

Foreign and Commonwealth Office

London SW1A 2AH

1 March 1985

Dear Charles,

Prime Minister's Visit to Asia

Thank you for your letter of 15 February authorising us to discuss the Prime Minister's programme with host governments. Our posts have now done so, with the exception of New Delhi where Sir Robert Wade-Gery will not be able to consult the Indian Prime Minister until after the State Assembly elections on 2 and 5 March. I enclose a revised programme which reflects these discussions and, in the case of the visit to India, the suggestions made by our High Commission. There are a number of points on which I would welcome further guidance or on which we should comment.

Malaysia

We have advanced the departure time from London to 1100, on the assumption that the Prime Minister would leave directly after oral questions that morning (1015-1030). It would however be possible to delay the departure until 1230 if necessary without affecting the first item on the programme in Malaysia (the official welcoming ceremony at 1045). It would not be possible to slip this further back, as the guard have to leave for their Friday religious devotions. The programme now allows a period for the Prime Minister to rest before the official talks in the afternoon.

Dr Mahathir has said that he would prefer to give his official banquet (serial M7) in Friday, 5 April, not 6 April as originally scheduled. In the light of this, we have proposed that the Malaysian/British Society banquet (serial M13) should be brought forward to Saturday 6 April from 7 April, leaving the latter evening free after what will be a tiring day in Kedah. Mr Gillmore is consulting the Malaysian/British Society about this.

Singapore

The Singaporeans have proposed a substantial reorganisation of the programme with the prime objective of ensuring that Mrs Thatcher and Mr Lee have adequate time for discussion.

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They accordingly propose to dispense with the formal welcoming ceremonies and the visit to Jurong.

The British Business Association Reception (serial S7) would be in two parts, with drinks from 1700-1730, followed by the Prime Minister's address in an adjoining conference room to a seated audience. The High Commission is confident that this arrangement should work well and attach importance to retaining the speech.

Brunei

The programme is basically unchanged, but now more detailed following discussion between Mr Cornish and the Sultan. The Prime Minister would have an opportunity for a private discussion with the Sultan (serial B3), followed by a working lunch (serial B4) with the Sultan and members of the Royal Family, possibly including the Sultan's father, Sir Omar.

Indonesia

The programme is unchanged though the Ambassador has warned that it has not yet been formally agreed by the Indonesian Government and there could be minor alterations. There is a potential difficulty over attendance at the talks with President Soeharto (serial J9). The President's practice is to have tete-a-tete meetings with visiting heads of government with advisers in attendance in a nearby room. Mr Donald has insisted that the Prime Minister should, at the least, be accompanied by a Private Secretary. He has also said that the Prime Minister might want Sir A Acland and himself to be present. I should be grateful to know the Prime Minister's wishes in due course on this point.

Sri Lanka

The revised programme has been discussed with President Jayewardene. It is somewhat less crowded as a result of his wish that the Prime Minister should address the Sri Lankan Parliament on the morning of 13 April instead of on the previous day: the programme on 12 April requires an early start, but it is not now particularly crowded. However, the President has put forward some additional ideas to which I would welcome your reaction:

(a) The President has asked whether the Prime Minister would be willing to open the new hydrological museum in Colombo on the morning of 13 April. This would entail a stop of 10-15 minutes to cut a ribbon. No speech would be required. The museum, to be known as the Mahaweli Centre, is linked with the Mahaweli scheme of which the Victoria Dam is the centrepiece. The

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Mahaweli Centre will also house the Sri Lankan branch of the Royal Asiatic Society. We recommend that the Prime Minister agrees to President Jayewardene's request.

- (b) The President wishes the Prime Minister to visit the Temple of Tooth, Sri Lanka's premier Buddhist shrine, on the afternoon of 12 April. This will require a stop of about 15 minutes en route from the President's Pavilion to Peradeniya Gardens. The Temple has been visited by other distinguished visitors, including The Queen, and it would be difficult to decline.
- (c) President Jayewardene has asked that the visit to the Sri Lankan Parliament should be slightly longer than originally proposed to accommodate speeches by the acting leader of the House and the leader of the Opposition, Mr Anura Bandaranaike. It would be difficult to object to this, and we see advantage in the Prime Minister's having an opportunity to meet senior opposition leaders, in particular Mr Bandaranaike who called on her in London in 1984.
- (d) President Jayewardene has also said that the Prime Minister will meet Tamil ministers and government notables such as the Chief Justice. However, we think there is a strong case for arranging for the Prime Minister to meet Tamil opposition representatives, in particular from the Tamil United Liberation Front. This will enable the Prime Minister to urge the need for reconciliation, and would be useful presentationally both with the Indian government, who support TULF, and in the UK, where the concerns of the Tamil community have attracted considerable sympathy. There are no Tamil opposition MPs, but our High Commission thinks it would be possible to arrange for the Prime Minister to meet a small group of appropriate TULF representatives and sees no objection to doing so, if the Prime Minister agrees to such a meeting.

The Prime Minister will wish to be aware that President Jayewardene has invited Mr Neil Marten and Dame Judith Hart, both of which as Ministers for Overseas Development were previously involved with the Victoria Dam project, to attend the commissioning ceremony.

India

The outline programme reflects Sir Robert Wade-Gery's advice. He recommends that we seek Mr Gandhi's agreement to talks in the evening, continuing over a working supper. Sir Robert suggests that, if Mr Gandhi accepts this, numbers should be kept small. We would recommend that the team on our side should consist of the Prime Minister, Sir Rober Wade-Gery,



Sir Antony Acland and you. It would be helpful to know whether the Prime Minister would favour this. It cannot be excluded, however, that Mr Gandhi will suggest talks followed by a "family" dinner including spouses.

I shall write to you separately about Mr Thatcher's programme.

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(P F Ricketts)
Private Secretary

C D Powell Esq 10 Downing Street BRIEF BY OVERSEAS ESTATE DEPARTMENT FOR THE VISIT BY THE PUS TO ASIA, ACCOMPANYING THE PRIME MINISTER: APRIL 1985

DIPLOMATIC ESTATE IN KUALA LUMPUR

Offices

1. The High Commission occupies rented offices on the top two floors of the 14 storey Wisma Damansara building, some five miles from the centre of the city. Consular and Immigration Sections are nearer to the centre, at 186-190 Jalan Ampang (which HMG own).

Residence

2. The Residence, "Carcosa", was built in 1896 by Sir Frank Swettenham for himself when he became Resident-General in the Federated Malay States. The house was a gift to Britain from the Malaysian Government at Independence. In recent years there has been mounting political and public pressure in Malaysia for this, the most prestigious house in Kuala Lumpur, to be returned. In October 1983 we agreed with the Malaysian Government that we would exchange "Carcosa" for a three-acre site on which we could build our own High Commission; we did this as a contribution to the restoration of good and productive Anglo-Malaysian relations (though "Carcosa" is now much too large and costly to run). This agreement is part of the planned rationalisation of the diplomatic estate in Kuala Lumpur (see para. 5) which will be achievable with asset recycling with end-year flexibility.

Other Residential Accommodation

3. There are 15 owned units, and 17 post rented properties. Rental costs range from £3,682 (DS9/10) to £16,219 (DS5/6) p.a.

Amenities

4. There is a club house in a cottage in the grounds of "Carcosa", and a representational pool and two tennis courts which the staff may use, but there are no officially provided staff

amenities.

Estate Rationalisation

- 5. Plans are now well advanced for the rationalisation of the Kuala Lumpur estate. The main components of the plan are as follows. The 11½ acre site at Jalan Ritchie, which includes 7 old staff houses, and the 5½ acre site at 186-190 Jalan Ampang (Consular/Immigration offices, three residential units and a store), will both be sold. The Jalan Ritchie site is now on the market. Receipts from both will provide money to be spent over several years on:
 - (i) providing a new Residence;
 - (ii) providing accommodation for staff leaving the Jalan Ritchie and Jalan Ampang sites;
 - (iii) building new High Commission offices, staff amenities and staff flats on the three-acre site (across the road from the present Consular offices and very well placed) received in exchange for "Carcosa".
- On (i) above, our original plan (put to Dr Mahathir) was to adapt and convert the Deputy High Commissioner's house into a new High Commissioner's Residence. But the projected cost of doing this has risen considerably above our first estimates, and we would still end up with a compromise and not a really long term solution. With the agreement of Mr Gillmore we have now decided on a cheaper and better course: to build a new High Commissioner's Residence on the site of the present (inadequate) Defence Attache's house (on Langgak Golf). We shall probably run a limited design competition among selected private architects. The site is rather tight, but will nonetheless allow a good, modern, purpose-built Residence in the right part of town which will meet our long term Our new plan has been endorsed by the Chief Secretary to the Malaysian Government, who will mention it to Dr Mahathir. We hope it may be possible for the High Commissioner and/or his successor to stay in "Carcosa" until the new house is built, but

it would be best if the Malaysians offered this rather than we sought it - please see attached papers:

- (i) a round-up telegram from Kuala Lumpur sent by the Head of OED during his recent visit;
- (ii) later relevant telegrams; and
- (iii) the draft brief by OED on Malaysia submitted to No. 10 for the Prime Minister.
- The end-year flexibility is permitted, remaining receipts should provide the pump-priming funds needed to purchase or build accommodation elsewhere in the overseas estate, and to enable us to realise, over time, some other assets with redevelopment potential, thus financing further rationalisation and permitting reductions in running costs. But it is most important not to let any Malaysians think that we might be taking "profits" out of the Kuala Lumpur exercise or, worse, taking money out of Malaysia.

Overseas Estate Department 27 March 1985