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CALL ON LEE KUAN YEW. SITUATION IN CHINA/ HONG KONG

SUMMARY

1. LEE KUAN YEW REGARDS RECENT EVENTS AS A DISASTER FOR CHINA. HE SEES NO OBVIOUS SUCCESSOR TO DENG XIAOPING AND IS SCEPTICAL ABOUT A POSSIBLE FUTURE COLLECTIVE LEADERSHIP. ANY MOVE TOWARDS FULL DEMOCRACY FOR HONG KONG BEFORE 1997 WOULD NOT BE TOLERATED BY THE CHINESE.

DETAIL

2. SIR ALAN DONALD HAS BEEN IN SINGAPORE BRIEFLY ON LEAVE AND I TOOK HIM TO CALL ON LEE KUAN YEW YESTERDAY. LEE LED OFF BY QUESTIONING ZHAO ZIYANG'S BEHAVIOUR BETWEEN MAY AND JUNE THIS YEAR. ZHAO HAD OWED HIS ADVANCE TO THE GENERAL SECRETARYSHIP OF THE CCP ALMOST ENTIRELY TO DENG XIAOPING. WHILE INTELLIGENT AND HARD WORKING HE WAS CLEARLY NO 'STREET FIGHTER'. YET HE HAD DECIDED TO SUPPORT THE STUDENTS DURING THE OCCUPATION OF TIENANMEN SQUARE. WHY HAD HE MISCALCULATED? THE ANSWER WAS NOT YET CLEAR BUT LEE ACCEPTED SIR ALAN DONALD'S JUDGEMENT THAT ZHAO WAS UNLIKELY NOW TO RETURN TO POWER. NOR DID HE DISPUTE SIR ALAN DONALD'S VIEW THAT LI PENG AND HIS CLOSEST ASSOCIATES WERE STILL HOPING TO HAVE ZHAO BROUGHT TO TRIAL AS THE BETRAYER OF THE PARTY, ALTHOUGH THERE WERE STILL MODERATES WHO WOULD SEEK TO PREVENT THIS.

3. LEE WAS ALSO PUZZLED BY THE STUDENTS' DECISION OF 19 MAY TO MOVE FROM GENERALISED DEMANDS FOR CHANGE TO DIRECT ATTACKS ON LI PENG AND DENG. THIS HAD BEEN 'AN ACT OF FOLLY'. HE HAD 'FELT IN HIS BONES AS A CHINESE' AT THE TIME THAT DENG WOULD THENCE FORWARD HAVE NO OPTION BUT TO CRUSH THE STUDENT OPPOSITION. THE ONLY REMAINING QUESTIONS WERE WHEN AND HOW. HE AGREED WITH SIR ALAN DONALD THAT THE PLA'S FAILURE TO DEAL WITH THE SITUATION ON TWO SUCCESSIVE OCCASIONS HAD INTENSIFIED THEIR SENSE OF

HUMILIATION AND MADE THE FINAL ONSLAUGHT ALMOST INEVITABLE.

4. THE OUTCOME HAD BEEN DISASTROUS, A TRAGEDY FOR CHINA AND FOR DENG HIMSELF: ALTHOUGH STILL CLEARLY IN CHARGE HE HAD TOTALLY FORFEITED HIS 'VIRTUE' AS A RULER. CHINA NOW FACED MASSIVE ECONOMIC PROBLEMS. THE SURVIVORS WOULD BE ABLE TO DO LITTLE MORE THAN HANG ON TO POWER WHILE STRUGGLING TO MANAGE A DEEPLY FRACTURED PARTY. WHEN SIR ALAN DONALD SUGGESTED THAT A COLLECTIVE LEADERSHIP MIGHT EMERGE AFTER DENG'S DISAPPEARANCE, LEE REPLIED THAT SUCH A REGIME COULD NOT LAST: NO CHINESE GOVERNMENT COULD BE SUSTAINED WITHOUT A SINGLE DOMINANT LEADER. BUT WHO COULD ASSUME DENG'S MANTLE? WITH ZHAO GONE, NO CANDIDATE FOR THE SUCCESSION WAS IN SIGHT. JIANG ZEMIN 'WOULD NOT LAST A YEAR' WHEN DENG HAD GONE. JIANG, WHOM HE KNEW REASONABLY WELL, HAVING TRAVELLED IN CHINA WITH HIM DURING HIS (LEE'S) LAST VISIT, WAS INSUFFICIENTLY TOUGH. HE AGREED THAT LI TIEYING AND TIAN JIYUN WERE BOTH WORTH WATCHING. THE FORMER'S LINK TO DENG (AS THE SON OF DENG'S PREVIOUS WIFE) WAS PROBABLY NOT IMPORTANT. HOWEVER, WHILE INTELLIGENT, HE WAS NOT SUFFICIENTLY CALCULATING TO LEAD CHINA. TIAN WAS 'BETTER MATERIAL'. BUT LEE WAS MOST IMPRESSED BY LI RUIHUAN (MAYOR OF TIANJIN), WHO ALTHOUGH UNEDUCATED, HAD SUCCEEDED IN WORKING HIS WAY WELL UP THE LADDER OF POWER. YANG SHANGKUN, ALTHOUGH IN A POWERFUL POSITION, WAS PROBABLY TOO OLD TO BE A LASTING SUCCESSOR TO DENG.

5. COMMENTING ON THE IMPACT OF EVENTS IN CHINA ON THE CHINESE POPULATION OF SINGAPORE - AND BY EXTENSION ON OVERSEAS CHINESE EVERYWHERE - LEE SAID THAT THE REGIME IN PEKING HAD COMPLETELY LOST THEIR CONFIDENCE. THIS SHIFT OF OPINION MARKING A MAJOR WATERSHED: THOSE CHINESE EDUCATED CHINESE WHO HAD FOUGHT FOR 40 YEARS TO SUBVERT DEMOCRATIC GOVERNMENT IN SINGAPORE ON BEHALF OF MAOIST AND POST-MAOIST CHINA WERE NOW COMPLETELY DISILLUSIONED. THE DOMINANT FEELING WAS ONE OF SHAME.

HONG KONG

6. AFTER AN EXCHANGE ABOUT THE SHOCK FELT BY THE HONG KONG POPULATION, LEE (TWICE) EXPRESSED HIS GRATIFICATION AT HMG'S CONTINUED COMMITMENT TO THE JOINT DECLARATION POST-TIENANMEN. THERE WAS NO ALTERNATIVE. BUT HE HAD BEEN PUZZLED BY THE VIOLENT AND QUITE UNUSUAL REACTION IN HONG KONG TO EVENTS IN CHINA. HE COULD ONLY PUT THIS DOWN TO THE IMPACT OF MASSIVE TELEVISION COVERAGE. HE WENT ON TO EMPHASISE HIS CONCERN ABOUT THE EQUALLY UNANTICIPATED UPSURGE OF INTEREST IN HONG KONG IN MORE RAPID MOVEMENT TOWARDS

A MOREE FULLY DEMOCRATIC SYSTEM.

7. THIS WOULD, HE SAID, INEVITABLY PROVOKE CHINESE HOSTILITY. THE REALITY WAS THAT CHINA COULD NOT ACCEPT WHAT SHE REGARDED AS SUBVERSION BY CERTAIN POLITICAL GROUPS IN HONG KONG. THE CHINESE REGIME WOULD ALSO REJECT ANY ASSERTION OF A SEPARATE, DEMOCRATICALLY-BASED, HONG KONG IDENTITY, AS DISTINCT FROM A HONG KONG WHICH UNDERSTOOD ITS ROLE AS PART OF CHINA ALBEIT A COMPONENT WITH A HIGH DEGREE OF AUTONOMY. THE PEOPLE OF HONG KONG MUST LEARN, IN DENG'S WORDS, ''TO LOVE CHINA'', WHATEVER THEIR REAL FEELINGS, IF HONG KONG WERE TO SURVIVE. HERE AGAIN, THERE WAS NO ALTERNATIVE.

8. AT THE END OF THEIR CONVERSATION, SIR ALAN DONALD TOOK THE OPPORTUNITY TO INFORM LEE IN CONFIDENCE THAT YOU HAD INVITED QIAN QICHEN TO MEET YOU IN PARIS ON 31 JULY. LEE THOUGHT THAT THE CHINESE WOULD WELCOME SUCH A MEETING.

COMMENT

9. LEE WAS IN EXCEPTIONALLY GOOD FORM, OBVIOUSLY FASCINATED BY, AND WELL INFORMED ABOUT, RECENT EVENTS IN CHINA. BUT HE STILL FINDS IT EASIER TO ASK QUESTIONS THAN PROVIDE ANSWERS AND IS CHARACTERISTICALLY PESSIMISTIC ABOUT THE COUNTRY'S PROSPECTS IN THE WAKE OF WHAT HE SEVERAL TIMES DESCRIBED AS A ''DISASTER''.

10. HIS COMMENTS ON THE HEIGHTENED PRESSURE IN HONG KONG FOR MORE RAPID MOVEMENT TOWARDS DEMOCRACY REFLECT HIS LONG STANDING CONVICTION THAT CHINA WILL NEVER BE PREPARED TO TOLERATE ANYTHING OTHER THAN A MEASURED, TIGHTLY CONTROLLED, AND STEP-BY-STEP, SHIFT IN THIS DIRECTION BEFORE 1997. BUT HE WELL UNDERSTANDS THE PROBLEMS WHICH HMG, AND YOU IN PARTICULAR, NOW FACE IN A SITUATION WHERE (RECALLING HIS PRIVATE ADVICE TO THE PRIME MINISTER AT THE 1983 CHOGM IN NEW DELHI) THE CHINESE CONTINUE TO HOLD MOST OF THE CARDS.

PIKE

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