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From the Private Secretary

13 June, 1988.

PRIME MINISTER'S VISIT TO AUSTRALIA

In the light of the difficulties which have emerged over the Malaysian Defence Package, the Prime Minister thinks that she ought to make a brief stop-over in Malaysia on her way back from Australia, to meet Dr. Mahathir and reassure him of our political commitment to the defence package. I should be grateful for early advice on:

- the political case for such a visit. By committing the Prime Minister now to visit Kuala Lumpur in early August, we assume that a satisfactory solution can be worked out on the question of ATP for civil contracts in Malaysia. The Prime Minister's view, as I have recorded it separately, is that a solution must be found.

- the programme consequences. As I recall, we were anyway planning a technical stop in Singapore en route from Brisbane to Bangkok. Can that as easily be made in Kuala Lumpur? Would Dr. Mahathir be content with a two hour stopover, given that the Prime Minister will be spending rather longer in Singapore on the way out? What would be the implications for the programme in Thailand if we have to stay longer in Kuala Lumpur? It looks to me as though it would be virtually impossible to reach Bangkok in time for dinner, in the event of a stopover in Kuala Lumpur, in which case we might have to spend the night of Sunday, 7 August in Bangkok leaving for London on the Monday morning.

I am copying this letter to Brian Hawtin (Ministry of Defence).

C.D. Powell

R.N. Peirce, Esq.,
Foreign and Commonwealth Office.

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