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201728Z

COMMENT

SECRET

UK COMMS ONLY

FM PEKING

TO DESKBY 201630Z FCO

TELNO 901

OF 201527Z MAY 89

INFO DESKBY 201630Z JSIS HONG KONG. MODUK. CABINET OFFICE. ACTOR  
INFO IMMEDIATE WASHINGTON

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SIC U2A

RESIDENT CLERK PLEASE PASS TO MCLAREN AUSS.  
CABINET OFFICE FOR ASSESSMENTS STAFF

CHINESE INTERNAL SITUATION

1. IN THE COURSE OF A PRIVATE LUNCH ON 20 MAY. PROFESSOR STUART SCHRAM CONFIDED TO ME THAT ONE OF HIS CHINESE CONTACTS HAD TOLD HIM THAT IN RECENT DAYS DENG XIAOPING COMMENTED THAT "TWO HUNDRED DEAD COULD BRING 20 YEARS OF PEACE TO CHINA". THE IMPLICATION CLEARLY WAS THAT THE SACRIFICE OF A NUMBER OF DEMONSTRATORS LIVES NOW WOULD STABILIZE THE PRESENT SITUATION AND BUY THE TIME NEEDED TO COMPLETE THE REFORM OF CHINA.

2. I WAS INCLINED TO TREAT THIS WITH SOME RESERVE. EXCEPT THAT TONIGHT THE U.S. DEFENCE SECTION HAVE PASSED US IN CONFIDENCE THE FOLLOWING INFORMATION (VIA THE INCIDENT ROOM AT THEIR EMBASSY):

A) THE CHINESE GOVERNMENT HAS DECIDED THAT THERE IS NO WAY TO AVOID BLOODSHED.

B) THE GOVERNMENT HAS RECALLED GOVERNMENT HOSPITAL WORKERS TO THEIR WORK UNITS.

C) THE MILITARY HAS BEEN INSTRUCTED TO DO WHAT IS NECESSARY TO PUT DOWN THE SITUATION.

3. I HAVE HAD THE INFORMATION DOUBLE CHECKED. IT COMES FROM THE US AIR ATTACHE. WHO REGARDS HIS SOURCE AS "VERY RELIABLE".

4. THE SAME WILLINGNESS TO USE A CONSIDERABLE DEGREE OF FORCE INDICATED BY THE ABOVE COMMENTS IS REFLECTED IN LI PENG'S SPEECH ANNOUNCING THE IMPOSITION OF MARTIAL LAW. THERE MAY STILL BE VOICES WITHIN THE LEADERSHIP COUNSELLING MODERATION. BUT THE FRUSTRATION AND ANGER AT THE WAY THE STUDENTS HAVE MADE THE GOVERNMENT AND PARTY LOSE FACE MAY NOW BE BRINGING MATTERS TO A CRISIS.

DONALD

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