

PRIME MINISTER

KING OF TONGA

I attach the briefs and some notes for the toast lunch.

You will see from the briefs that he was taken ill on his arrival here on 14 October with a possible blood clot in the leg. We shall need to take account of this throughout.

You should leave No. 10 at 1150 for the FCO Quadrangle because the Queen of Tonga is arriving at 1155. We shall not know until tomorrow whether the King will be fit enough to walk round the Guard of Honour.

When he comes to No. 10 he will need to take the lift upstairs. He has asked for a few minutes' private conversation with you. I suggest that you go straight to the White Room.

I will keep in the Blue Room until you are ready the four participants in the talks who are:

<u>Baron Vaea</u>	Minister of Labour, Commerce and Industries
<u>Mr. Tupou</u>	High Commissioner for Tonga
<u>Lady Young</u>	
<u>Mr. Coleman</u>	Our High Commissioner

The King will not be able to stand in a receiving line for the lunch guests. He could be seated on a sofa in the Blue Room.

We are told that he is bringing you a present. We have wrapped a Crown Worcester Bowl for you to give him in return.

A.S.C.

25 October 1983



Foreign and Commonwealth Office

London SW1A 2AH

25 October 1983

Dear John,

Talks with HM The King and Lunch in Honour of Their Majesties  
The King and Queen of Tonga: 26 October

/ I enclose briefing for the Prime Minister's talks  
// with the King, personality notes and notes for the toast  
at lunch.

The King has asked for a few minutes private conversation with the Prime Minister before being joined by two members of his suite, Baron Vaea, Minister of Labour, Commerce and Industries, and Mr Tupou, High Commissioner for Tonga. Lady Young and Mr Bernard Coleman, our High Commissioner to Tonga, will support the Prime Minister.

Apart from expressing an interest in learning the Prime Minister's views on the future of Hong Kong, the King has not indicated any specific areas for discussion. Sentiment is the strong component in our relations with Tonga. There is not much to tell the King about matters of substance and we see advantage in steering the conversation to general themes. But the fact that Tonga has relations with Taiwan means that there is some risk that points made on Hong Kong may subsequently find their way to Taiwanese ears.

Yours ever,

Peter Ricketts

(P F Ricketts)  
Private Secretary

A J Coles Esq  
10 Downing Street

CALL BY KING OF TONGA, 26 OCTOBER, 1215 PM

Points to Make

Private Talks

1. Great pleasure that Tongan Head of State is in London as the Guest of the British Government [previous visits have all been private].
2. The programme. Glad that you have been able to keep the main events in place in the face of any advice received from doctors. [The King was taken ill on his arrival here from Hong Kong on 14 October: diagnosis, a possible blood clot in the leg.]
3. Trust that your daughter is in good health [she is expecting a baby in the first week in November, lives in London as the wife of the Counsellor of the Tongan High Commission].

Plenary Talks

4. Value a longstanding friendship with Tonga. Gift of Spitfires during World War II. Robust support during Falklands Conflict - expulsion of Argentine passport holders.
5. In a changing world we remain anxious to maintain links with our friends.
6. We are glad to contribute to the work of the South Pacific Commission. Mr Ray Whitney, Parliamentary Under Secretary, at the Foreign and Commonwealth Office, went to the Commission's annual meeting in the Pacific earlier this month. We believe that the Commission's work contributes to stability and understanding in the South Pacific. These are essential to its development.
7. Over last three years we have contributed 73 million pounds in aid to the South Pacific, 23 million pounds this year. These are substantial sums given the small population of the islands.
8. In Tonga we maintain a programme of technical co-operation which we believe you value. We plan to continue this in the years ahead.
9. We could strengthen our links in other ways, for instance through education and the granting of scholarships.

10. Welcome your ideas about ways in which Tonga will develop. Like to hear how far the economy has recovered since the hurricane of 1982 to which we were glad to contribute relief

(If Raised) Hong Kong

(i) Sino-British talks through diplomatic channels agreed September 1982. Meetings held Peking. Common aim of maintaining Hong Kong's stability and prosperity.

(ii) Second phase of talks began July. Five rounds have taken place. Meeting 19/20 October useful and constructive. Next meeting 14/15 November. Chinese delegation led by Vice Foreign Minister Yao Guang, British by HMA Peking. Governor of Hong Kong participating as appropriate on British side.

(iii) Content of talks confidential.

(iv) We aim to seek settlement acceptable to Britain, China, and people of Hong Kong. Their views taken fully into account.

(v) Chinese propaganda floats Hong Kong as Special Administrative Region (SAR) of China, with considerable autonomy and with lifestyle basically unchanged.

(vi) Most Hong Kong people sceptical of SAR idea. Evidence suggests details rudimentary and basis for confidence not grasped. Investors need effective guarantees against Chinese interference. This at present provided by British administration.

(vii) Central issue is to devise package inspiring confidence. Given agreed common aim, confident this possible.

(viii) Meanwhile important nothing said or done to damage confidence. This very fragile.

(ix) Contrary to apparent Chinese beliefs, British Government obtains from Hong Kong revenue only of normal trading partner.

/Sovereignty

Sovereignty

(x) Chinese and British positions well known. We fully realise importance of sovereignty to China. We are not inflexible. Willing to consider any solution acceptable to Britain, China and Hong Kong.

Confidence in Hong Kong

(xi) Underlying state of Hong Kong's economy generally healthy. Cumulative effect of Chinese propaganda campaign is main reason for decline of Hong Kong dollar and of stock market. There is lack of confidence in China's SAR plan for Hong Kong. But Chinese propaganda has eased off at present. Recent measures taken by Hong Kong Government have helped to stabilise the dollar.

## KINGDOM OF TONGA

Essential Facts

Population : 100,000 (Polynesian)  
 GDP : US\$520 (1980) per head  
 Area : 270 sq miles (comprising about 150 islands in three  
 main groups scattered over some 150,000 square  
 miles of the Southwest Pacific)  
 Head of State : King Taufa'ahau Tupou IV GCMG GCVO KBE

Political

1. Tonga, in the King's own words "re-entered the Comity of nations" in 1970. It was effectively a British protectorate from 1878 to 1970. It is a constitutional monarchy with a unicameral parliament of ten Cabinet Ministers, 7 Nobles and 7 commoners. The situation is tranquil but Tonga faces growing social and economic pressures. Population growth has produced a land shortage and a consequent inability to honour the constitutional land entitlement (8½ acres) to many islanders. The domination of politics by the monarchy and dynastic families could in time cause some friction, especially in the context of rising expectations fostered by better education and contact with more "modern" societies but there have so far been no overt signs of general discontent. Living standards, however, have stagnated for several years and these factors have produced frustration amongst some of Tonga's more ambitious inhabitants and they have gone to better paid jobs abroad. The King is reluctant to recognise the need for modernisation which may have to await the accession of the Crown Prince (at present Foreign Minister).

Foreign Policy

2. London is Tonga's only diplomatic post, a demonstration of the importance Tonga attaches to the UK. Much of the post's work is concerned with Community matters, the Lome Convention and Stabex. Tonga rarely shows interest in matters outside the South Pacific region except perhaps where the King scents prospects of aid. Tonga belongs to the South Pacific Forum and attends the South Pacific Conference. She attended the 1981 Commonwealth Heads of Government meeting and will be represented by the Prime Minister (King's brother) and Foreign Minister (Crown Prince) in Delhi this year. She is not a member of the UN. She maintains relations with Taiwan.

3. Bilateral relations are excellent. Tongans and the King have a very high regard for Britain and the British Royal Family. Tonga gave us extremely robust support during the Falklands conflict, even to the extent of expelling Argentine passport holders.

#### Economy

4. Coconut products and tropical fruits and vegetables account for over 85% of Tonga's exports but small industries are beginning to make an increasing contribution. The 30,000 Tongans living and working abroad contribute to some extent to the economy. The hurricane in March 1982 caused extensive damage and the economy is still recovering from its effects.

#### Trade

5. Increased importation of manufactures has caused a deterioration in the balance of trade. Imports from Britain in 1982 totalled £764,000 while trade in the reverse direction was worth only £38,000.

#### UK Aid

6. Earlier capital aid provisions, consisting of development loans in 1972, 1973 and 1977 totalling £2,730,000 have now been fully utilised. We gave £100,000 disaster relief after the hurricane, as well as a sea-truck (King has shown considerable interest in this vessel) to replace a vessel used for inter-island transport. This vessel was delivered just before the King's departure for the UK. The Tongans accept that, while we continue to give technical assistance on the following scale:

1983/4	1984/5	1985/6	1986/7
£283,000	283,000	241,000	255,000

we will not give further capital aid. Our Technical Co-operation programme consists mainly of the provision of senior personnel to fill key posts in the Administration.

7. The Tongans asked in 1980 for the Development loans to be rescheduled by means of Retrospective Terms Adjustment (TRA). The request was not granted and they did not press the point; they have however noted the waiving of the repayment terms of the Mozambique loans.

KING OF TONGA'S VISIT TO LONDON

BRIEFING FOR FREEDOM YACHTS INTERNATIONAL LTD AND THEIR  
PROPOSED BUSINESS IN TONGA

ECGD has been approached by the Cooperative Bank (Commercial) Ltd to provide basic credit insurance cover and support for fixed rate finance in relation to the supply by Freedom Yachts International Ltd of two yachts for Tonga Maritime Projects Ltd.

The business, valued at approximately £600,000 with repayments spread over a period of 5 years and guaranteed by the Tonga Ministry of Finance, is acceptable in principle with normal supplier credit facilities for Post Shipment Finance.

The buyer has been granted a licence to fish in Tonga waters and in view of the prospect of vital foreign exchange being earned the venture is receiving the full support of the Tonga Government.

Further orders are anticipated and the subject is likely to be raised when the King of Tonga visits Mrs Thatcher.

There is every prospect that the BBC may make a programme stressing the importance of the project to the boat building industry.





FREEDOM YACHTS INTERNATIONAL LTD

BUSINESS WITH TONGA

LINE TO TAKE

1 The full range of ECGD facilities is available for this market but the amount of cover that can be made available to support UK business with Tonga is limited. However, this does not preclude consideration of future business once the current amount of available cover is exhausted.

BACKGROUND (RESTRICTED)

1 Short Term cover (ie payments up to 180 days) is available without restriction. Outside the Short Term field cover is available within a Reviewable Market Limit of £2m. There are currently no commitments outside the Short Term field.

2 a The Department has been approached by Co-Operative Bank (Commercial) Ltd to provide basic credit insurance cover and support for fixed rate finance in relation to the supply by Freedom Yachts International Ltd of two yachts for Maritime Projects Ltd.

b This business, which is valued at approximately £600,000 with repayments spread over a period of five years and guaranteed by the Tonga Ministry of Finance, is acceptable in principle.

c The buyer has been granted a licence to fish in Tonga waters and in view of the prospect of vital foreign exchange being earned, the venture is receiving the full support of the Tonga Government.

ECGD

25 October 1983



20 OCT 1983



HIS MAJESTY KING TAUFA'AHAU TUPOU IV, GCMG GCVO KBE

Born 4 July 1918. Eldest son of Her late Majesty Queen Salote Tupou III and Prince Consort Tungi.

Educated Tupou College, Tonga, Newington College, Sydney, Wesley College, Sydney and Sydney University where he obtained BA and LIB Degrees.

Succeeded to The Throne 1965. Crowned 1967. Married (1947) Laevalu Mata'aho, eldest daughter of the late Hon'Ahome'e, a Noble of Vava'u. 3 sons and 1 daughter.

CBE (1951), KBE (1958), KCMG (1968), GCVO (1970), GCMG (1977).

Minister for Health and Education 1943-50. Premier and Minister for Foreign Affairs, Agriculture, Education and Works 1950-65. First Chancellor of the University of the South Pacific 1971-74.

Since 1970 when Tonga re-entered the Comity of Nations, His Majesty has made State Visits to India, Saudi Arabia, Bahrain, Malaysia, Guam, Taiwan, Libya, New Zealand, Australia and the Federal Republic of Germany. He attended the Wedding of the Prince and Princess of Wales in London in 1981. In the '70's, when his two younger sons attended The Leys School, Cambridge, he visited the UK privately every year except 1977.

His Majesty is extremely well disposed towards Britain and as King has received Her Majesty The Queen twice in Tonga, in 1970 and 1977.

His Majesty presides in person over the Privy Council, which consists of the Sovereign, the Cabinet and the Governors of Vava'u and Ha'apai. In the absence of a political party system, Ministers hold office at the King's pleasure; his influence is therefore paramount. The King is proud of the constitutional advances which have been freely granted by the Crown to the people of Tonga, and he sees himself continuing this role.

As Crown Prince and Premier, the King travelled widely and was particularly interested in developing contacts with the United States and Japan.

The King has an active and enquiring mind and reads widely. He is constantly searching for ways to improve the economic position of the Kingdom.

The King is a man of great personal charm. He is huge physically, being 6' 4" in height and at one time his weight was reputed to be 32 stone. An attack of high blood pressure in 1976 caused the Doctors to put him on a strict diet, and his weight is now said to be 23 stone.

The King is a devoted family man.

HER MAJESTY QUEEN HALAEVALU MATA' AHO

Born 29 May 1926. Eldest daughter of the late 'Ahome'e, a Noble of Vava'u.

Educated at the local Convent and the Diocesan School in Auckland.

Married (1947) Crown Prince Tupouto'a-Tungi. 3 sons, 1 daughter.

Her Majesty has accompanied the King on State visits to New Zealand, India, Japan, Saudi Arabia, Bahrain, Libya, Australia and the Federal Republic of Germany. Together with the King she attended the Wedding of the Prince and Princess of Wales in London in July 1981. When their two younger sons were at school in England, the Queen made annual private visits to the UK either with the King or on her own. She is very well disposed towards Britain.

The Queen is Patron of the Tongan Red Cross and the Tonga Girl Guides and takes a lively interest in their activities. She is also a successful market gardener and poultry breeder. She is a keen church woman and is very musical. She is also an excellent cook. She enjoys attending small tea or coffee parties and occasionally holds large tea parties at the Palace. She is devoted to her children, particularly her only daughter and grandchildren.

Her Majesty has 3 sisters, one of whom is married to the present Tongan High Commissioner. Her only brother died in 1981.

HON VAEA (BARON VAEA OF HOUMA)

Minister of Labour, Commerce and Industries.

Born 1921.

Educated Wesley College, New Zealand.

Served with the RNZAF during World War II, flying Catalinas in the Solomons, 1942-5. Joined the Civil Service 1945. Aide-de-Camp to the late Queen Salote; accompanied her to the Coronation in 1953. Governor of Vava'u 1960. Attended a Course on Government and Development at Oxford in 1967, followed by an air-worthiness course when he requalified as a pilot. Appointed Tonga's Commissioner in London 1969, he became first High Commissioner on 4 June 1970 and served there till October 1972. On return to Tonga he was appointed Minister of Labour, Commerce and Industries in 1973. He accompanied the King on his visits to Japan (1978) and Libya, New Zealand, Australia and the Federal Republic of Germany (1979). He is very well disposed towards Britain.

Vaea is a Noble title inherited through his mother. His father, Vilai Tupou, was an illegitimate son of King George Tupou II, and half brother to the late Queen Salote Tupou III, whose ADC he was for many years. He is thus a cousin of the King and one of the few Tongans who may by tradition eat with him. When Vaea was posted to London, the King created him Baron Vaea of Houma. This is in the nature of a Life Peerage, which will not descend to his son.

Vaea is tall, affable and, despite his weight and age, is a keen and not inconsiderable tennis player.

Married to Tuputupu, siter of the Speaker of the Legislative Assembly: their eldest daughter, Nanasipau'u (Nanasi), married HRH Prince Lavaka Ata, youngest son of the King and Queen, in December 1982.

24 October 1983

MR SONATANE TU'A TAUMOEPEAU TUPOU, BA

Born 1943.

Educated at Newington College, Sydney, and at the University of Hawaii, where he gained his BA (Political Science).

Appointed Assistant Secretary in the Prime Minister's Office in 1969. In 1971 was commissioned as First Lieutenant in Tonga Defence Services. Served as First Secretary at Tonga High Commission in London from 1973-77. Appointed Deputy Secretary to Government in 1978. In 1979 was promoted to the position of Secretary for Foreign Affairs and Secretary to the Defence Board, which he held until he was given his present appointment.

He accompanied his former Minister, Crown Prince Tupouto'a on several of his overseas visits.

Married to Amelia Latuniau 'Ahome'e, the Queen's youngest sister: one son and two daughters.

The full mode of address is Mr Taumoepeau\* Tupou, but for convenience he may be addressed as Mr Tupou, pronounced Too-poh (rhymes with 'low')

\*pronounced Tow (as in ltowel')-mo-ay-pay-ow

October 1983