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From the Private Secretary

19 October 1989

Dear Stolen,

PRIME MINISTER'S MEETING WITH THE PRIME MINISTER OF AUSTRALIA

The Prime Minister had a meeting with the Australian Prime Minister over breakfast in Kuala Lumpur this morning. Mr. Hawke was accompanied by Mr. John Bowen.

Bilateral Relations

The Prime Minister referred to the success of Mr. Hawke's visit to the United Kingdom in the summer. It had been very useful and given great pleasure to people in Britain. Mr. Hawke said that he had been very happy with the visit and believed that the follow-up was going well.

Antarctic Minerals Convention

The Prime Minister said that the Antarctic Minerals Convention had gone through both Houses of Parliament and would shortly be ratified. She was convinced that it offered the best and most effective guarantee against unconstrained exploitation of Antarctica's mineral resources in Antarctica. The case for the Convention had been particularly well put by Lord Shackleton in his letter to Mr. Hawke.

Mr. Hawke said that he understood the United Kingdom's position. He accepted that it was very aggravating that, after many years of negotiation, Australia should have changed its views. But public attitudes on environmental questions had changed enormously since the issue of Antarctic minerals was first raised and governments had to move with them. There was now to be a special meeting of Antarctic Treaty States next year and he hoped this would help to bring views closer together. It seemed logical to him that, if the intention was to prevent mining in Antarctica, there should be an outright ban.

The Prime Minister said that, if the Convention did not come into force, there would be a vacuum in which unconstrained exploitation of minerals could take place. The existing Convention had taken nearly a decade to negotiate and there was no guarantee that negotiation of an alternative would not take as long. Mr. Hawke doubted that it would be so difficult: in any event, he did not believe there was any immediate danger of mining activity starting. There were strong economic and political

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Ruments against it. This was one issue where Britain and Australia must agree to disagree. His information was that ratification by the United States Congress was far from certain. He hoped it would be possible to achieve a consensus at the special meeting next year. The Prime Minister commented that she had not heard from Mr. Hawke any serious argument for failing to ratify what had already been agreed even if it was possible to make improvements to it later.

CHOGM

Mr. Hawke said there were likely to be some difficulties in the debate on South Africa, although he hoped that we would not find ourselves too far apart in the final analysis. He would welcome the Prime Minister's assessment of President de Klerk.

The Prime Minister said that Mr. de Klerk knew that he had to make major changes in South Africa, although he did not yet have a clear programme for bringing them about. He seemed to be engaged in a process of talks about talks with Nelson Mandela and others. His election marked a sea-change in South Africa's politics.

Mr. Hawke said the crucial question was whether de Klerk accepted one man, one vote. The Prime Minister disagreed: what mattered was the structure of the state in South Africa, within which the principle of one man, one vote could be accommodated. She did not think that de Klerk had done too badly so far, The Commonwealth should not make his task more difficult. Mr. Hawke said that he accepted there had been changes: it would be churlish not to recognise them. He agreed also that South Africa's future had to be settled by the South Africans themselves. But external pressures had an important part to play and the action taken by the Commonwealth had been very significant. The Prime Minister said she disagreed profoundly with that judgment. When some-one was doing the right thing, it did not help to beat them about the ears.

The Prime Minister continued that she thought the prospects in South Africa would be much influenced by what happened in Namibia. SWAPO's behaviour had been appalling. Mr. Hawke said that he would not attempt to defend SWAPO. If they failed to accept the outcome of the election, South Africa would be justified in drawing appropriate conclusions.

Mr. Hawke said that he was prepared to accept that de Klerk was genuine in his intention to make changes. But these must lead quickly to negotiations. This was why he himself would be prepared to endorse the Harare declaration. There was no longer any great difference in practice between it and the EPG concept. The Prime Minister made clear that we would not under any circumstances endorse the Harare declaration, which was unsatisfactory in several respects. The Commonwealth should abide by its own agreed position.

ng Kong

The Prime Minister said that we had been disappointed that Australia had not invited Hong Kong to participate in the meeting of Asian-Pacific regional Ministers to be held in November. This was particularly regrettable at a time when every effort needed to be made to restore Hong Kong's confidence. Mr. Hawke said that his original view had been that 'all three Chinas' should be involved, but this had changed following the events in Tiananmen Square. It had therefore been decided not to invite any of the Chinas to the preliminary meeting in November. But he believed there would be a place for them in susbequent meetings. The Prime Minister said that Hong Kong needed every bit of help and moral boosting possible. Mr. Hawke said that he fully accepted that and Australia would do everything it could.

The Prime Minister thanked Mr. Hawke for Australia's helpful role over the Vietnamese boat people.

China

Mr. Hawke said that he had met Zhao Ziyang's personal secretary recently. According to his account, Zhao was still being protected by Deng, was allowed a certain freedom of movement and had access to a number of State papers. There was still an outside chance that he could come back. That would depend on how long Deng himself lasted. The Prime Minister recalled that Lee Kwan Yew had taken a rather different view in his remarks to CHOGM the previous day, saying that Zhao had demonstrated weakness at a crucial time and therefore had no future.

Gallipoli

Mr. Hawke reminded the Prime Minister of his suggestion that she should join him in attending the ceremonies to mark the Gallipoli Landings in Turkey next year. The Turks attached great importance to this. The Prime Minister said she had it firmly marked in her diary and hoped to attend.

I am copying this letter to Brian Hawtin (Ministry of Defence) and to Trevor Woolley (Cabinet Office).

(C. D. POWELL)

Stephen Wall, Esq., Foreign and Commonwealth Office.