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LORD PRESIDENT'S VISIT TO AUSTRALIA: TALKS WITH PRIME MINISTER HAWKE
SUMMARY

1. A VERY FRIENDLY 50 MINUTE EXCHANGE. HAWKE CONSIDERABLY EXERCISED ABOUT IRAQ/KUWAIT. NO SIGN OF FLEXIBILITY ON ANTARCTICA. PRIME MINISTER'S LETTER ON ARMS SALES REASONABLY WELL RECEIVED.

DETAIL

CONSTITUTION ACT

2. HAWKE BEGAN BY EXPRESSING WARM GRATITUDE TO HMG FOR MAKING AVAILABLE ONE OF THE TWO ORIGINALS OF THE CONSTITUTION ACT 1900.

IRAQ/KUWAIT

3. HAWKE DESCRIBED THE SITUATION AS TERRIBLY WORRYING. IF SADDAM HUSSEIN CONSIDERED THE SITUATION RATIONALLY, HE MUST REACH THE CONCLUSION THAT HE SHOULD CUT AND RUN. HOW LONG WOULD IT BE BEFORE SOMEONE IN IRAQ MOVED TO GET RID OF HIM (HE HAD HEARD OF ONE ATTEMPT). PRESIDENT BUSH HAD SO FAR HANDLED THE SITUATION EXTREMELY WELL. HAWKE THOUGHT HE MIGHT SPEAK TO BUSH AGAIN LATER IN THE DAY. THE OUTCOME OF THE WESTERN EUROPEAN UNION MEETING HAD BEEN VERY SATISFACTORY. AUSTRALIA WAS GETTING CONFUSED SIGNALS ABOUT IRAN'S ATTITUDE TOWARDS THE EMBARGO: THERE MIGHT BE SOME LEAKAGE THERE.

4. THE LORD PRESIDENT SAID THAT THE PUBLIC IMPRESSION OF THE SOVIET ATTITUDE WAS PERHAPS A LITTLE MISLEADING. WHILE THERE WAS TALK OF SOVIET FLEXIBILITY, IN PRIVATE THE RUSSIANS SEEMED TO BE PRESSING THE IRAQIS HARD ON THE KEY POINTS. HAWKE AGREED.

5. THE LORD PRESIDENT REFERRED TO THE EXTREMELY AWKWARD SITUATION IN WHICH JORDAN FOUND ITSELF. HAWKE SAID THAT HE HAD HAD A LONG LETTER FROM THE CROWN PRINCE THE OTHER DAY. HUSSEIN FACED AN EXTREMELY COMPLEX SITUATION. UNFORTUNATELY, SADDAM HUSSEIN HAD

APPEAL FOR SOME ELEMENTS IN THE ARAB WORLD. IN AN EARLIER CONVERSATION WITH PRESIDENT BUSH HAWKE HAD URGED HIM TO PUT PRESSURE ON JAPAN TO BECOME INVOLVED IN THE CRISIS, PERHAPS THROUGH PROVIDING ECONOMIC AID TO SELECTED ARAB COUNTRIES. THE LORD PRESIDENT AGREED THAT IT WAS IMPORTANT TO FIND WAYS OF HELPING KING HUSSEIN.

URUGUAY ROUND

6. HAWKE SAID THAT THE MIDDLE EASTERN EVENTS HAD SOMEWHAT DISSIPATED THE EMPHASIS THAT SHOULD HAVE PROPERLY BEEN BUILDING UP WITH REGARD TO THE URUGUAY ROUND. THE OUTCOME OF THE G7 SUMMIT HAD BEEN WELCOME BUT UNFORTUNATELY IT HAD NOT BEEN FOLLOWED UP CONVINCINGLY. HE WAS WELL AWARE OF THE HELPFUL ROLE THAT THE UK HAD ALWAYS PLAYED ON THIS SUBJECT. THE LORD PRESIDENT SAID THAT WE WOULD KEEP UP THE PRESSURE.

EASTERN EUROPE

7. HAWKE ASKED WHAT OUR CURREN JUDGEMENT OF GORBACHEV WAS. THE LORD PRESIDENT SAID THAT NO-ONE COULD BE CONFIDENT ABOUT THE FUTURE. GORBACHEV FACED A WHOLE CLUTCH OF PROBLEMS. BUT THE FACT THAT HE HAD SURMOUNTED SO MANY OF THEM SO FAR GAVE US SOME CONFIDENCE FOR THE FUTURE. IT WAS SAD THAT IT HAD TAKEN SO LONG FOR HIM TO SHOW REAL INSIGHT INTO ECONOMIC PROBLEMS. HAWKE AGREED. FOR ALL ECONOMIC REFORMERS, PAIN CAME BEFORE PROGRESS. ON EAST GERMANY, THE LORD PRESIDENT SAID IN ANSWER TO HAWKE'S QUESTION THAT BOTH THE POLITICAL AND ECONOMIC SITUATION WERE DETERIORATING. CHANCELLOR KOHL MUST BE BECOMING WORRIED AT THE COSTS INVOLVED. BUT HIS PERSONAL GUESS WAS THAT THE SITUATION WOULD BE REDRESSED OVER THE NEXT YEAR OR TWO, GIVEN THE STRENGTH OF THE WEST GERMAN ECONOMY, THE COMPARATIVE SMALLNESS OF THE EAST GERMAN POPULATION, COMMON LANGUAGE ETC.

ANTARCTICA

8. HAWKE SAID THAT WE HAD A CIVILISED DIFFERENCE ON THE CRAMRA ISSUE. AUSTRALIA SEEMED TO DETECT A CHANGE IN THE BRITISH POSITION IN THE DIRECTION OF OUR ACCEPTING THE NEED FOR AN ENVIRONMENTAL CONVENTION LINKED TO THE ANTARCTIC TREATY. THE LORD PRESIDENT SAID THAT WE HAD NOT SHIFTED IN OUR VIEW THAT CRAMRA SHOULD BE PRESERVED. WE WISHED TO RESPOND INTELLIGENTLY TO THE FRENCH/AUSTRALIAN POSITION BUT THERE WAS A REAL GAP BETWEEN US. HAWKE SAID THAT AUSTRALIA WOULD CONTINUE TO PUSH ITS POSITION VERY HARD. IT WAS ILLOGICAL TO TRY TO ENSHRINE A BAN ON MINING IN A MINING TREATY. HE BELIEVED THAT WORLD OPINION WOULD COME ROUND TO THE AUSTRALIAN

POSITION. THE LORD PRESIDENT SAID THAT HE DID NOT SHARE THAT IMPRESSION. WE BELIEVED THAT IT WAS NECESSARY TO ENSURE THAT WHEN THE DAY CAME WHEN THERE WAS PRESSURE TO MINE IN THE ANTARCTIC, THERE WAS A PROPER STRUCTURE AVAILABLE FOR THAT SITUATION. HAWKE AGREED THAT THERE WAS NO FEELING OF CONFRONTATION WITH US ON THIS ISSUE, JUST A DIFFERENCE OF OPINION.

SOUTH AFRICA

9. HAWKE SAID THAT HAVING BEEN IN THE FOREFRONT OF THE CAMPAIGN OF SANCTIONS, AUSTRALIA OUGHT NOW TO BE IN THE FOREFRONT OF DISCUSSING WHETHER THE TIME HAD COME TO DISMANTLE SANCTIONS. AS SOON AS THERE WAS AN INDICATION FROM WITHIN SOUTH AFRICA, ESPECIALLY FROM MANDELA, THAT THE TIME HAD COME TO MOVE, AUSTRALIA WOULD WISH TO BE IN THE VANGUARD. EVERYONE WAS THRILLED BY DEVELOPMENTS IN SOUTH AFRICA (THE RECENT CARNAGE EXCEPTED). HE HAD RECENTLY WRITTEN TO BOTH MANDELA AND DE KLERK, CONGRATULATING THE LATTER PARTICULARLY WARMLY ON THE COURAGE HE HAD SHOWN AND THE PROGRESS MADE. THE LORD PRESIDENT WELCOMED THESE REMARKS.

ASIAN PROBLEMS

10. THE LORD PRESIDENT PRAISED THE AUSTRALIAN INPUT INTO ATTEMPTS TO SOLVE THE CAMBODIAN ISSUE. HAWKE COMMENDED THE EFFORTS OF THE PERMANENT FIVE. THE KEY POINT WAS CHINA'S ATTITUDE TOWARDS THE KHMER ROUGE.

11. THE LORD PRESIDENT THANKED HAWKE FOR AUSTRALIA'S SUPPORT ON HONG KONG AND ON THE VIETNAMESE BOAT PEOPLE. HAWKE SAID THAT THERE WAS A STRONG AUSTRALIAN INTEREST AT STAKE IN THE LATTER ISSUE. A FEW BOAT LOADS OF CAMBODIANS HAD ALREADY REACHED AUSTRALIA: THEY COULD NOT IN ANY SENSE BE CLASSED AS POLITICAL REFUGEES.

BRITISH ARMS SALES IN AUSTRALIA'S REGION

12. HAWKE SAID THAT HE WELCOMED THE LETTER HE HAD RECENTLY RECEIVED FROM THE PRIME MINISTER CONTAINING OUR AGREEMENT TO INFORM AUSTRALIA ABOUT CERTAIN ARMS SALES. THE LETTER WAS HOWEVER FAIRLY HIGHLY QUALIFIED, PERHAPS UNDERSTANDABLY SO FROM OUR POINT OF VIEW. BUT HE WOULD NOT CARP. HE HOPED A BASIS COULD BE WORKED OUT FOR A CONSULTATIVE PROCESS.

13. THE LORD PRESIDENT SAID HE WAS GRATEFUL FOR THAT RESPONSE. THE IMPORTANT THING WAS TO GIVE THE PROPOSED ARRANGEMENTS A CHANCE

TO OPERATE. IF WE WERE CAUTIOUS, IT WAS PERHAPS BECAUSE THIS WAS AN UNPRECEDENTED ARRANGEMENT AS FAR AS WE WERE CONCERNED. WE BELIEVED THAT MALAYSIA WOULD NOW NOT BE PURCHASING TORNADO: AND THE INDICATIONS WERE THAT INDONESIA WOULD NOT DO SO EITHER. (COMMENT: IT WAS NOT CLEAR WHETHER HAWKE INTENDS TO REPLY TO THE LETTER).

14. HAWKE ASKED THE LORD PRESIDENT TO PASS ON HIS WARM REGARDS TO THE PRIME MINISTER. HE PLANNED TO VISIT LONDON IN JANUARY FOR THE COMMITTEE OF HEADS OF GOVERNMENT ON THE FUTURE OF THE COMMONWEALTH.

COLES

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