

2nd. Plenary Session

SUBJECT c. Master

RECORD OF A MEETING HELD AT THE SAO BENTO RESIDENCE AT 3.30 PM
ON WEDNESDAY 18 APRIL 1984

PRESENT

Prime Minister
HM Ambassador
Sir Crispin Tickell
Mr. A. J. Coles
Mr. B. Ingham
Mr. A. D. Brighty

Dr. Mario Soares
Dr. Jaime Gama
Dr. Antonio Marta
Ambassador Hall Themido
Dr. Bernardino Gomes
Dr. Silva Marques
Dr. Matos Proenca
Dr. Nunes Barata
Dra. Ana Barata

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Dr. Soares congratulated the Prime Minister on her speech to the British-Portuguese Chamber of Commerce.

He began with a review of Portugal's role in NATO, of which she was an active and founder member. The Alliance was central to Portuguese policies, and hard-headed. And Portugal's geo-strategic position was of value to NATO given the latent instability in North Africa. There was no serious peace movement, nor any anti-US feeling. Portugal had been immunised against the Communist danger by its experiences in 1974/75. This was different from Spain, where there was latent anti-Americanism and tepidity towards NATO.

Turning to African issues, he said that Portugal had tried to maintain close relations with the ex-colonies. In Mozambique, he noted that Samora Machel had had the courage to reject Marxist policies, because they had brought only chaos and starvation. Though once a Soviet ally, he now sought friends in the West and had even been willing to negotiate with South Africa. In Portugal's view, Machel deserved help from the West in his endeavour.

Angola presented very different problems. The MPLA Government had no strong leader, and there was the powerful indigenous UNITA resistance movement. Several countries helped UNITA though pretending to accept the MPLA pretensions to be the only Government of Angola. Portugal, as the former colonial power, had had to be cautious. Foreign Minister Gama had recently been to Luanda and had reported that the Portuguese Communist Party had been poisoning the minds of the MPLA Government against the Portuguese Government. But Portugal had excellent information about what went on in Angola, from the numerous remaining Portuguese residents there, and from the Catholic Church. The fact was that a collapse seemed imminent and the only way to avoid it was a compromise of the kind Machel had had the courage to make. Portugal believed there was a need to promote a compromise between MPLA and UNITA.

Turning to Sao Tome and Principe, Dr. Soares said that only recently Portugal had regarded them as "Soviet aircraft carriers" but they had a different view following the recent visit there by President Eanes and Dr. Gama. The islanders were fed up with the Angolan soldiers who maintained security [redacted] and would welcome /contact with the outside world. Portugal had accordingly decided to establish a direct airline link, though it would not be commercially viable.

As for Cape Verde there was a pragmatic and competent Government who had learnt to survive despite lack of resources. In nearby Guinea Bissau, the nationalist regime had moved away from Communist domination, and in Portugal's view the Government there needed more help to develop on non-Marxist lines.

East Timor still presented a real problem for Portugal. Following the Portuguese revolution, Portuguese radicals had promoted the FRETILIN Marxist orientated movement to seek independence. The neighbouring Indonesians had been unprepared to accept a Communist Government and had moved in with force.

[redacted] In Dr. Soares' view a settlement of the residual problems was possible within the UN context.

On Macau, Dr. Soares claimed that Portugal had a perfect understanding with China. Macau was "a territory under Portuguese administration" and no reference was made to the question of sovereignty. The Chinese were content with this and told the Portuguese to do nothing to change the present status. Portugal enjoyed friendly relations with China, and President Eanes was likely to visit Peking later this year.

The Prime Minister recognised that Portugal like the UK was strong in the defence of the US/Europe relationship. The Atlantic Alliance was Europe's shield and security. It was important to increase contacts with the US, and it might be sensible for Europeans to exchange information on what they heard when making high level contacts with the Americans. In a fast moving world, it was important to have a continuity of exchanges.

Referring to disarmament, she said that HMG wished to restart the multilateral disarmament process. The real problem was the underlying suspicions, and the unwillingness of the Soviet Union to believe that NATO was purely defensive.

On Africa, she referred to President Machel's recent visit to London, and agreed that it was right to support those Governments seeking to loosen ties with the Soviet Union. But it was also important not to forget the need to keep open lines of communications with the South Africans if we were not to lose influence with them.

Turning to Macau, she noted that what the Chinese had said to the Portuguese was quite different from what they said to HMG about Hong Kong. The Chinese objective was clear: to regain sovereignty of the leased territories, as well as the Kowloon Peninsula and Hong Kong Island. Speaking in confidence, she said that HMG had tried to do a bargain with the Chinese by offering the underlying sovereignty to China in exchange for keeping the administration of all three parts of Hong Kong.

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In this way the prosperity and stability of this extraordinary territory could be maintained, combining the advantages of British administration and Chinese character. But the Chinese did not welcome this proposal and argued that administration was a function of sovereignty. They had claimed to accept that the capitalist system should continue under their administration, but they did not understand the nature of a genuine free enterprise society with an independent legal system.

She referred to [redacted] rumours that the Portuguese Government had once offered Macau back to China, but the latter had refused this step. The story was that there existed a private written agreement on sovereignty between Portugal and China.

Negotiations over Hong Kong continued with the Chinese and it was still unclear what would be eventually agreed. The Foreign Secretary was visiting Peking and Hong Kong at that very moment.

Turning to Central America, she noted that Britain kept troops and Harrier aircraft in Belize to help in their defence. Britain had also sent observers to the Salvadorian elections, because the US had so requested.

Dr. Soares said that he had visited Nicaragua three times since the Sandinista revolution. He found it very like Portugal in 1975; a state of confusion coming under the increasing domination of the Communist Party. There was no doubt that the Cubans and Soviets had a very strong position in the country. The present Nicaraguan Government wished to use their dialogue with fellow European socialists as a democratic fig leaf. He noted that Olaf Palme had recently launched an appeal to justify the Nicaraguan elections. He himself had refused to sign this because he saw it as a blank cheque, and because he had little confidence in the authenticity of democratic processes in Nicaragua.

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He agreed with the Prime Minister that the US mining of Nicaraguan ports was unacceptable. It smacked a bit of Grenada, and could even help provoke more revolution. If other Western countries endorsed US action, there was a risk that they would be led to accept the Soviet concept of "limited sovereignty". In Dr. Soares' view, the only practical course in this unhappy situation was to give a greater measure of support to the activities of Commandant Pastora. The Portuguese had tried to do this.

The talks ended at 4.40 p.m.

A.J.C.

18 April 1984

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cc HM Amb
C Sir P.C.

10 DOWNING STREET

From the Private Secretary

19 April 1984

Dear Roger,

VISIT OF PRIME MINISTER TO PORTUGAL

I enclose with this letter the record of the second session of plenary talks which were held with the Portuguese in Lisbon on Wednesday, 18 April.

I am copying this letter and enclosure to the Ambassador in Lisbon.

*Your ever
John Gals.*

Roger Bone, Esq.,
Foreign and Commonwealth Office.

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