

Mtg Record

cc Subject Pled in China

MASTOR

Sat: 5th May 1979



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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

5 June 1989

Dear Sir,

CHINA

President Bush telephoned the Prime Minister this afternoon about the situation in China. The conversation began with the President thanking the Prime Minister for his marvellous visit to the United Kingdom. The Prime Minister congratulated the President on the overall success of his European tour.

The President then said that he was very concerned about the situation in China. He welcomed the statement which the Prime Minister had issued. He himself had just issued a further statement. It was quite restrained and would not keep his critics, particularly those on the right, happy. The statement deplored the use of violence and said that the United States would suspend military sales to China. He did not intend to go any further, certainly for the time being, because he was anxious to keep links to the Chinese Government open. He recalled from his conversation with the Prime Minister in London that we were particularly sensitive to the implications of developments in Peking for Hong Kong and assumed that we shared his view of the need not to act precipitately.

The Prime Minister said that we had spoken out strongly against the use of violence by the Chinese authorities. People here were appalled by it. We had reaffirmed our commitment to Hong Kong, where there was naturally considerable alarm. We had also said that we believed the Chinese Government would continue to honour their obligations under the Joint Declaration. Beyond that, there seemed little we could do. Our information was limited and we could only wait to see what happened. Her own instinct told her that the situation in China was a long way from a final resolution. In the light of all this, she thought that the President's statement was just about right.

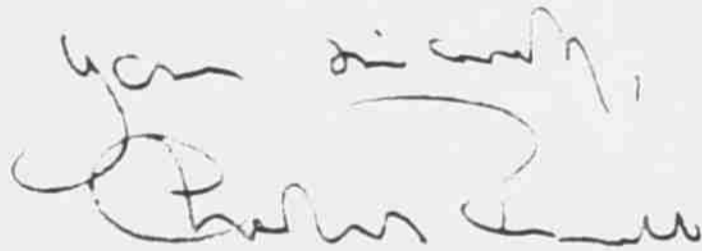
President Bush said that the Americans were concerned about the safety of their students. There were reports that the army was attacking the university. He had spoken to the American Ambassador, who had sought and received assurances from the Public Security Bureau that the students would be

safe. More generally, he was reluctant to take any further action before having a clearer idea of what was likely to happen. There were reports of divisions within the army but little firm evidence. There were also reports that Deng was seriously ill with cancer. If the Americans detected anything which impacted on Britain's particular responsibility for Hong Kong, he would let the Prime Minister know immediately. The Prime Minister said that our own students had been taken into the British Embassy. Our main source of information was the British correspondents in Peking and we had little additional material. Senior figures in the Party were clearly at loggerheads, and it was an open question who would come out on top.

President Bush repeated that the United States was anxious to preserve some sort of relationship with the Chinese Government. He hoped we would keep the United States closely in touch with our thinking. The Prime Minister said that we would gladly do so. She agreed with the President on the need to keep some channel of communication to the Chinese authorities open. Since China was a Permanent Member of the UN Security Council, she wondered whether there were grounds on which the UN Secretary General could raise with the Chinese authorities the international implications of recent events. The President thought this would be worth considering. He repeated his assurance that the United States would be very sensitive to Britain's special interest vis a vis Hong Kong and would keep closely in touch with us, particularly in the event that they contemplated further action.

The precise purpose of the President's call was not clear but seemed to be to seek reassurance that, like him, the Prime Minister did not want to go too far in castigating the Chinese or taking measures against them because of the need to keep links open.

I am copying this letter to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).



C. D. POWELL

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Foreign and Commonwealth Office