

CONFIDENTIAL



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 July 1988

SUBJECT CC MASTER

PRIME MINISTER'S MEETING WITH THE LEADER OF THE
AUSTRALIAN LIBERAL PARTY

The Prime Minister had a brief meeting this evening with the Leader of the Australian Liberal Party. Mr. Howard was accompanied by an aide. Sir James Spicer MP was also present.

Prime Minister's visit to Australia

Mr. Howard said that the Prime Minister would be very welcome in Australia where there was enormous admiration for what she had achieved on all sides of the political spectrum. He looked forward to his meeting with the Prime Minister there at which some of his shadow colleagues would also be present.

Australian political situation

Mr. Howard said that the Opposition had done well in the early part of the year but were now becalmed. The opinion polls had crept back in the Government's favour. The Liberal Party would be putting out a major manifesto in October in the hope of attracting voters back. The problem was that Mr. Hawke tended to steal their clothes because of his thoroughly pragmatic approach. The Prime Minister said that it was important for the Liberals to set out their own fundamental philosophy clearly and emphasise points of difference with the Government. This required constant repetition.

International issues

Mr. Howard sought the Prime Minister's views on Mr. Gorbachev. He also asked about South Africa. The Prime Minister gave an assessment of Mr. Gorbachev's prospects. On South Africa, she commented that there seemed little prospect that President Botha would introduce significant reforms before the next elections. His main concern was with resisting the further advance of the extreme right. She did not know whether a Democratic Administration in the United States would in practice introduce comprehensive sanctions: we would certainly devote every effort to dissuading them from doing so. Mr. Howard commented that

CONFIDENTIAL

the Australian Liberal Party entirely supported the Prime Minister's line on sanctions.

Commonwealth Secretary General

Mr. Howard asked how the Prime Minister viewed the possibility of Mr. Malcolm Fraser becoming Commonwealth Secretary General. The Prime Minister said that she had not seriously considered this. In any event it was too early to reach a view.

The Prime Minister and Mr. Howard discussed a number of party political matters.

I am copying this letter to John Whittingdale in the Political Office here.

CHARLES POWELL

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