

MEETING RECORD

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From the Private Secretary

25 April 1990

*De Kofu*

PRIME MINISTER'S MEETING WITH THE AUSTRALIAN PRIME MINISTER

The Prime Minister had a talk in Gallipoli this afternoon with the Australian Prime Minister. Mr. Hawke was accompanied by no less than four officials - to his evident annoyance. Since he and the Prime Minister had already sat next to each other at lunch, they had exhausted a good number of topics before their meeting, notably East/West relations, developments in the Pacific and Hong Kong.

Introduction

The Prime Minister expressed condolences for the damage caused by the recent floods in Australia.

Mr. Hawke said how very grateful he and all the Australian people were of our decision to let them have an original copy of the Australia Constitution Act.

Arms Sales

Mr. Hawke said that he would like to raise the question of arms sales in the Asia/Pacific region. He thought that his officials had been rather over-ambitious in some of the proposals which they had put to us. But Australia had a number of genuine concerns about the consequences of selling sophisticated weapons to various countries in the region, particularly Indonesia. The Americans made a practice of consulting the Australians before making any significant sales in the area. To take another example, Australia had at one stage thought of selling its redundant Mirage aircraft to Argentina, but it desisted following representations from us. All he was seeking was some sort of informal understanding that we would inform Australia before making any major arms sales in the region. The Prime Minister asked whether there was really a problem: or was it just a piece of additional bureaucracy? Mr. Hawke admitted that he did not see any real threats to Australia. But there was some unease about Indonesia in the long term. The Prime Minister asked whether the Australians were worried about Japan's military potential. Mr. Hawke denied this. The Prime Minister said that we would not want to lose any sales unnecessarily. She would think about Mr. Hawke's suggestion and let me have an

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answer.

Vietnamese Boat People

The Prime Minister said that the Australians had been marvellously helpful over Vietnamese Boat People and we were grateful. Mr. Hawke said that Australia took more refugees per capita than any other country in the world and was really doing as much as she could.

Uruguay Round

The Prime Minister said that the Uruguay Round was not making as much progress as we would wish. She recognised that the EC was in part to blame for this, although we were putting every effort into securing a reasonable EC position. Mr. Hawke said that we very much appreciated Britain's role. It was very important to complete the negotiations by the end of the year. He hoped we would keep up the pressure on the other Europeans. The Prime Minister said she had recently discussed the prospects with President Bush, and was intending to raise the subject at the informal meeting of EC heads of government on 28 April in Dublin. It would also be a major subject at the Economic Summit.

Political Union

Mr. Hawke asked how the Prime Minister assessed the views of the other EC countries on the French and German proposals on political union. The Prime Minister said she thought they would mostly be in favour, although no one seemed to have a clear idea what political union meant. She found it rather like boxing against a feather mattress.

Cambodia

The Prime Minister said that she had discussed Cambodia with the UN Secretary General recently and he was rather uneasy about the scale of the commitment which the United Nations was expected to undertake. Mr. Hawke said that the main problem blocking progress was the intransigence of the Khmer Rouge. Australia nonetheless intended to continue with its practical work in the hope that progress could be made.

South Africa

The Prime Minister said she hoped Mr. Hawke was well satisfied with the progress made in South Africa. Mr. Hawke said he had welcomed President De Klerk's measures early and publicly, but he was still suspending judgment. The main pillars of apartheid remained in place. Moreover some of De Klerk's recent speeches had been less helpful, in particular his statement that there would never be black majority rule. The Prime Minister said she was much more worried by Mr. Mandela's constant reassertion of the armed struggle, the need to intensify sanctions and the support for nationalisation. Mr. Hawke said the Prime Minister should not take these too seriously: it was clear that De Klerk was not too worried about them. The Prime Minister said that Mr. Mandela's place was at home and his first priority should be to stop the violence between the ANC and Inkahtha.

Mr. Hawke said that the Commonwealth Committee of Foreign Ministers on South Africa would meet in May. They would need

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some indication of further movement if there was to be any question of relaxing measures against South Africa.

Antarctica

Mr. Hawke asked whether the Prime Minister's thinking on Antarctica had evolved. There was growing international support for the Australian plan to turn Antarctica into a protected area. The Prime Minister said the proposed Minerals regime was the quickest way to ensuring that Antarctica would not be developed without the agreement of all the countries concerned. Mr. Hawke said he found this argument hard to credit. He hoped the Prime Minister would reconsider her position.

Middle East

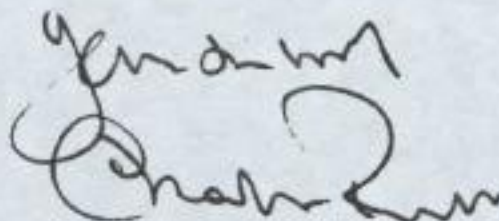
Mr. Hawke asked whether President Bush had shown signs of renewed determination to make progress on the Arab/Israel problem. He had heard some reports that the US was toughening its position. Some of Senator Dole's remarks had seemed to point in that direction. The Prime Minister said that she did not think that, in the end, the Americans would ever cut off finance to Israel although President Bush had been taking quite a robust line. Settlement of Soviet Jews in the Occupied Territories was a matter of particular concern. Mr. Hawke said he hoped the Israelis would change their political system: the present political impasse was ridiculous.

Conclusion

The Prime Minister said that, all in all, things were moving pretty much the right way. Mr. Hawke agreed that the world was a much better place than five years ago.

Mr. Hawke said he wanted to thank the Prime Minister again for the marvellous visit he and his Ministerial colleagues had paid to London last year. The Prime Minister said that we must do it again.

I am copying this letter to Simon Webb (Ministry of Defence), Martin Stanley (Department of Trade and Industry) and Sonia Phippard (Cabinet Office).



(C. D. POWELL)

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