

PRESIDENT SOEHARTO'S TALKS WITH THE PRIME MINISTER

The Prime Minister will begin tomorrow with a tete-a-tete with President Soeharto (11.15 am - 12 noon) followed by a Plenary Session and lunch (66 guests: list available).

2. British Ministers attending the Plenary Session are likely to be:

Chancellor of the Exchequer
Lord Privy Seal
Peter Blaker (Minister of State, FCO)
John Nott (S/S Trade)
Lord Strathcona (M/S, MoD)

Agenda

3. This is the first visit by an Indonesian President to Britain. The PM's discussions with President Soeharto will cover international affairs (SE Asia, Indo-China, EEC/ASEAN links etc) and bilateral relations, particularly Anglo-Indonesian trade.

4. We can confirm that the discussions are likely to cover the Indo-Chinese refugee problem.

Political prisoners/human rights

5. We should not be drawn on whether this will come up in the PM's talks. [For your information, Lord Carrington is likely to raise political prisoners at a separate meeting with President Soeharto.]

6. We should take the line "wait and see". We will have something to say about the talks when they conclude. President Soeharto is, of course, seeing other British Ministers apart from Mrs Thatcher during his four-day visit to Britain.

Press statement

7. We shall be issuing a joint press statement after the talks (draft attached).

Background

8. UK trade with Indonesia:
Exports £84m (1978)
Imports £33m (1978)

Indonesia is the world's 12th largest oil producer.

Postscript

9. We have just heard that Stan Newens MP will deliver an "anti-Soeharto" petition to Downing Street at 12.30 pm on Wednesday so we will certainly need to be prepared for questions on political prisoners after the talks. I am in touch with FCO about a line.

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TALKS AT No 10 DOWNING STREET BETWEEN THE PRIME MINISTER AND PRESIDENT SOEHARTO OF INDONESIA.

The Prime Minister, the Rt Hon Margaret Thatcher MP, this morning received at No 10 Downing Street President Soeharto of Indonesia. They were joined for talks by the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, Minister of State for Trade (Mr Parkinson), and Minister of State for Defence (Lord Strathcona). President Soeharto was accompanied by the Foreign Minister, Dr Mochtar Kusumaatmadja, the Minister for the Economy, Dr Widjojo Nitisastro, and the State Secretary, Lieutenant-General Soedharmono.

The President and the Prime Minister discussed a number of international problems including the situation in South East Asia, with special reference to the problem of Cambodia, and the movement of refugees, whose arrival in ASEAN countries has placed a heavy burden on their economies. They agreed on the need for continued international action to resolve these problems.

They also discussed the world economic situation and confirmed the importance which they both attach to closer links between Indonesia and the United Kingdom, and between the European Community and the Association of South East Asian Nations. They expressed confidence that trade and co-operation between the two countries would continue to strengthen and develop.

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Both sides welcomed the conclusion
arrangements under which
scheduled air services between
the UK and Indonesia will
be resumed next year after
a lapse of some 16 years