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SECRETARY OF STATE'S MEETING WITH MR CLARK, CANADIAN FOREIGN  
MINISTER: BONN, 3 MAY 1985

Sir Geoffrey Howe QC MP  
Mr Derek Thomas  
Mr Len Appleyard

Mr Joe Clark  
Mr Gordon Smith  
Mr Bill Chambers

### VE Day

1. After some initial discussion on outstanding drafting points on the Political Declaration, the Secretary of State turned the discussion to the VE Day celebrations in Moscow. He said that we were trying to get a coordinated response among Alliance Ambassadors. It was agreed that all would attend the wreath-laying. We and the French would attend the military parade at Ambassadorial level, but not the US because of the shooting of Major Nicholson. The only outstanding difficulty was the level of attendance at the meeting the evening before, at which Mr Gorbachev was expected to make a speech. The US view was that Mr Gorbachev was likely to make a critical speech which might force the US Ambassador to walk out. Hence the Americans were staying away. Our view was that the most recent indications of the Soviet position, ie Mr Gorbachev's Torgau remarks, indicated that Soviet presentation was likely to be relatively conciliatory, though no doubt there would be some criticism of US policy. Our impression was that our Ambassadors in Moscow were lining up behind a decision not to attend the meeting. We thought that Ambassadors should attend, and we hoped that the French and US Governments would agree. The Secretary of State said he would have a word with George Shultz in the margins of the Summit.

2. Mr Clark said that this seemed to be a reasonable view, and he would ask his Ambassador to go to the meeting and to the parade. However, he was reluctant to try to persuade George Shultz to change his position.

### Southern Africa

3. The Secretary of State said that it was useful to have a chance to talk about this in advance of CHOGM. We had tried to head off the South Africans from making the announcement about a provisional government for Namibia, and had condemned this when they had gone ahead. The NNAM in Delhi had put a high priority on Namibia. It seemed inevitable that they would ask for a Security Council meeting. The pressure in favour of economic sanctions

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against South Africa was gradually building up and would probably increase as CHOGM approached. We did not believe that sanctions were either right or effective. We also thought that recent moves by the South African Government were more than mere window-dressing. It was essential to keep the momentum going. We accepted that there would be a good deal of understandable pressure in the Community to revise the EC code of conduct. We agreed that we might well need to bring the code up to date. The main point was that the major Western economies must keep together if they were to head off demands for mandatory sanctions through the UN. It was also in our interest that the US-sponsored negotiating process should continue. All Governments need to keep up pressure on the South African Government.

4. Mr Clark agreed. This was an issue in which Mr Mulroney was personally very interested. The Canadian Government was conducting an internal review on policy towards Southern Africa. They would have to look at their own code of conduct, which had not been changed over the past eight years. He wanted in particular to talk to business leaders. Alcan was taking a positive attitude. It would be important to create a critical mass among Canadian companies.

5. The Secretary of State said that during CHOGM in New Delhi Southern Africa was one of the principal themes, though the Grenada affair was perhaps the most urgent topic. Australia now moved more towards a policy approving sanctions. There had been corresponding moves in the US Congress. The Secretary of State had seen the South African Ambassador and Bishop Huddleston, leading the anti-apartheid movement, earlier this week. We were also reviewing our own position. We needed to strike the right balance, which would involve some action on codes of conduct and which would enable us to avoid economic sanctions.

6. Mr Clark said that voluntary action by Canadian companies would be the most effective move from his standpoint. Diefenbaker was regarded, in Conservative Party lore, as the man who almost single-handedly had driven South Africa out of the Commonwealth. Mr Smith added that the Canadian Government was less impressed than the British Government by recent moves by the South African Government. The Canadians also thought that the social turmoil which was occurring was more serious than we did. The Secretary of State intervened quickly to say that we had no doubt about the seriousness of the turmoil now taking place. Mr Thomas said that, while we should not exaggerate the significance of recent moves by the South African Government, they were nevertheless real. They were in the right direction. The question was whether we should encourage them or criticise them, and thereby risk choking them off. The Secretary of State said that in the wider Southern African context the Nkomati Agreement was in considerable trouble. President Machel had concluded that the Agreement was not being

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implemented. On the other hand, the South African Government was now being more helpful towards Machel. We wanted to see a non-Marxist process of stabilisation in Southern Africa. It had been noticeable that during his own visit to Zimbabwe, Zambia and Kenya earlier this year, all the Governments concerned had indicated that they wanted Crocker's negotiations to continue. He suggested that our Governments should keep in close touch in the run-up towards CHOGM. Mr Clark agreed.

Sri Lanka

7. Mr Clark said that both Governments were involved in a major hydro-electric project in Sri Lanka. Unfortunately, this project was becoming linked with the Tamil issue. The Canadian Government had been very careful about aid conditionality. They were taking a hard look at this project in the light of the political ramifications. One of the difficulties was that this had been one of Canada's most successful aid projects, and represented a major investment of funds. The Canadians had made representations to the Sri Lanka Government. So far these had had no effect. He wondered whether we were looking at the project in the same light.

8. The Secretary of State said that he was not aware of any re-examination of major aid projects in Sri Lanka. Nevertheless, we were taking every opportunity to impress upon the Sri Lanka Government the need for a political accommodation. The Prime Minister had recently visited Sri Lanka, where she had taken this line. The Secretary of State himself had stressed the need for accommodation with the Tamil separatists during a series of meetings with various Sri Lankan Ministers over the past year. He thought that President Jayawardena was keen to reach an accommodation. But he was surrounded by Ministers who took a distinctly contrary line. We thought that the Indian Government under Mr Gandhi was more aware of the need for reconciliation than its predecessor. Some action had been taken to prevent guerrilla activity sponsored from India.

9. Mr Thomas pointed out that linkage between political moves and aid was often very difficult to handle. The Secretary of State said that we had succeeded in including some human rights provisos in the Lome Convention. Mr Smith said that the recommendations which officials would probably give to Canadian Ministers would be that explicit linkage between the aid programme and political moves would not be made. On the other hand, steps would be taken to reduce Canada's aid programme to Sri Lanka, which was already disproportionate to the size of the country. This reduction in aid would cover funding for the hydro-electric project. The Secretary of State said that we would continue to urge the Sri Lanka Government to reach an internal accommodation.

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Pakistan

10. Mr Clark asked whether we thought that the new Indian Government was likely to be more responsive to the idea of Pakistan's rejoining the Commonwealth than its predecessor. The Secretary of State said that the new Indian Government was more conciliatory in the presentation of its policy, but he doubted whether the policy itself had changed. Hence he was sceptical about the chances that Mr Gandhi would welcome Pakistan's return to the Commonwealth. Mr Clark agreed.

UNESCO

11. Mr Clark said that the Canadian Government had not taken any decision about continuing to participate in UNESCO. Personally he would prefer Canada to stay in. He was worried in case leaving such an institution could be contagious. But he was keen that the reform process should be carried through.

12. The Secretary of State pointed out that there was very strong domestic pressure in Britain over the present activities of UNESCO. This was very understandable. The progress of reform made last year was clearly insufficient. We had made plain that our decision to leave UNESCO unless reform was carried forward in a more genuine way was intended as a lever to secure more rapid progress. We would certainly keep up the pressure. Other EC countries were now taking a more vigorous attitude. We would look again at our own position in the light of the Sofia Conference

EC

13. The Secretary of State said that, on beef and veal quotas, we had been in a minority of one in opposing action against Canada. But it would be very important for the Canadians to tell us what they intended to do. Mr Clark said that the Cabinet would examine recommendations from officials on his return. He thought that they would be acceptable both to the Canadian Government and to the EC.

14. Mr Clark also said that they were having difficulties on cod catches with the Germans, on which they would welcome a report from other EC Governments. The Secretary of State took note.

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