

SIR PERCY CRADOCK

Biographical details

Born 26 Oct 1923, married Birthe Marie Dyrland 1953.

Entered FO 1954.

1st Secretary: Kuala Lumpur 1957; Hong Kong 1961; Peking 1962

FO 1963 (Assistant head of the Eastern Department)

Counsellor and Head of Chancery, Peking 1966 (Chargé d'Affaires 1968)

Head of FCO Planning Staff 1969

Assistant Under-Sec and Head of Cabinet Office Assessments Staff 1971

Ambassador to East Berlin 1976 (concurrently leader of UK delegation to Comprehensive Test Ban talks, Geneva 1977)

Ambassador to Peking 1978 (KCMG 1980)

Prime Minister's Foreign Policy adviser 1984-92

Interview Index

3-6. First impressions of China in the 1960s. China and Britain.

6-7. Work of the Eastern Department 1963-6.

7-11. Return to China. The Cultural Revolution and its impact on relations.

11-12. Nixon's opening to China.

12-13. Work of FCO Planning Staff. Attitude of Denis Greenhill (the PUS) towards it.

13-14. Work of Cabinet Office Assessments Staff.

14. Brief comments on East Germany in 1970s.

14-16. Ambassador to China. Impact of Deng. Thatcher's view of China.

16-18. Hong Kong agreements and comments on Chris Patten's policies as Governor.

18-20. Brief recollection of Suez and the difficulty diplomats have in opposing policies.

20-22. Problems in dealing with the Press. Media views on Patten and Hong Kong; also Europe.

22. Morality and foreign policy.

22-24. Parliament and foreign policy: the Foreign Affairs Committee and Hong Kong.

24-27. Thatcher and foreign policy work. Differences over German reunification and Gorbachev. Her fall from office. Work of Cabinet and

Cabinet Committees. (25-26. Major and policy-making. Comparison to Thatcher.)

27-28. More on German reunification. Kohl's policy. Reactions of Thatcher, Mitterrand and Gorbachev.

28-29. Major and improved relations with Germany.

29-31. Final comments. More on China (house arrest of Anthony Grey). Achievements under Thatcher. Britain's role in the world.

INTERVIEW WITH SIR PERCY CRADOCK

I am Malcolm McBain on 4 November and I'm in Sir Percy Cradock's home in London about to interview him on the subject of his career.

MMcB: "Sir Percy would you like to start by telling us something of your early career in China?"

Sir PC: "I went to China first in 1962, in January. I had been trying to learn Chinese at the University of Hong Kong, which was the place the Foreign Office sent its Chinese-language students in those days. Then there was a personnel problem in our mission in Peking. Teddy Youde, who was the Chinese Secretary at the time, was needed back home at short notice and there was a gap which had to be filled and no immediately available replacement. So I was drafted in from Hong Kong. I was taken away from the few months of language study that I'd had and sent to do some real work (as they said up in Peking). So up I went: a very ill-qualified Chinese-language Secretary, certainly compared with Teddy Youde's enormous knowledge. He was an old China hand. But I spent six months there as a stand-in doing that job and of course learning a fair bit about diplomatic life in Peking, although perhaps rather less about the Chinese language.

That was a very difficult time for China because it was just in the aftermath of the Great Leap Forward, one of Mao's disastrous experiments and attempts to reach heaven in one day. He had told the Chinese to produce much more food using new and revolutionary methods. He urged them also to produce iron and steel in great quantities using amateur methods. Of course the whole thing was a disastrous flop. It led to great famines, helped by bad weather, in which millions, perhaps 20 millions of Chinese died, although that fact was very carefully suppressed at the time.

As we travelled across China, my wife and I on the train from Hong Kong to Canton and then up to Peking, we passed factory after factory with the chimneys smokeless and great slogans written everywhere - a rather sad quality to them - about "Quicker, Faster, Better" and "We're going to overtake Britain in no time in the production of steel" and so on. And of course there was hardly anything to eat. We were immured in our carriage and had our meals served there. At first we thought that rather odd. We wanted to go to the dining car and were prevented from doing that. Of course the reason was that we were provided with really

rather good food as diplomats and they didn't want us to see the levels of nourishment provided for the ordinary people, and vice-versa. In Peking it was clear that our Chinese staff and many of the population were very undernourished. Some of our Chinese staff were just about on the point of collapse and there were many, and probably true, stories about students and others eating the bark of trees. So it was a very rough time. Meat came perhaps twice, three times a year for the ordinary Chinese - for the big feast days. For the rest, they subsisted on a diet of rice and vegetables, and sometimes what they called wild vegetables which were not the normal cultivated stuff but herbs they picked in the wild.

A difficult time. Mao was in retreat, admitting that he'd made mistakes. The government was in the hands of Liu Xiaqi and Deng Xiaoping, that is the President, the No 2 to Mao, and Deng who was the Party Secretary-General at the time. Also a quiet time, China licking its wounds as it were. We sat in Peking and tried to understand, pretended to understand, what was going on. I don't think we understood terribly well. Our sources of information were few. Our contacts at the Chinese Foreign Office were only about middle level. We never got talking to the real leaders, or hardly ever. And I spent, as I say, a fascinating six months, then went back to Hong Kong to take the language examination held in August. My place was taken in Peking by Richard Evans, who was the regular successor to Teddy Youde. He succeeded me there as Chinese Secretary, just as many years later he succeeded me in Peking as Ambassador.

MMcB: "Well thank you very much for that introduction Sir Percy. You said two things that particularly interested me about your time, your early time in Peking. You said that the slogans on the factory walls and so on, about overtaking Britain in steel in the not too distant future suggests rather that overtaking Britain was seen rather as an important aspect of their development. Did they regard us as being of greater significance than other European Powers at that time?"

Sir PC: "I think they probably did. We had a long legacy in China and we were still, if you remember, one of the only two surviving colonial powers with holds in China, the other being of course the Portuguese. I think that fact and the fact that we were down in Hong Kong running it, made us bulk larger to them, than, for example, the French and the Germans or the Italians. And remember at that time there was no German or French or Italian representation in Peking. There were no Americans either. There was a select group of

countries. Of course there were a lot of Third World countries, Africans and so forth. But as for the Europeans, it was mainly the Scandinavians and the Dutch, and the Swiss, and they had it virtually to themselves. Of course there were Yugoslavs and East Germans and the Communist Bloc at the time, but the West Europeans were a limited group."

MMB: "That is interesting, and likely to be overlooked these days I suppose."

Sir PC: "We weren't high in the pecking order because we still retained a consulate on Taiwan. We had recognised China very early, one of the First big Powers to do so in '49 but we retained a foothold on Taiwan and therefore we could not be regarded by Peking as a proper Embassy. It was the Office of the British Chargé d'Affaires, which is quite a mouthful."

MMcB: "Yes, that's the reason for only having middle level contact with their Ministry of Foreign Affairs."

Sir PC: "I think so, though mind you anyone from the capitalist world would have been in a secondary position to the Russians and the Russian satellites, who were treated at a very different level, in particular the Russians."

MMcB: "Well, thank you. Anyway, after your first stay in Peking, you went back to Hong Kong and resumed your language studies."

Sir PC: "I became a student again, just to take the examinations. I went back in June and we had the examinations in August. And that was that. Then I went back to the Foreign Office at the end of '62 and was sent to a totally different world. I became Assistant Head of Eastern Department, which was really Middle Eastern Department, and found myself in a great headquarters of arabists. This was thought to be good for my soul: having acquired a bit of Chinese, I would be flung into a quite different setting. And of course it was. From 1963-66 I was in Eastern Department under a series of highly-qualified arabist heads. I had to deal with half the world of that department. There were two assistant heads, quite a big department, and my area was Iraq, Iran, Afghanistan and the Central Treaty Organisation, one of those now long-defunct treaties with which we were planning to control, or at least influence, a large part of that area (laughter). It was a world of oil and dictators and

revolutions. I had to deal first with the upset in Iraq, the removal of Qassim (QASIM), the emergence of the Baath (BA'ATH) Party in that part of the Middle East. And throughout had to deal with the vagaries of a very demanding ally of ours, namely the Shah of Iran, who was in many ways more trouble than all the enemies, the hostile powers, because he was a close ally, a very important one, and one who was really very exacting."

MMcB: "You had left China behind and your knowledge of Chinese. Do you think that this hindered your career in any way? I think you mentioned at some stage how important it was to be a specialist in Chinese affairs and I am sure that that is correct. But what is your view of being taken away from that and being put into a totally different environment?"

Sir PC: "I think it was fair. I didn't like it at the time being thrust into the Middle East. But it very much broadened my mind and I think that it helped my career in the sense that they didn't regard me as a man with only one shot to his gun. I had always been keen on having specialist knowledge. Remember, I went into the Foreign Office as a late entrant, having been a barrister, a law don at Cambridge and reading in Chambers in London, and I knew there a great deal about a very limited aspect of the law, and I was rather alarmed on going into the FO that I was being in a way, de-educated. I was expected to know a little bit about a wide range of things, the renaissance man approach which the FO favoured, as you know. It left me feeling very denuded, because I liked to know things in depth, in certain areas at least. I had always wanted to learn Chinese. It was one of the reasons I went into the Foreign Office, and I had therefore to institute a campaign to get them to let me learn this hard language. Their answer was at first "Oh, you're too old, your brain has hardened", which of course it had in a way. I was late-twenties, early-thirties, and it took quite a while before I eventually persuaded them. And in their typical way they welched on their promise, because instead of two years learning Chinese, which was the proper stint, I got about eight months, interrupted by being sent to Peking. But it didn't matter. So I was a reluctant generalist, to answer your question, but I think it did me good."

MMcB: "So after your time ... I'm sorry I interrupted your flow. We were talking about ME Department and you were there until 1966."

Sir PC: "And then to my delight I was told I was going back to China, Peking, as Political Counsellor and Head of Chancery."

MMcB: "And what were the main events that occurred at that time?"

Sir PC: "Well, I found myself pitchforked into the Cultural Revolution. The first news of great upheavals came as we reached China. We went out in those days by sea. You will remember it was a more leisurely world. Sea was the approved route. We travelled out to Hong Kong in a very pleasant smallish ship, and we got the news as we approached China, that the leading figure in the Peking Party, (Peng Zhen), had been removed from office. It was pretty clear that we were in for a lively time.

That was the beginning of the Cultural Revolution which lasted in its immediate, its first and its most violent stage, from 1966 to about 1969, though according to some historians it went on long after that. The Chinese themselves speak of a time of troubles lasting for about ten years (from 1966). It was certainly a very violent time, a fascinating time. It was another of Mao's attempts to change the face of things overnight. Like his earlier attempts, it was a great failure but it inflicted vast damage on everyone concerned, not only foreigners but, much more important, on China and the Chinese people themselves. They bear the scars today.

It was, in name, a cultural revolution, that is, concerned with sins of the intellectuals, but it went much wider than that. It really was an attempt to change the nature of China and the nature of Chinese man, to get back to the early revolutionary enthusiasms. At the same time it was a vast purge and power struggle, an opportunity for Mao to get rid of his heirs designate, whom he did not like, Liu Xiaqi, Deng Xiaoping, and to bring in new figures. So it was a time of great disturbance, actual physical disturbance. At first we thought it was only going to affect the Chinese, not going to affect foreigners, but then it widened out and embraced the resident foreign community in Peking and affected Chinese embassies worldwide."

MMcB: "In what way?"

Sir PC: "Well, all but one of the Chinese Ambassadors was recalled. They were thought to have acquired dangerously bourgeois decadent habits in their luxurious lives in foreign capitals, and were brought back for re-education. Only one survived in his post, and that was

Huang Hua, later to become Foreign Minister. I think that was achieved by skilful intrigue by his rather attractive wife, who was still back at home in Peking and who managed to protect her husband."

MMcB: "Would you say that the object of the Cultural Revolution was to try to extinguish latent capitalist tendencies among the Chinese?"

Sir PC: "Yes. Mao was worried at the way he saw socialism developing, and of course he looked at the vast example in the shape of the Soviet Union, and he didn't like what he saw. He thought he saw a new kind of hardening of the arteries, a new governing class, a new bureaucracy coming into existence and he wanted to stop that, to keep China in a state verging on permanent revolution. It was an attempt by an old man to recover his ideological youth."

MMcB: "What a disaster."

Sir PC: "It was a disaster. It didn't kill quite so many as the Great Leap Forward if you're thinking in terms of actual deaths. But in terms of political scars it was worse. Virtually every intellectual was marked. They were hauled away from the laboratories and libraries and sent off to rear pigs in the countryside. Their books were burned, their papers were burned. They were not only humiliated, they were often physically tortured and many were killed, or killed themselves. And a whole new generation, the Red Guards, who had been told at one moment that they were the little generals everyone should model themselves on, and who were given every kind of privilege in the early days of the Cultural Revolution, were then abruptly turned off and sent out into the countryside to be peasants. The peasants of course were far from delighted to receive these newcomers, who had to be fed, didn't know what to do with the countryside, and were simply a dead weight. They became what the Chinese called the lost generation. Many of them stayed out for many years in the countryside and lost all their talents and skills. So a bad time for China. And China was shut in. It didn't want to learn from the outside world. It offered itself rather the other way round, as a model for everyone to follow. If you remember, too, it was believed, that Mao was a great political guide for the West to follow, and when they had student riots in Paris in 1968, Mao was a great inspiration. Nowadays, one has to deliberately recall these things. People didn't understand in the West what the Cultural Revolution was about, but many intellectuals

and commentators talked as if they fully understood it and approved it, and that this was a new model for society."

MMcB: "What happened in the countryside?"

Sir PC: "The countryside was less affected than the towns. It was largely an urban phenomenon. Universities, cities, young people. It was mainly the big cities. It was, after all, started mainly in Shanghai. But all urban centres were affected. Peasants got away with very much less."

MMcB: "In your work at the ... Was it an Embassy by then?"

Sir PC: "No, it was still the Office of the Chargé d'Affaires."

MMcB: "Were you affected personally?"

Sir PC: "Yes we were. After a short time the revolution began to affect us. The Chinese found reasons for quarrelling with almost everyone. They started with the Russians. They had deep ideological rifts with them. The main demonstrations at first were against the Russian Embassy, but then virtually everyone else was brought in, and we were particularly vulnerable because of Hong Kong. The rioting and demonstrations spread from southern China into Hong Kong, and they really were quite violent riots there which we had to take control of and put down, and members of the New China News Agency, Xinhua, the semi-official Chinese representatives in Hong Kong, were often leaders in these demonstrations. They were, of course, very properly arrested for breaches of the peace, handed over to the Courts, sentenced, all very correctly. At first, the authorities in Hong Kong hesitated, and then they took a pretty firm grip of the situation, and of course there were arrests. Up in Peking, they took violent exception to this and told us these men had to be released, and if they weren't released at once, then of course various dreadful things would follow. And they weren't released because we couldn't interfere with the legal process. The Chinese then held large-scale demonstrations against us and eventually, as you know, they stormed the Office and burned it down with ourselves inside it. We were eventually rescued by the military. But the building went. The Chargé's house was sacked. It wasn't actually destroyed, but all the furniture was taken out and burned on the lawns. So we were left in a pretty enfeebled

condition after that. We managed to keep going. We worked at first from a flat occupied by one of our diplomats and then we moved back to the residence where the structure was sound, and worked from there. We kept going, but we were effectively kept hostage for about a year."

MMcB: "Not a pleasant experience."

Sir PC: "No, but fascinating. We were watching a great convulsion outside, and reporting on it. We were in a marvellously privileged position because at that time of course China was not a place anyone wanted to visit. There were no journalists, apart from a few resident journalists. The Reuters correspondent was locked up, Anthony Grey, in his own house, and no-one could visit him. Captains of ships calling in at Chinese ports were routinely arrested for spying and taken away, so there was no incentive to come and see what was going on. And we were in an excellent position for reporting. Writing despatches about the revolution was fascinating work."

MMcB: "Was there any Chinese external trade at that time, going out through Hong Kong?"

Sir PC: "There was - going out through Hong Kong. And there was still a Canton Fair. That went on in a fashion, interrupted, orchestrated, with Red Guard fanfares and all the rest of it. So a very interesting time, and eventually the Chinese apologised for what they had done and rebuilt the Office, the Chancery, at their own expense. This happened under my successor's time, John Denson. What happened in my time was we had a Chargé d'Affaires, Donald Hobson who eventually got out in August 1968. I took over from him and was Chargé from August 1968 until February of the next year, and then I was succeeded by Denson. It was under him that the Office of the Chargé was rebuilt and things quietened down."

MMcB: "And what was the next major event in Anglo-Chinese affairs. Were we much influenced by the Nixon visit, rapprochement with the United States?"

Sir PC: "I think from our narrow point of view the next big thing was when we removed our presence from Taiwan and moved up into the position of a proper Embassy in Peking. This was in 1972, I think, and the first Ambassador to China was John Addis. From our point of view, the next important stage, though of course on the wider front the Nixon visit was of

very great significance. We had a rather curious experience with the Americans during our negotiations to raise our representation. I think it was Alec Douglas-Home who was the Foreign Secretary at the time. He decided that we had to tell the Americans what we were doing, and not only tell them, but consult them, rather more than simply inform them. And the Americans said, this is very interesting, but we suggest you don't do it quite yet. Douglas-Home, who was a great pro-American, paid attention to this, and so we held our hand. Then we were surprised to find that Dr Kissinger had paid his visit to Pakistan and then on to China and the preliminaries to the Nixon visit took place. In other words, the Americans had moved in and were soon in cahoots with the Chinese. And of course the situation was changed, the world situation changed, and the price for full representation in Peking changed also, and went up. So you may say that that was a case where we consulted the Americans just a bit too much. What we ought to have done was make the change and tell them in the same breath. I'm afraid we were rather used by them in that case. They didn't want the British moving in to muddy the waters and to affect in any way the Kissinger visit. I remember Kissinger coming through London. On his way to Pakistan he stopped off in London and we had some curious, almost without content, discussions with him. He asked about various subjects and we talked of this and that. But he was just putting up a front, a blind, and it all concealed the fact that he was going to open the lines to China. We weren't told a thing about it."

MMcB: "Did they actually open a full mission in Peking before we did? Was that their objective?"

Sir PC: "They were launching a very important opening to China, and they didn't want the British to queer the pitch in any way. They didn't have a full mission there until a good deal later. But they had a liaison office which, if you remember, George Bush was the head of for a while. The full Embassy didn't come until the beginning of 1979. It happened when I was Ambassador there. An interesting little vignette, isn't it, into the Anglo-American relationship."

MMcB: "Always much more complicated than it appears. So you were in Peking at that time, in the early 1970s."

Sir PC: "No, I wasn't. During that period I was Head of the Foreign Office Planning Staff. I

came back from China in 1969 and was given the job of Head of the Planning Staff, which I thought was the best job in the Office. It coincided with a period when policy planning was very fashionable, and when Denis Greenhill was the Permanent Under-Secretary. I don't think he was a great believer at heart in planning. He was an extremely good operator, who could sense very quickly what ministers wanted and what was the best line to take. Extremely alert and sharp on that. But I don't think he had deep convictions about planning. However, he realised that planning was the 'in' thing and he was therefore an enthusiastic planner for the time, which was very important because the head of the Planning Staff worked very closely with the PUS, and if he smiled, then of course everyone else smiled, and there was a favourable atmosphere. It is a fascinating job, much the most intellectually stimulating one could have had, and I loved it. But it did depend very much on the atmosphere of the time. If it wasn't the fashionable thing then you found you had a very difficult ride, because there was a natural tension between operators and planners. The operator had a particular country or a particular area, which was his and which always gave him importance, whereas the planner had to go around every day more or less inventing his job, telling himself and the others that it was very important that this or that paper about the future should be written and discussed. The Office is naturally biased in favour of the present."

MMcB: "At that stage, of course, we were getting towards the 3-day week and confrontation with the miners, domestically. Did that have any impact on the FO directly? I'm thinking in terms of international relations and the fact that Britain was apparently crippled."

Sir PC: "No, I cannot say that I had direct experience of that. The Office went on much as before, although life was difficult and the power was often off. Life went on and the Office paid no attention to these small inconveniences. It dealt with things in its usual way. Then, after a period in the Planning Staff, I moved over to the Cabinet Office and became Head of the Assessment Staff, which was the body set up to service the Joint Intelligence Committee, to prepare the assessments which eventually appeared in the Red Book for the Prime Minister and others. And that I liked very much. I became fascinated by intelligence and served in that position from 1971-76."

MMcB: "That was a fascinating period."

Sir PC: "It was a long stint. As you know, the Assessments Staff were concerned very much with international crises and emergencies, and it was a period punctuated by several of these. We had the Indo-Pakistan war, or one of the Indo-Pakistan wars, quite early on, and later on we had the Yom Kippur War, a major international crisis. So I did that job, for a long time, and went off from there in early 1976, to be Ambassador in East Germany.

MMcB: "That was a major switch."

Sir PC: "It was. I'd asked for a European post and I was given one. In Berlin you were right at the centre, right on the fault line. The post had a number of aspects which interested me. First of all, there was Berlin itself which was of course a strange city, under Four Power occupation still and surrounded by a great deal of theology, which had built up about the rights and privileges of the occupying powers. Then there was the very interesting aspect of watching life under a European communist regime, probably the most disciplined, most oppressive, and depressive of all such regimes. The atmosphere was claustrophobic. I had a greater sense of being under surveillance there than anywhere else, and in fact we were under greater surveillance than anywhere else."

MMcB: "They were experts at it."

Sir PC: "Oh, they were very hot at it. But there were movements towards greater freedom. There was a constant tension between the regime and the church, between the regime and the intellectuals, and these couldn't be entirely hidden or suppressed and it was fascinating watching. We were also in a very interesting part of Germany because life had moved more slowly than in the West simply because it was less prosperous, and you found old Germany encapsulated, preserved, mothballed in a way that you could no longer do over on the other side. So we had two years there. Then I went back to China in 1978 as Ambassador, and stayed there until Christmas of 1983.

The year 1978 saw the return of Deng Xiaoping. He took over and you had a much more stable, sensible period in Chinese history. Stability first: there were no more of these Maoist

convulsions every few years. The second thing was that China opened its doors, admitted it wanted to, needed to, learn from the outside world and invited other countries to help and to trade in particular, and there was a great change in that way. Also the economy was reformed, began to be reformed, with the freeing of agriculture. And the natural business capacity, cupidity, of the Chinese peasant was at once enlisted. They were told you have to produce so much grain for the State but over and above that, anything you produce you can sell for your own ends, for your own profit on the free market, and of course they rose to that bait immediately. Agricultural production rocketed, and wealth began to come into the countryside or certainly those bits of the countryside that were fairly near the big centres of population. So, an immediate change, and the first steps taken by China towards its present position of a potential super-power. So a very good period for China, and a much easier one for the foreign representatives there. And we found it an appropriate time to start broaching that most important and difficult of issues between us and China, namely the future of Hong Kong. The first soundings took place then, and eventually in 1982 we had the first visit by Mrs Thatcher to Peking and soon after that the opening of formal negotiations over Hong Kong, which led to the Joint Declaration in 1984."

MMcB: "How did Mrs Thatcher get on with the Chinese?"

Sir PC: "Well, she found them not exactly her cup of tea. She never particularly liked them. She visited China as Leader of the Opposition in 1978 or '79 and, unlike many leaders who were feasted in Peking, she didn't fall for the Chinese. She thought they ran a peculiarly wasteful and inefficient economy, which was perfectly true at that time, because the visit was pre Deng, and she didn't like communism anyway. She wasn't just enthralled, as many are, by the strangeness of China. In 1982, she came to the negotiations fresh from the Falklands War, which bore some superficial similarities to the Hong Kong problem. The Falklands, of course, she had solved by might and main, by the use of force, and she was not therefore predisposed to adopt a different line with the Chinese. She wasn't keen to make concessions or to negotiate in the usual way, to begin with. She was inclined to say: we've got some treaties, we have rights in perpetuity over part of Hong Kong, why not hold to that. Then she felt that there was no reason to surrender British administration of Hong Kong, and so on. So that altogether she was rather a hard nut in the case of China. Of course, there was no real parallel between the situation in Hong Kong and that of the Falklands. A very different

approach had to be adopted. The lease was coming to an end and if we were just defiant, then the Chinese would say, okay, we'll wait until the lease ends and we'll have the place without any clog upon our freedom of movement, we'll be able to do exactly what we like. Or, of course, they could even move in earlier if they wanted to. We couldn't do anything about it. So all these factors made it a special case. Eventually she saw that, or was persuaded to come round to see it, and negotiated, made the necessary concessions and was delighted by the end product, by the Joint Declaration. She felt that it was a major achievement, which it was, and that we'd got as good a result as anyone could reasonably expect in a very difficult situation. I think that is still true. I think she still sees it that way, though I must say, she has made some funny noises about it over the last few years."

MMcB: "Yes, I think it was generally seen as a great achievement."

Sir PC: "It was at the time. It came under a lot of flak later, when people began to say, 'Oh well, we could have done better if we'd been tougher with the Chinese'. And you had the newspapers, and then later Mr Patten, saying, 'All you have to do is really to be tough with these people and you'll soon see them off.' And, of course, that alternative policy was actually tried. Well, we have seen the result of that. Normally in international affairs you get only one chance. You're given a situation. You can go for this, or you can go for that. You're never given a second throw of the dice. It's not like being in a laboratory where you can say, well, that sample didn't do terribly well, let's have another go. The moment has passed. That's it, and you can go on forever about what might have been. But curiously, in the case of Hong Kong, we had time enough to try out two quite different policies. The first one was one of co-operation with China to secure the best future for Hong Kong, accepting that the Chinese were there as landlords who were going to take the place over. If we wanted to look after Hong Kong in the future we'd better talk to, extract concessions from the Chinese. That was policy one. Policy two was unilateral action: do what we think is right or what we want during our term of tenure and hope that the Chinese will come to accept it. Well, we've seen the results."

MMcB: "But there wasn't really such a tremendous difference, in fact, between the Patten policy and the agreement as originally mooted, was there?"

Sir PC: "Oh yes, a total difference. There was nothing in the Joint Declaration to justify the Patten reforms. You see, what we had done was to negotiate first of all the Joint Declaration. Then we negotiated with the Chinese about democracy in Hong Kong and got an agreement for a certain number of directly elected seats, a rising curve, increasing into the future, and an agreement for a so-called through train for an elected legislature, ie the legislature elected in 1995 in Hong Kong would sit through the hand over and become the first of the new SAR Hong Kong Government. And that would mean bringing into Hong Kong, post 1997, a considerable directly elected element. People like Martin Lee for example, could have remained Legislative Council Members. That was all fixed. The Chinese were reluctantly persuaded to put their name to this agreement. They incorporated it in their Basic Law, which meant that it would stick after 1997. But then Mr Patten said, I will take a different line. Instead of agreeing everything with the Chinese, I will make some unilateral changes which I believe they will come to accept. But, of course, they didn't come to accept it. They had warned us, many years before, that if, after the Joint Declaration, we started acting on our own on major constitutional issues, they would dismantle our arrangements, and impose their own. Sadly, those warnings were disregarded and, as a result, you had a very difficult period in Hong Kong, five years of bitter quarrel with the Chinese. It meant that our negotiations on the transfer were much less successful than they would have been, because you were dealing with an adversary. We therefore got worse terms, less protection, for Hong Kong than could have been the case. And, on the most important issue of all, democracy, instead of a through train for an elected legislature, you got a China-appointed body, which you still have. When we do have elections next year, they will be under a very different system. So, the net effect of this new policy was to harm Hong Kong."

MMcB: "Yes, one wonders quite why Mr Patten saw fit to make these changes. He must have been under some sort of pressure to do it."

Sir PC: "Well, I think he was under media pressure, a view put about in the press that the people who had negotiated the 1984 Agreement were too soft, kowtowing always to the Chinese, that if they'd been tougher they could have got better terms for Hong Kong. There was parliamentary pressure, of a rather uneducated kind, along the lines, 'Just make Hong Kong more democratic and it'll be all right'. This was the effect of the Tiananmen incident in 1989, which naturally outraged Western opinion. And, of course, there was personal

ambition. As a politician, with a future and a name to make, he wanted to do something that would resonate. All that Hong Kong could offer really was a tough rearguard action. There was not much that could be changed. It was not a situation full of glory for anybody, but it was the best that could be done, an ideal position for a tough official who didn't have to worry about his name. For a politician, not good. And he, of course, tried to do more and failed.

So, interesting lessons there, I think. I was fortunate in that the changes took place after I had left No.10, almost immediately afterwards. If I'd remained at No.10, I'd have had to resign. In fact, I would have resigned. But it raises the question, which I think you allude to in one of your letters to me, about the relationship between an official and a minister, in cases where the minister goes off the rails, or does something that you don't approve of. That really is a fascinating question, and one which affects the whole diplomatic experience. Mostly, we are lucky in the Foreign Office. There's a kind of sympathy between officials and ministers. They are looking at the world in broadly the same way. There are differences of emphasis, but usually it's not much of a strain. There have been occasions, however, where a minister has taken a very different position, and one which, to an official, seemed misguided or wrong. The extreme case, of course, was Suez. A later one, you could say, was Patten in Hong Kong. Certainly for me it was an extreme case, and I escaped it simply because I had retired in June and he took over in Hong Kong in July.

In the case of Suez, again I had felt very unhappy, as did many Foreign Office officials. It wasn't just me by any means. One or two, certainly one, I know, resigned. I said I was very uneasy and I was moved to the Commonwealth Relations Office and sent off to Malaya. That's why I began my career in Kuala Lumpur. I think they were quite good about it. I couldn't really have resigned. I was deep in debt, and in desperate need of regular income. I had married a year before. It was not a moment where ideals could come before everything. But it was a distinct strain and the Office handled it, I thought, very helpfully. But the choice for an official is stark: he can recommend, persuade, tell his minister this is what he ought to do, what he should do, in British interests. But in the end, the minister must decide, and if he decides what the official thinks is the wrong way, then there are only a limited number of courses open to an honest official. First of all, he can resign. Most of us are in a condition, financially and so forth, where we cannot do that."

MMcB: "Yes, the consequences are really much too dire."

Sir PC: "They are dire. You can ask to be moved to some other department. That is a reasonable option, but of course often it's not possible. Or, then your final course is to say, very well, I have done my best, I have tried to tell him what to do, he has seen the better course but gone for the worse. My job now, is to try and help him in the execution of that course and to make it as effective, and intelligent, as possible. It's a very difficult thing to do, and in the end, the life of an official, however eminent, is one of servility. I use the word with care, but it's right, because you can be put in a position where you have to execute a policy which you think is ill-advised, or bad. You are a servant, and to some people that does stick in the gullet. It came very near to sticking in my gullet, certainly. And, over Patten, to move to the far end of my career, there is no doubt that if I'd been at No.10, I would have packed it in, because it was a totally different policy, and I saw the consequences it would have. As it was, I was a free agent, and I took the only course that seemed open to me. I first of all wrote to the Prime Minister, or rather I went to see him, and tried to dissuade him, told him this is going to end in tears. Then I wrote him a long letter when I saw I wasn't making much impact, for the record. And then, in answer to a very abusive leader in *The Times*, which suggested that people like me were cowards in our dealings with the Chinese, I wrote a letter to *The Times* and eventually took part in a television programme, because I felt I was being drawn into a false position where, if I was silent it would be assumed I approved of this 180° turn, whereas I could not say honestly, if I were asked, that I approved of what was being done. Now, some people felt that that was wrong, that I should have remained silent. I felt I was not under some Trappist oath which bound me to silence for the rest of my life. But it's a controversial issue."

MMcB: "But you were by then, of course, a political appointee, were you not?"

Sir PC: "In one sense, yes. I had been appointed by the Prime Minister. But my position was a curious one. I had retired from the Foreign Office. I was reappointed the same day to the Cabinet Office, and therefore was regarded as a civil servant while I remained at No.10. Other people, with whom I worked there, and who were living in the same building, giving advice, were regarded as political, special advisers, or something like that. But I think the

authorities regarded me throughout as a civil servant who'd been given an extension of his tenure. Of course, I didn't speak up until quite a while after I had left No.10. I said nothing in public until I was an ex-civil servant. But even that was regarded by some people as being wrong, the view being that, even in retirement, a person like me should say nothing. I thought that was carrying the doctrine rather far. But these are fascinating questions and they relate to the links between politicians and civil servants and politicians and advisers."

MMcB: "I have noticed in the later years of my own career, that as an overseas representative, one is required very often to say things that would never be said by a home civil servant, as part of one's duty, to represent the British Government, and you speak as a politician. But then you come home as a special adviser to the PM and somehow have to adopt a more cautious attitude towards the media."

Sir PC: "When I was at No.10, I kept clear of the media. I don't think I said a word to them. I carried it rather far, but I thought that was right, when I was there, and it was only after I left that I had anything to say on any of these topics. But you're quite right, when you're abroad, you have to defend, put over the government's case, whatever you may think of the merits of it, and you have to become, effectively, a politician. And it's very interesting when you are abroad, you somehow symbolise Britain. Even if your tastes are not of that kind, your colleagues and the locals tend to see a British ambassador as a stereotype of their ideas of what a Briton should be: that he should hunt, he should shoot, though many of us have never done anything like that and don't intend to. But you still have to maintain a kind of facade.

There's a certain falsity to it, but I think, on the whole, it's done very well by the Diplomatic Service. They do a splendid job, and I'm very sorry that they should be so consistently maligned in the media. I think the relation between the media and the Foreign Office is lamentable. They are determined to present us as old-style toffs who really don't understand anything about the real world, who are simply swilling duty-free whisky and wearing striped pants. But there you are, they cling to their stereotypes, I suppose. The media, I think, and I'm looking at the Patten case for the moment because it's the most recent thing, have behaved pretty badly. Here was a major issue affecting Britain, on which there were certainly two points of view. You only had one expressed. There was never a possibility of

getting an honest account from the other side about Hong Kong in a British broadsheet. I know, because I tried: they wouldn't touch it. They were entirely on one side. Indeed, it was not unlike the treatment of the issue in the media of mainland China, the Party newspapers, who follow the Party line. What was interesting in this case was that we had done a 180° turn in our official policy. Up to a certain point we were co-operating with China, and then a few weeks later we were defying China and acting unilaterally, and the same ministers carried it through. Douglas Hurd spoke on both sides. He was all for co-operation in the earlier days, when that was the Party line, and later he was a defender of Major and Patten. Then the media, I'm afraid, let us down. You'd have thought that the British broadsheets and the BBC would have handled it much better, in an objective way, but in fact they were almost as partisan as their equivalents on the other side, the Chinese."

MMcB: "It worries me greatly that the media can be so influential on anything as important and sensitive as foreign affairs."

Sir PC: "Well, they were in this case. They helped very much to create the atmosphere that we had been soft with the Chinese, and they still do. I mean, the later controversies about Mr Patten, about his record. The media say he's done a splendid job. And they have even accused people like me and Geoffrey Howe, and David Wilson, and Robin McLaren, of betraying Hong Kong. There were specific charges in the summer of this year, in the media (I don't know if you came across them): an article by Simon Jenkins in *The Times*, based on the Dimpleby book *The Last Governor*, specifically accused me and others of dishonourable conduct. I felt I had to write a reply, and with great difficulty managed to get equal space from *The Times*. There again, you have the media pursuing a very narrow, very partisan, line."

MMcB: "You see almost nothing in the media, these days, about the possible advantages of joining the European currency. And that's of vital importance."

Sir PC: "I agree. Over Europe, as over Hong Kong, you do not get an objective, balanced, treatment."

MMcB: "And there was a statement in the press the other day that Mr Blair would not be

able to take a pro-European line until such time as *The Sun* ...

Sir PC: "That's right ... until Murdoch's paper allowed him to do it."

MMcB: "I mean, what a nonsensical situation to be in. Can we not do anything about that?"

Sir PC: "Well, I'm afraid this government, like any other, is much influenced by the press, and one of the factors, only one, but certainly one of some importance, is the wish on their part to carry the tabloids as well as the broadsheets with them. Otherwise, I think they'd be bolder on the single market. I think they've been very timid, and risk getting the worst of all possible worlds. But foreign policy is, I'm afraid, too much influenced by popular waves like this, stirred up by the media who are totally irresponsible. The situation does call for special qualities on the part of politicians and officials, a concentration on the main theme and an immunity to temporary currents of public opinion. It is one of the big issues, as I see it, for diplomats to face today.

Another issue under debate is that of moral foreign policy. I think this is an artificial issue. Whether under the Conservatives or under Labour, we seek a better world, a more stable world, a richer, more prosperous world. The claim that Robin Cook is pursuing a moral foreign policy carries with it the suggestion that his predecessors pursued an immoral foreign policy. That's absolute rubbish. Consider the achievements of Mrs Thatcher's foreign policy, for example, where she helped to pull down the Soviet Union, to bring an end to the communist system and to liberate a good part of East Europe. Admittedly, she was only one factor, but she was very influential. Now, you can't call that an amoral or immoral policy. But there is a suggestion now that morality has entered government for the first time, under Mr Cook and Mr Blair. Nothing could be more absurd."

MMcB: "Do you think there is any future for ... I mean, in your view, should foreign policy be subject more to some sort of inter-Party scrutiny, a parliamentary committee?"

Sir PC: "In a way, it is already, under the Foreign Affairs Committee of the House of Commons. I had a long encounter with them over Hong Kong in December 1993 and I'm afraid it didn't give me much reassurance. I found them ill-informed and very partisan. I

hope it's not just self-conceit, but I believe that I performed much better in the argument than they did, that they lost the argument. It made not the least impression on their findings. They ended up by saying that the course I advocated was a dishonourable one. That's fairly strong language. I had lunch afterwards with one of their members, and in a mood of appalling frankness he said, "Yes, we agreed with your arguments legally, but politically we couldn't." That, I thought, was very shocking, because the whole point of the exercise was that there should be an honest, balanced enquiry. So, I am not impressed by them, and I do not, myself, think that in peacetime there is much chance of getting a foreign policy which is somehow free from political cross-currents. In the end they will insist upon looking on foreign policy issues from a Party political point of view. They will reject the idea that there is some common, pure foreign policy in pursuit of British interests that can be defined and pursued. And I'm afraid they'll fight about foreign policy in the same way as they fight about the Health Service and everything else. In the end, that's the system we have to live with. In the end, the leaders of the party in power make the decisions."

MMcB: "It's a very sad commentary, actually, on our way of doing things."

Sir PC: "It's democracy and alternatives tend to be worse. But our parliamentary representatives are not very well-informed. In the nature of things, the way our government runs, MPs outside government are not terribly up on the subject. Maybe they should be better informed as, for example, their American counterparts are. But I don't think you'll get a higher level of foreign policy, frankly. I think there's always going to be a political tension."

MMcB: "Would it be alleviated by spreading briefing documents more widely? I mean, do parliamentary committees receive the same sort of briefing?"

Sir PC: "No, they don't receive it as a matter of routine. There are security considerations, among others. When they set up an enquiry then all documents can be made available to them, depending on the terms of the enquiry. In the Scott enquiry, Scott saw everything. But, I suggest, he didn't understand it all. There was a great gap between how he saw foreign policy coming to it fresh as a Chancery judge and how you and I would see it. One of the refrains in that enquiry, you will recall, was the constant comment by the officials, by the professionals, that he just hadn't got a grasp of the kind of life we have to lead and the kind of

decisions we have to take, which are usually between shades of grey. They are rarely black and white. It's the lesser or the greater evil, in almost every case, as I am sure you have experienced yourself."

MMcB: "How about the briefing of, and this is something that you will know a great deal about, how about the briefing of a prime minister? We've seen prime ministers in recent years taking upon themselves a great deal of responsibility, perhaps too much, for foreign affairs."

Sir PC: "Well, they do tend to move in on that field. And a lot of diplomacy these days is conducted at head of government level."

MMcB: "And they can only do it on the basis of what they've got time to read, which may not be enough."

Sir PC: "Well, it's a tremendous burden. It depends very much on the tastes and capacities of individual prime ministers. Margaret Thatcher read a lot, worked extremely hard, always briefed herself very thoroughly. She had, of course, strong views about pretty well everything and I found that I wasn't all the time on quite the same course as she was. But on the whole we got on pretty well. Where I differed, for example, over German reunification, I just had to say to myself, well, this is a case where we don't see eye to eye, where my persuasion has not been effective; it's not a big enough issue for me to resign over. You can't always be resigning over this or that. I just had to shrug my shoulders and try to make the best of it, work within the framework which she had imposed.

There are obviously cases of that sort. That wasn't through any lack of reading on her part, lack of information, it was simply because of prejudice against Germany, and a view of Europe and Germany's future which was not mine. It was her upbringing, her experience during the War coming back and getting at her, though of course we'd all of us, of that generation, been through similar or worse experiences during the War. Many of the people who were trying to get on good terms with the Germans had fought them, taken part in fighting against them, and vice-versa of course. Anyone of that generation had been through it.

But there was this problem. In a lesser case, I found that she was difficult to persuade over some of the points concerning Gorbachev, for example, where she maintained in one instance that Gorbachev had not been told about the Warsaw Pact's chemical weapons, when he was obviously telling lies, in Russia's interest. We knew the facts, but she said, "No, no, it's not that he's lying to us; it is that the documents have been kept from him." I said it was as likely as if in a similar case the documents had been kept from her. That was quite unthinkable. In the end, though, she came round. We got her to raise the matter with Gorbachev. In the case of Germany she didn't come round. She stuck to her line, and of course it did a great deal of harm, although the damage was alleviated by the Foreign Office, who worked very hard in the Two plus Four negotiations. The Germans, certainly at official level, said that it was all right. Of course, they would say that to me, wouldn't they? It was a difficult period.

To turn to John Major, he read less and was lazier, but he was a good, skilled negotiator and he got on more easily with people. He smiled at them, he consulted people, he consulted his colleagues in a way that she didn't do. The Cabinet, for the first time, began to feel that it was in on things. Mrs Thatcher never really consulted the Cabinet on foreign policy. She worked with perhaps a couple of ministers, say, the Foreign Secretary and the Defence Secretary, on a particular issue. She'd have her Private Secretary, Charles Powell, and she'd have me. And that was the level at which she decided. The Cabinet would be told at their next session, by the Foreign Secretary, or someone, that, "This incident has arisen and we've decided to do this." The Cabinet, except in a very rare case, was not consulted before decisions. That work was done in smaller Cabinet committees, or even less, something that wasn't formal, simply a small group of about four people. If you have a Cabinet committee, OPG or something like that, you have the Cabinet Secretary there or one of his officials to take the record. In the kind of set-up that she operated in, it was often only the Private Secretary who would take a little note, and that would be it, conferring very great power on the few people who were involved and the Private Secretary recording the discussions. That was how a great part of foreign policy was run under Mrs Thatcher. With John Major, as I say, it was a wider and more properly constituted group, and for the first time you had Cabinet ministers taking part in a discussion about, say, Europe or the preparations for Maastricht. They'd never been in on that before. They were quite taken aback to be asked for their views! So it was a different set-up. As regards being briefed, well, he was a bit

more elusive and not so immensely conscientious and thorough as she was. On the other hand, he had a more open mind. I don't think he came with any deep ideological baggage, preconceptions to his job as Prime Minister. He was a tactician, she was an ideologue in many ways."

MMcB: "Of course, she needed to be in 1979."

Sir PC: "Well, she impressed her personality and her views upon the situation at home and later, abroad, and a very good thing too."

MMcB: "Have you got any comments to make about the way she was eased out of office?"

Sir PC: "No, I know very little about that. One had a sense, as one got nearer 1990, that we are each, as I say in that book I think, that we are each fated to become caricatures of ourselves, and she was becoming much more a caricature of herself in her later years. It was more dominant, shrill, strident version. And policies like the poll tax, which were pushed through, were marks of that very dogmatic period. There was a sense, when looking ahead to the next election, we felt we were on a ride of the Valkyries: we would all ride with her, but we would end up in a tremendous crash of some kind. There was a feeling afterwards, in the first weeks or so after the handover, that the Tory Party had conducted a very skilled manoeuvre, a kind of refuelling in mid-air. They'd done something rather like the old ruling party in Japan, ensured that they'd changed around but were still in charge. You didn't have to have an election and perhaps a period in Opposition to conduct these changes, you'd learnt how to do it in mid-flight. But the procession of dignitaries into her room, telling her that she hadn't a hope, that side of it I didn't see."

MMcB: "Of course, being Prime Minister for such a long period of time must have posed a colossal strain on any individual."

Sir PC: "Oh, there's a kind of hubris. I think her colleagues were worried about her policies, they were worried about Europe. Of course they didn't do much different under her successor, but I really didn't see the inside of the change of regime. I do remember on the night when the final votes came in and John Major became the Leader of the Party, we were

all in No.10 with Mrs Thatcher and we decided to go through the connecting door between No.10 and No.11 where John Major as Chancellor resided. I remember us all going through and meeting him and Norman Lamont and a few of the others in his group and congratulating him. It was a curious atmosphere. Very strange and rather artificial. But I'm not a good informant on that subject."

MMcB: "Did you have any connection whatever with the resignation of Harold Wilson in 1975 (or `76)?"

Sir PC: "Absolutely none. I was in East Germany at the time as Ambassador, at the Leipzig Fair, when the news came through that we had a new Prime Minister."

MMcB: "Going back to the reunification of Germany and the events that preceded it, the large-scale movement of East Germans out of the GDR into the West, via Hungary, in exchange perhaps for credit."

Sir PC: "Well, I think some money may have passed between the West Germans and the Hungarians."

MMcB: "Were we informed about that?"

Sir PC: "I don't think we were informed about the money passing, but we were informed, of course, about the movement of people and what was happening on the border. I think there was a general exchange of information among the partners in NATO and the European Community. Not absolute, because when Kohl issued his, I forget how many, point declaration in November, I don't think he consulted his allies, he just did it, and very sensibly from his point of view too because they'd have hummed and ha'ed. There was a fair exchange of information about what was going on but, of course, where the various Powers differed was in their attitude to this process, Mrs Thatcher being the one who wanted it to be as slow a process, as careful a process, as possible. People like Mitterand saying, "Yes, we agree with you. We should be very cautious with the Germans," but at the same time saying something different when they went out and talked to the Germans or when they spoke in public. They were much more welcoming. She said much the same things in private as in

public, namely she didn't want anything too fast. The Americans, of course, played a leading part, were very much on the side of Kohl and gave him every backing. It was a combination of American and German pressure and money which got Gorbachev in the end to accept the fact that reunification would have to take place, and even in the end the fact that the new reunited Germany would be a member of NATO, both big things to swallow.

I was in Moscow for a time in the middle of this, and they were very sympathetic to Mrs Thatcher. They saw her as an ally in an attempt to slow up the process. They took the view, as she did, that this was a very dangerous business for Gorbachev because there was a great risk that if Germany reunified too soon and on terms seen to be too favourable to the West, then there would be a backlash in Moscow and Gorbachev might be removed. It was something that worried us very much. It wasn't just Mrs Thatcher's instinctive dislike of a new, more powerful, Germany, it was a reasonable worry on her part, and shared by her advisers, that if things went too fast then Gorbachev might be the fall-guy because the Russians would say, "You've just sold everything." As it was, it was remarkable that he survived it, and that the Soviet forces in Germany, the crack divisions, were eventually removed without violence."

MMcB: "A most astonishing development."

Sir PC: "Wasn't it? He had all his men there, they had physical power, and many of them I'm sure, the Russians generals and so forth, would have been delighted to clamp down and stay there. They were remarkable times.

One opportunity we had after the fall of Mrs Thatcher was to get back to a more constructive relationship with Germany. John Major took that opening and his improved links with Kohl helped him considerably at Maastricht. I was by no means the only influence behind that change. Douglas Hurd, I am sure, gave the same advice and the Prime Minister's natural propensity to make friends helped. But I did emphasise in my first papers for him that the success of our foreign policy would depend to a marked degree on two factors, the strength of the economy and our success in handling our relations with our European partners. Our future lay in Europe and we could not afford to be marginalised. I recall a series of tête-à-tête lunches I had with the German Ambassador, reviewing the issues before Maastricht. I

like to think they helped too.

MMcB: "Well, Sir Percy, before we finally conclude this interview perhaps we could go back and I could invite you to talk a little about Cradock's First Law of Diplomacy, a concept that I must say, I greatly enjoyed reading about in your book."

Sir PC: "I hope that it strikes a chord in your own experience. It was the view, which I'm sure all of us have come to, that often it is much harder to deal with disputes among your own side than to deal with the other side. I certainly found it so on one or two occasions in China. The first was during our attempts to negotiate ourselves out of the position of being hostages in Peking in the Cultural Revolution times. I found it almost impossible to get the Office at home to understand that they had to separate the negotiations for the diplomats in Peking from the negotiations to release Grey, the Reuters correspondent, also in custody in Peking. We had our equivalents in the Chinese eyes. Our equivalents were the Chinese diplomats in London; they were the counterparts. For Grey, the counterparts were very different, they were Xinhua representatives who were imprisoned in Hong Kong. But I couldn't get the Office for a long time to accept that this was the way they had to play it, in two separate packages. In my frustration I evolved this Law that it's not the other side you need to worry about, it's your own. I found that borne out later, during the Hong Kong negotiations, where the Chinese were extremely difficult, as always, but at least comprehensible and predictable, whereas the difficult bits of the negotiations were those where Hong Kong, that is the Governor, Teddy Youde, and the rest of us on the British side, disagreed. Our most difficult negotiations, our difficult moments, were in fact those discussions in London under Mrs Thatcher's chairmanship where Teddy Youde would come back and put the Hong Kong point of view and I would argue from another point of view. It affected the whole strategy of the negotiations. I suppose you could cite, much later, the trouble over Chris Patten as another example of the same thing. The real hard times were not dealing with the Chinese over Hong Kong, it was the controversy that we had in England here about the rightness, or wrongness, of the Governor's attitude and policy in Hong Kong. But I venture to think that it is a law which many of my colleagues have at various times evolved themselves."

MMcB: "Thank you very much for that. There is one other little point too, this general

question of realism in foreign policy making. I wonder what your view is about what the Chinese make of us now that we have handed over Hong Kong."

Sir PC: "I think they feel now that a very big obstacle has been removed and the way is open for better relations with Britain. They want to draw a line under an unhappy period. They are quite relieved that the handover, despite all the controversy, the handover itself, the actual ceremony, went very smoothly and now that they've got Hong Kong back they are ready to be much more open with us about trade and matters that affect us. And of course, if we're sensible, we shall take the same view, that China is, after all, an immensely strong power, a rising power in the world, and we have to have a sensible, constructive relationship with China. I hope that that now will be much more attainable than it has been. But realism is something we have to, I think, inject more of into our foreign policy.

Looking back over the time when I was at No.10, I think we did great things in international relations, the way we worked closely with the United States, under Reagan particularly and also under Bush, the way in which we approached the reforms of Gorbachev, the way in which we dealt with a number of old colonial questions like Rhodesia and Hong Kong. All this is very much to our credit, and I think we played a larger part in the world than perhaps our size and actual strength, and wealth, justified. That was an achievement. But I think, on the debit side, we failed in those years to approach the question of Europe in a realistic, down-to-earth way. I think we still felt we were somehow special, somehow could neglect Europe or defy Europe or something like that, and we did not accept that Europe was our future, just as it is for the Germans and the French and that we cannot change our geographical position. I think we failed to see what the real question was facing us. It was not an academic debate, which is the better form of European unity, the Gaullist vision espoused by Mrs Thatcher, or the full integrationist vision. It had gone beyond that. It was, given a Europe moving towards much tighter economic and eventually political union, what is the right course for Britain to adopt. We never really sat down and tackled it in those days."

MMcB: "Or currently."

Sir PC: "Well, you may say we are still at sixes and sevens about it. How can we possibly

attain our objectives if we do not know what the objectives are? We have felt for too long that we were somehow exceptional, that the normal laws would be suspended in Britain's case, that Britain didn't have to co-operate, wasn't a middle-sized power which had to co-operate with its immediate neighbours if it wanted to influence the rest of the world. We felt always, I think, that we had a special line to Washington, and if we could manage that, then we could really be quite rough with Europe. We have now to get down to earth and tackle the really difficult questions of our foreign policy, decide where our interest lies, take a longish term view, and act upon it."

MMcB: "Thank you very much indeed."