely to regard a visit by the Prime Minister to Peking to sign as appropriate and desirable? Also to what extent it might gain us extra credit with the Chinese or be turned to diplomatic and commercial advantage in some way.

We should also need to say something on the question of timing. As I have already mentioned to you, it would be difficult for the Prime Minister to go before Christmas though she could do so immediately afterwards.

We shall need to look separately at the question of reinstating the South East Asia tour, probably in shortened form, after the visit to Peking.

This is addressed to you in your foreign policy adviser role, and not at this stage for consultation with the Foreign Office.

CP

12 September, 1984.