

PREM 19/155

35/2

PART 2

MT

Confidential Filing

The Commonwealth Heads of Government Meeting in Lusaka - August 1979 - (Policy)

COMMONWEALTH

Part 1 : March 79

Part 2 : August 79

PM's Briefing in Separate Folders Annexed +

Referred to	Records of Date	7th to Referred to	10th Date	SESSIONS Referred to	Date	Referred to	Date
	10.8.79						
	14.8.79						
	29.8.79						
	6.2.80						

PREM 19/155

● PART 2 ends:-

MOOSA to Raphael 6.2.80

PART 3 begins:-

Commonwealth Co-ord Dept Min 30.1.80

RH

Commonwealth

6 February 1980

The Prime Minister has asked me to thank you for the specially-bound copy of the record of the Commonwealth Heads of Government Meeting in Lusaka last August. Mrs Thatcher is glad to have this record of what was an historic meeting.

M. O'D. B. ALEXANDER

His Excellency Mr Shridath S
Ramphal Kt CMG QC

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Foreign and Commonwealth Office

London SW1A 2AH

6 February 1980

Dear Michael,

Draft to 'sine

And 6/2

Commonwealth Heads of Government Meeting, Lusaka, 1979

The Commonwealth Secretary-General has sent to us the enclosed specially-bound copy of the Record of the 1979 Commonwealth Heads of Government Meeting for the Prime Minister, together with an accompanying letter.

I enclose a draft acknowledgement.

The Commonwealth Secretariat classification of 'secret' may be regarded as 'confidential' for British Government purposes.

yours ever
Roderic Lyne

(R M J Lyne)
Private Secretary

M O'D B Alexander Esq
10 Downing Street
LONDON

DSR 11 (Revised)

DRAFT: ~~minute/letter/teleletter/despatch/note~~

TYPE: Draft/Final 1+

FROM:

Private Secretary
No 10 Downing Street

Reference

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

TO:

HE Mr Shridath S Ramphal Kt CMG QC
Commonwealth Secretary-General
Marlborough House
Pall Mall
London SW1

Your Reference

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

The Prime Minister has asked me to thank you for the specially-bound copy of the record of the Commonwealth Heads of Government Meeting in Lusaka last August. Mrs Thatcher is glad to have this record of what was an historic meeting.

Enclosures—flag(s).....



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~~SECRET~~

OFFICE OF THE COMMONWEALTH SECRETARY-GENERAL
MARLBOROUGH HOUSE · PALL MALL · LONDON SW1Y 5HX

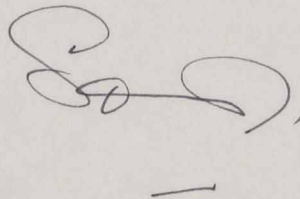
1, February 1980

Dear Prime Minister,

I have pleasure in enclosing a specially bound volume of the final Record of the Commonwealth Heads of Government Meeting held in Lusaka in August, 1979.

This special copy, prepared for each Head of Government, is additional to the copies which I am forwarding separately through your High Commissioner in London for your Government's archives.

With respect,



THE RT. HON. MARGARET THATCHER
PRIME MINISTER OF GREAT BRITAIN

Published Papers

The following published paper(s) enclosed on this file have been removed and destroyed. Copies may be found elsewhere in The National Archives.

Cund. 7712: Commonwealth Heads of Government
Meeting, Lusaka 1-7 August 1979:
Communique
Published by HMSO, October 1979.

Signed Wayland Date 28 January 2010

PREM Records Team

HCM 021/38

Departmental Series
Commonwealth Co-ordination Dept.
DS No. 1/79

DEPARTMENTAL MEMORANDUM
COMMONWEALTH HEADS OF GOVERNMENT
MEETING LUSAKA 1-7 AUGUST 1979

1. Posts will have received telegraphic summaries of the CHGM Sessions, the text of the communiqué, and telegrams after the meeting - both on Rhodesia and on the CHGM as a whole - giving our preliminary assessment. They may find it useful however to have some aspects spelt out in more detail, insofar as we can: we do not of course know all that went on, particularly during the weekend "retreat" for Heads of Government held in the grounds of State House, where officials only had access for special reasons, and where it was once again demonstrated that CHGMs are, quite properly, very much the special preserve of Heads of Government.

2. Lusaka had always promised to be a difficult location, and speculation that the venue might have to be changed or the meeting postponed persisted well into July. In the end Mr Ramphal and President Kaunda managed to persuade Mr Nkomo to give a public commitment (albeit qualified) to operate a ceasefire for the period of The Queen's visit and the CHGM: from 25 July to 10 August ZAPU would "not engage in any such activities at the Zambia-Rhodesia border as are likely to provide pretext to the Rhodesian regime to undermine the prospect of the Commonwealth Conference being held in Lusaka". Bishop Muzorewa, with our encouragement, issued a statement in reply that "our own security forces will take no action which would endanger Her Majesty Queen Elizabeth or anyone attending the Commonwealth Conference". Although not perfect, this exchange was about as good as we could expect. The meeting duly took place, neither the Patriotic Front nor the Rhodesians did anything to threaten the security either of The Queen or the delegates, arrangements were much better than expected and the outcome was more successful than anyone could have hoped.

HM THE QUEEN

4. Of prime concern to the Government was The Queen's visit. It is customary for her to be present during the first days of CHGMs in her capacity as Head of the Commonwealth - to give audiences and to entertain participants (although not to open or attend the meeting). This was the first regular CHGM in Africa (a special one on Rhodesia was held in Lagos in 1966) and the first in a land-locked country, thus preventing the use of HM Yacht Britannia. While it was important to relations with Zambia that the visit should go ahead, the question of security was vital. On the advice of the then Prime Minister, Mr Callaghan, The Queen had in February accepted President Kaunda's invitation to pay a State visit to Zambia and then remain for the opening days of the meeting. Prior visits to Tanzania, Malawi and Botswana were also arranged. It was clear that the advice needed to be kept under

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constant review and special arrangements were made to this end. The aim was to do everything possible to minimise the risks, and to monitor the situation throughout so as to be able to provide the new Prime Minister with as clear a picture as possible of the situation. Not long before The Queen's departure on the first leg of her African tour, the Prime Minister concluded that there was no reason to advise against the visit to Zambia proceeding as planned. Since part of this visit was in The Queen's capacity as Head of the Commonwealth, the Prime Ministers of all her other realms were informed before the decision was announced in Parliament, and the Prime Ministers of the old Commonwealth, whose governments had been kept informed of our own assessments of the security situation, were given an opportunity to comment on Mrs Thatcher's decision. There were no dissenting voices. President Kaunda was also informed of the decision but it was not thought necessary to inform the Heads of the other non-realms of what did not represent a change.

5. Without doubt The Queen's visit was extremely successful; and the warmth of the Zambian welcome probably helped to diminish a little the coolness of the reception, especially in the Zambian press, awaiting the Prime Minister on arrival. What is more, there can be no doubt that The Queen's presence in Lusaka helped significantly to improve the atmosphere for the CHGM. Commonwealth leaders have an enormous respect and admiration for her.

ATTENDANCE

6. The full British delegation in 1973 (Ottawa) numbered 70, in 1975 (Kingston) 57 and in 1979 62. We tried hard beforehand to keep the 1979 figure below the Kingston level but the special problems posed by Lusaka, eg security, transport and telecommunications, necessitated a very long "tail". The High Commission also backed us up superbly. The actual team of advisers was quite small, consisting of Sir John Hunt (Cabinet Secretary), Sir Michael Palliser (PUS), Sir Antony Duff (who spent much time on Rhodesia), Mr Derek Thomas (ditto on economic subjects) and myself, plus Mr Henry James (No. 10) and Mr Nick Fenn to deal with the press side. It should be possible to reduce substantially the support staff in our delegation for the 1981 CHGM, since it is to be held in Australia.

7. There was a good turn out, with 27 Heads of Government present and all 39 full Commonwealth members represented. Our particular efforts beforehand to allay Lee Kuan Yew's doubts about security paid dividends; he duly attended, and launched the discussion on the world political item with what many considered to be the best contribution of the meeting. Mr Desai had been scheduled to open this discussion but resigned shortly before the meeting - which lost something by his absence: India was represented by its new Foreign Minister, whose contribution was not outstanding - and he was moreover involved in an unfortunate controversy over the Secretary-Generalship. Other notable absentees were Datuk Hussein (Malaysia) because of ill-health, General Obasanjo (Nigeria) who was preoccupied with the approach of civilian rule and Dom Mintoff (Malta) - whose absence we did not particularly regret. Dr Williams (Trinidad), the doyen of the Commonwealth, predictably decided once more not to attend, and peevishly sent no minister either. This was to show his displeasure at one of Mr Ramphal's proposals to encourage

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greater informality - that Heads of Government should have precedence in discussion over delegation leaders of lesser status. Ghana, beset by internal problems, was represented by the Commissioner for External Affairs, Mrs Nikoi. Notable for his presence, after our agonies over Amin in 1977, was President Binaisa of Uganda.

AGENDA

8. The agenda emerged very much as we had wanted, with a balance between the three major items, namely the world political and economic scenes and Commonwealth cooperation. Mr Ramphal was keen to have a substantive discussion of economic issues, but the fact that UNCTAD V in Manila had recently taken place meant that such issues were less likely to predominate, although it seemed probable that developing Commonwealth countries would use the occasion to express disillusionment over the state of the North/South dialogue, including recent negotiations for the new Lomé Convention. On the political side, the plight of Indo-Chinese refugees brought onto the agenda an item of great concern to Commonwealth members from the area (and of course ourselves) which helped to offset discussion of Southern Africa. Commonwealth cooperation provided a healthy third major item, especially as initiatives in industrial cooperation and proposals for helping with the special problems of small Commonwealth countries were now ready for endorsement by Heads of Government.

RHODESIA

9. For months before, the question of Rhodesia had loomed threateningly; and the timing of the CHGM made it the natural culmination of the process of consultation which the Government had initiated - although it was far from certain that the meeting would contribute to a solution. There was, understandably, no lack of Cassandras recalling the 1971 CHGM in Singapore, when controversy over the supply of arms to South Africa had threatened to destroy the Commonwealth, or to still earlier CHGMs when Rhodesia had completely dominated discussions (to our discomfort). Warning noises on Rhodesia, with implications for relations with Britain and the continued cohesion of the Commonwealth, were also made by certain African Commonwealth hard-liners, notably Nigeria. The July OAU Summit, with its endorsement of the Patriotic Front as the sole legitimate authentic representative of the people of Zimbabwe, did not augur well for Lusaka. Our own arrival there coincided, moreover, with the announcement of the nationalisation of BP's Nigerian assets, and there was much apprehension lest the controversy over this might affect the atmosphere of the CHGM. That it did not owed much to the momentum of the search for an agreed plan on Rhodesia. Before the Conference ever began it was established British policy that a decision to convene a constitutional conference would be announced at or after the CHGM - but the timing very much depended on how things went in Lusaka. The Prime Minister and Lord Carrington made good use of the full day there before the beginning of the meeting to hold bilateral talks with colleagues, and by the end of the first day of the meeting (Wednesday) the atmosphere had already lightened considerably, helped by a statesmanlike and well-received speech during the opening session by the Prime Minister. It had been agreed in advance between Mr Ramphal, President Kaunda

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and ourselves that it would be best to hold back the opening of the Southern Africa debate until the Friday, both because the atmosphere would benefit from the discussion of less controversial subjects first, and because Heads of Government could thereafter go straight into their informal "weekend" for private discussions on this key topic. The debate duly opened on Friday and, following the example of the lead speaker President Nyerere, and of the Prime Minister, who delivered a key-note speech, the participants, almost without exception, contributed helpfully and constructively. From our point of view, this session achieved a general recognition that developments in Rhodesia had brought about a new situation, and acceptance that it was Britain's responsibility to take the initiative for a solution.

10. The weekend was used to put flesh on these ideas. A small group was set up by Messrs Ramphal, Kaunda and Nyerere, which also included Messrs Manley, Fraser and Adefope (it was thought best to have the Nigerians in from the beginning), together with the Prime Minister and Secretary of State. The Africans decided against bringing in President Khama, but kept him informed. Following a good initial discussion on the Saturday, Sir A Duff and Mr Ramphal set to to draft a Statement of Principles. This was agreed, with some amendments, by Heads of Government the following day, and should have been considered in full executive session on the Monday. Mr Fraser however chose to brief the press on Sunday afternoon, claiming considerable credit for the breakthrough, and the result was a hastily convened and very unusual "restricted" session at Mr Fraser's house that evening, where he was entertaining Heads of Government to a barbecue. Although not all Heads of Delegation were present, this meeting resulted in agreement that the document was acceptable to the Commonwealth as a whole and could be released to the press. Some feathers, eg those of India and New Zealand, had been ruffled initially at having been left out of the 'inner' group - but all worked out for the best in the end: the net result was that the plan to hold further discussions on Southern Africa on the Monday was dropped and the CHGM ended a day earlier than scheduled in an atmosphere of sweetness and light.

THE MEETING

11. Success over Rhodesia coloured the general mood which thereafter, in the executive sessions, became ever more constructive and friendly (although this was less the case in the officials' 'Committee of the Whole' - see below). The procedures and format of the meeting had been discussed by senior officials at Kuala Lumpur in November 1978, following which Mr Ramphal had submitted a long and useful list of suggestions designed to halt the trend of a steadily growing assembly towards formal and more "UN-like" procedures and practices eg the use of set speeches. We had done our best to encourage a movement back towards the traditional informality. Somewhat surprisingly, however, President Kaunda did not invite discussion of the proposals, merely suggesting that they be adopted, which they were. In practice most were observed. The executive sessions were certainly informal, with first names being freely used, but there were some features which could still be improved. In some sessions, eg the economic ones, there were still too many prepared speeches as opposed to informal discussion and exchanges of view. This no doubt reflected the difficulty which many Commonwealth leaders

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have in speaking substantively, at least on some subjects, without a prepared text. Another unsatisfactory aspect was, once again, the Communiqué and especially its handling in the Committee of the Whole (see paragraphs 19 and 20).

12. The standard of contribution was inevitably variable. The address by Lee Kuan Yew on the first day (Lusaka tel 814) was outstanding; and Nyerere's contribution to the critical discussion on 3 August (Lusaka tel 829) impressive. Some were mediocre; and one by the Mauritius Minister of External Affairs conspicuously (but at moments hilariously!) poor. The British Prime Minister's principal contributions were to the Southern Africa and economic discussions.

COMMONWEALTH COOPERATION

13. Under the item Commonwealth cooperation, Heads of Government themselves discussed the special problems of small states, industrial cooperation and the Commonwealth Fund for Technical Cooperation. Other aspects, including the Commonwealth Youth Programme and the Commonwealth Foundation, were remitted by them to the Committee of the Whole. You will see from the Communiqué that the Commonwealth Secretariat emerged from the meeting with ample work for the next 2 years. The Secretary-General is, for example, asked to:

- (a) assemble a group of 8 to 10 independent Commonwealth experts to report to governments on the question of structural change and economic growth before the 1980 UN Special Session;
- (b) establish an industrial unit within the CFTC with (it is hoped) £5 million to be provided for its first 3 years. This follows the publication of the Jha report and the meeting of Ministers of Industry earlier this year in Bangalore;
- (c) pursue the Secretariat's proposed programme of action on "Island developing and other specially disadvantaged [or small] states";
- (d) appoint an adviser on women and development;
- (e) urge governments to forward their views on the Gambian proposal for a Commonwealth Human Rights Commission; and to appoint a working party to consider it and make recommendations. This was the compromise solution reached in the face of President Jawara's insistence on pushing his hobby horse, although it received only limited support (eg from Uganda) and is viewed with considerable reserve by many Commonwealth members (including ourselves);

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- (f) prepare a feasibility study and report to Commonwealth governments on the proposal for a Commonwealth film and TV institute, which was welcomed in principle;
- (g) coordinate media exchanges and to set up a select committee to look at communication and media problems.

The extent to which these various initiatives will involve extra staff or special working groups is unfortunate in that they will tend to encourage the Secretariat's empire-building propensities; but for Heads of Government they represent, of course, a convenient way of dealing with matters which either need looking at in more detail or are simply difficult to resolve at the CHGM itself without hurting someone's feelings. Moreover some of the initiatives may well prove useful. Certainly, no-one could claim that the modern Commonwealth is not an active one.

14. This CHGM gave Commonwealth leaders a useful opportunity to review the work of three of the main Commonwealth institutions, the Commonwealth Fund for Technical Co-operation, the Commonwealth Youth Programme and the Commonwealth Foundation. To some extent the opportunity was taken. Tribute was paid to all three, and Heads of Government were quick to agree to significantly increased budgets - but without seriously considering where the extra money was to come from. We were, moreover, not impressed with the way some of our old Commonwealth partners made commitments which, although deliberately phrased to sound generous, in fact fell short of the levels required. We were almost alone in seeking to inject realism into these discussions. As it was, the Communiqué endorsed:

- (a) a "positive approach" to "the provision of additional real resources" for the CFTC;
- (b) an increase of at least one-third in pledges to the CYP and for funds to reach £1 million per annum for 1980-82;
- (c) a target of £1.1 million for the Commonwealth Foundation's income, although it was recognised that resources for 1979-80 would probably not exceed £900,000.

We are prepared to increase our contribution in all three cases but do not consider it appropriate that they should exceed our customary 30% share of the total contributed: much therefore depends on other governments. We are ready in principle to provide £1.5 million of the £5 million target for the first 3 years of the new Industrial Development scheme - and this is over and above our contributions to the main CFTC programme.

RESTRICTED SESSIONS

15. One of the features of CHGMs since Ottawa has been the "Restricted" session, involving Heads of Government only (plus the Secretary-General). It had been envisaged that more use might be made of these at Lusaka; but in the

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event there were only two - one after the Friday afternoon's normal executive session, and the other the extraordinary one on Rhodesia at the Australian barbecue. The former was badly handled in that Heads of Government were given no notice: thus those with previous engagements - like our own Prime Minister - were unable to be present. There were two matters for discussion at the first session. One was Nauru's request to attend CHGMs. Nauru and Tuvalu, as special members, pay little or nothing for the benefits of membership but do not attend CHGMs. This question was satisfactorily resolved by agreement that Nauru could apply for full membership if she wanted, while the concept of special membership was retained as an option for all - one which new "mini states" might find attractive. (In fact, since the meeting, St Vincent has asked to become a special member on achieving independence this month.) The second subject was the question of the Secretary-Generalship. Ramphal withdrew for this part of the discussion.

SECRETARY-GENERAL

16. Three months before the CHGM the Indians had started canvassing the idea that the Secretary-Generalship should be held only for 5 years and that Ramphal should be replaced in 1980 by an Indian (known to be Jagat Mehta), equivalent to the PUS, and a very able official. This move stimulated Ramphal into informing Governments that he was available for reappointment. Moreover, exploiting both his close relationship with President Kaunda and the wide Commonwealth support which he undoubtedly enjoys, especially in Africa and the Caribbean, he cleverly inspired President Kaunda to write to Heads of Government shortly before the meeting to say that "the overwhelming opinion, ... already constituting considerably more than a majority of our full membership, is strongly in favour of Mr Shridath Ramphal continuing for a second term". Our own assessment was that Ramphal's re-election was indeed almost a foregone conclusion and the Prime Minister therefore, in reply to President Kaunda, said that she would be very ready to support a consensus in favour of reappointing him. In the Restricted session, Ramphal was duly reappointed, with, so far as we are aware, only India dissenting. We were not best pleased by Kaunda's failure to give advance notice of this important meeting, although we would not have dissented from the decision.

17. The Indians took the decision badly and their Foreign Minister wrote sharply to Kaunda the following day complaining of his handling of the issue and proposing new procedures for electing future Secretaries-General (and Deputy Secretaries-General), with a maximum 5 year term. The letter and Kaunda's (again rather sharp) reply were subsequently circulated to governments - who are now invited to write to the Secretary-General with any views they may have on the procedure. None of those involved came out of the episode particularly well, although part of the trouble was the lack of an established procedure for electing Secretaries-General. The Indians had some valid points, but did not handle the affair with sufficient care; Ramphal was less than scrupulous in canvassing on his own behalf; and Kaunda allowed himself to be used by Ramphal. However none of this, we believe, affected the actual outcome.

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COMMITTEE OF THE WHOLE/COMMUNIQUE

18. The Committee of the Whole (senior officials) was reasonably workmanlike and constructive when discussing the subjects remitted to it by Heads of Government. But when it came to the drafting of the communiqué the approach changed. This contrasted sharply with the atmosphere in the Heads of Government sessions, being marred by UN-type tactics, with a marked unwillingness to compromise on the part of some, eg Jamaica on Southern Africa and Malta on the Middle East and the Mediterranean. The economic sub-committee was like a mini-UNCTAD. The consensus nature of Commonwealth decisions resulted in long and tedious discussions which lasted throughout the final night (in separate political and economic groups) and led to the emergence of a communiqué of a turgid and indigestible 70 paragraphs, unfortunately just as long as in 1977. Without the considerable tact and patience of the two Deputy Secretaries-General in the chair, things might have been even worse - although, equally, a firmer hand might have helped. The formulation of the Communiqué was a haphazard process. Texts were produced on political items both by individual countries and by the Secretariat, and on economic matters the latter produced a lengthy draft only minutes before the officials sat down to consider it. It was often difficult if not impossible to equate what was said in the Communiqué with the actual discussions in the executive sessions. The problem is that the Communiqué is the major document to emerge from CHGMs, and that there are not a few members who want to use it as a vehicle for pronouncements on their special concerns. The resultant text was one we could live with, whilst not much caring for some of the phraseology. It was still much too long, despite our urgings over the last two years that the Communiqué should be shorter and should reflect actual discussion. We shall however persevere: prospects at the 1981 CHGM in Australia may be a little better.

SPORT AND SOUTH AFRICA

19. Noticeable by its absence was the subject of sporting contacts with South Africa which had caused so much difficulty in 1977. There were grounds enough for someone to raise the issue, since two British rugby clubs were touring South Africa at the time of the Meeting. In the event, the subject was not to the best of our knowledge, raised, not even by the Nigerians. It could well have been otherwise if the Rhodesian discussions had gone badly and if the Southern African discussion had been pursued on the Monday. It is still very much a matter of Commonwealth concern.

OTHER SUBJECTS NOT DISCUSSED

20. Two other subjects which were not raised were
- (a) the possible readmission of Pakistan to the Commonwealth; and
 - (b) the proposed new Commonwealth arts organisation.

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We were not expecting (a) to be raised - on this, the ball rests firmly in Pakistan's court and seems likely to remain there for some time to come. On (b), we had heard that Bangladesh or Australia might raise the subject; but in the event neither did. Nothing was lost by this - discussion at this early stage could have achieved little.

AUSTRALIA

21. The Australians came to Lusaka well primed to make their mark both in the third world generally and more particularly in Africa. Mr Fraser made major interventions on nearly every item: he was lead speaker in the economic debate; it was he who proposed, on Mr Ramphal's behalf, the group on structural change and growth; he reported on the Asia/Pacific Regional CHGM which he hosted last year; he was a member (though not playing quite such a leading role as he would have the world believe) of the small group on Rhodesia; and Australia was responsible both for the Declaration on Racism and for the initiatives on communications and the media. Whilst one can perhaps adduce certain ulterior domestic motives for Mr Fraser's hyper-activity at Lusaka one should not, on Rhodesia, discount the considerable Australian efforts in the months preceding the Meeting on behalf of compromise and the continued cohesion of the Commonwealth (but their leak of the Rhodesia agreement to the press was another matter). On economic subjects however they tended, as at UNCTAD, to take a more 'pro-South' line than we liked. Nor were we particularly happy about the proposal for a Declaration on Racism, although we went along with the final text - it is not a legally binding document. Thus Mr Fraser cast a long shadow at Lusaka. We may have reservations about the wisdom of some of his initiatives but we cannot deny that the Commonwealth owes to him something of its current vigour. We cannot assess exactly how others viewed what was rather an Australian assault but suspect that many Governments will have pondered the motives for these considerable efforts.

OTHERS

22. Of the other participants President Kaunda was in his own, endearing way an admirable Chairman. The warm and friendly atmosphere owed much to him. He had of course to rely quite heavily on Ramphal's guidance in steering the meeting through its agenda. At the end he was clearly delighted that the meeting, for which he and his country had made great efforts, had proved such a success. It is not often that international meetings can break up a day early. Of other leaders not so far mentioned, Mr Clark of Canada, being new in the saddle, did not make as significant a contribution as Mr Trudeau would have done but played a quiet and constructive part and made the customary Canadian contribution on Namibia. Mr Manley's contribution to the Rhodesia group and in the economic discussions was the most significant from the Caribbean. The delegation leaders from The Bahamas, Dominica and Ghana said practically nothing, while those from St Lucia, Swaziland, Tonga, Trinidad and Kiribati (the Commonwealth's newest member) were silent throughout. President Banda of Malawi appeared only at the opening session and the Prime Minister's lunch for a number of Prime Ministers, after which he returned home.

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BILATERAL TALKS

23. A particularly valuable aspect of the meeting, which contributed to the successful outcome on Rhodesia, was the opportunity for bilateral talks with colleagues. The Prime Minister met most Heads of Government over the 7-day period, either for pre-arranged meetings or for shorter chats during and between sessions and functions, of which there were many. The weekend provided an excellent chance to meet others. She had pre-arranged meetings with Presidents Kaunda, Nyerere, Banda, Khama, Moi, Binaisa and with Maj Gen Dlamini (Swaziland) of the African contingent; and with Presidents Kyprianou and Ziaur Rahman as well as with Messrs Muldoon, Clark and Fraser.

PRESS

24. There were over 400 media representatives in Lusaka, some covering the royal tour as well. The No 10/FCO press team played a key role especially in presenting correctly, under difficult circumstances, our policy on Rhodesia, which was of course the big story. The British press in particular were inclined to present as a U-turn what was to a considerable extent the progressive revelation of a pre-determined strategy, and this needed constant correction. It was also important to monitor the press statements of other participants and the Patriotic Front. The media were not altogether happy with the accommodation and other arrangements and were no doubt glad of the considerable efforts that we made to listen to their woes and to provide them with the fullest possible briefing. The Secretary of State personally gave unattributable briefings to the British correspondents every evening and there was a parallel programme of briefings for other journalists. The Prime Minister gave two Press Conferences towards the end. We must be reasonably happy with the presentation of the meeting in the British media. It helped in "selling" the meeting that the agreement reached at it was genuinely impressive. Even the representative of the Daily Express gasped in disbelief when we first showed him the text of the statement on Rhodesia - and this was duly reflected in a favourable editorial.

GENERAL

25. This CHGM, like others before it, demonstrated how much can be achieved by the extended personal contact between the Heads of Government which these unique meetings provide. The agreement reached on Rhodesia is a striking testament to this. The Prime Minister, for her part, attending her first CHGM, made good use of this valuable opportunity to get to know Commonwealth colleagues - and left Lusaka on first name terms with quite a number. The Prime Minister herself scored a considerable personal success at the meeting - reflected in a very warm tribute which President Kaunda paid to her.

26. The Lusaka CHGM thus turned out very much better than expected, and gave a distinct fillip to the Commonwealth association. Due credit must go to Mr Ramphal for his efforts to keep the Commonwealth intact and on course, and to President Kaunda and his Zambian colleagues who in the end worked something of an organisational miracle; it was - despite our well-founded doubts - "all right on the night". One looks back on it with some sense of unbelief. Despite all the

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anxieties of the preceding months, Lusaka not only happened but was a remarkable success. It showed the world that, for all its imperfections, there is much fundamental goodwill within the Commonwealth association, and that, not often, but sometimes, it can surprise us all.

27. Copies of this report go to all Commonwealth posts, to Washington and Pretoria and to UKMIS New York.

R A R Barltrop
Commonwealth Coordination Department

17 October 1979

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12 NOV 1979



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MS



10 DOWNING STREET

From the Private Secretary

29 August, 1979.

I am writing to confirm that we have no objection to your proposals for publication of the Commonwealth Heads of Government communique, as set out in your letter of 23 August to Nick Sanders. My only comment is one of surprise that this has taken so long.

I am sending copies of this letter to John Stevens (Office of the Chancellor of the Duchy of Lancaster), and Peter Moore (Chief Whip's Office).

M. A. PATTISON

A.G. Harrison, Esq.,
Foreign and Commonwealth Office.

2



VMAJ

10 DOWNING STREET

MR. JAMES

Any comment on timing of this White Paper?

From the Private Office point of view we are content with these arrangements.

VMAJ

Mr. Hatters

No problem - even if the Constitutional Conference is still going on. But how incredible!!

24 August 1979

Why is it not go out before? it doesn't need ratification. Important problems @ H110? Probably wise not to act!
9/25/8

Mr James - Am



Foreign and Commonwealth Office

London SW1A 2AH

N Sanders Esq
10 Downing Street
LONDON SW1

23 August 1979

Dear Sanders,

WHITE PAPER: COMMONWEALTH HEADS OF GOVERNMENT
COMMUNIQUE

We propose to publish as a White Paper, in approximately six weeks time, the Final Communique of the Commonwealth Heads of Government Meeting in Lusaka.

The final communiques of previous Commonwealth Heads of Government meetings have been published as White Papers, and I would be grateful if you and those to whom I am copying this letter, would confirm that there is no objection to similar publication on this occasion.

Yours ever,

Gifford Harrison

A G Harrison
Asstnt Parliamentary Clerk

cc: J Stevens Esq
Office of Chancellor of the Duchy of
Lancaster

P Moore Esq
Chief Whip's Office
12 Downing St SW1

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GA 1225
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Commonwealth

FM F.C.O. 142030Z AUG 79

TO PRIORITY ACCRA

TELEGRAM NUMBER 277 OF 14 AUGUST

AND TO ALL OTHER COMMONWEALTH CAPITALS,

INFO WASHINGTON, UKMIS NEW YORK, UKREP BRUSSELS, LUANDA, PRETORIA,
MAPUTO, BELMOPAN, GUATEMALA CITY, HANOI, ANKARA, ATHENS.

*Ends via
C/M
12/8*

COMMONWEALTH HEADS OF GOVERNMENT MEETING, LUSAKA 1-7 AUGUST

1. THE 1979 C.H.G.M. TOOK PLACE IN LUSAKA FROM 1 TO 7 AUGUST. POSTS WILL RECEIVE THE COMMUNIQUE BY BAG AND EXTRACTS HAVE BEEN TELEGRAPHED AS APPROPRIATE. GUIDANCE ON THE RHODESIAN ASPECTS HAS ISSUED SEPARATELY (GUIDANCE TELNO 100 OF 10 AUGUST). THE FOLLOWING IS A BRIEF ASSESSMENT OF THE MEETING AS A WHOLE.
2. THE MEETING WAS WELL ATTENDED. ALL 39 FULL MEMBERS OF THE COMMONWEALTH WERE REPRESENTED, 27 OF THEM BY HEADS OF GOVERNMENT.
3. IT HAD BEEN EXPECTED THAT THE RHODESIAN PROBLEM WOULD BE THE DOMINANT SUBJECT AT THIS MEETING; BUT, THANKS TO THE SUCCESS OF THE SPECIAL GROUP DISCUSSIONS DURING THE WEEK-END QUOTE RETREAT UNQUOTE, IT TOOK UP IN THE EVENT ONLY HALF A DAY OF THE ACTUAL CONFERENCE - WHICH IN CONSEQUENCE LASTED ONLY FIVE DAYS INSTEAD OF THE SCHEDULED SIX. THERE WAS STILL ADEQUATE TIME FOR DISCUSSION OF OTHER SUBJECTS. AS YOU WILL HAVE SEEN FROM THE REPORTING TELEGRAMS, THE OTHER MAIN TOPICS OF DISCUSSION WERE S.E. ASIA, INCLUDING ITS REFUGEE PROBLEM, AND THE WORLD'S ECONOMIC PROBLEMS. DISCUSSIONS ON WORLD POLITICAL AND ECONOMIC TRENDS WERE FRANK AND REASONABLY CONSTRUCTIVE. THERE WERE HOWEVER STILL TOO MANY PREPARED SPEECHES.
4. S.E. ASIA AND REFUGEES: WE CAN REGARD THE COMMUNIQUE PASSAGES AS SATISFACTORY. THE REFERENCE TO VIETNAM IS DIPLOMATICALLY-PHRASED BUT THE MESSAGE IS REASONABLY CLEAR. THE HELP OF BRITAIN AND HONG KONG IS SPECIFICALLY ACKNOWLEDGED.
5. SOUTHERN AFRICA: THERE ARE THE RITUAL CONDEMNATIONS OF SOUTH AFRICA. WE WOULD HAVE WISHED TO SEE A WARMER ENDORSEMENT OF THE INITIATIVES OF THE FIVE ON NAMIBIA (IN THE COMMITTEE OF THE WHOLE, THE JAMAICAN REPRESENTATIVE, SUPPORTED BY THE KENYAN, EVEN TRIED TO GET REFERENCES TO IT DELETED COMPLETELY).

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6. CYPRUS: A TENDENTIOUS DRAFT PASSAGE WAS SUBMITTED BY CYPRUS. THE MUCH-IMPROVED BALANCE OF THE FINAL VERSION OWES MUCH TO OUR EFFORTS. AT PRESIDENT KYPRIANOU'S BEHEST, THE DORMANT COMMONWEALTH COMMITTEE ON CYPRUS IS TO BE REVIVED, AND AT MINISTERIAL LEVEL. HOWEVER WE HOPE THAT MR RAMPHAL WILL BE ABLE TO ENSURE THAT ANY MEETINGS ARE INFREQUENT.

7. BELIZE: BARBADOS PRESSED US HARD IN PRIVATE FOR A BRITISH COMMITMENT IN PRINCIPLE (TO BE INCLUDED IN THE COMMUNIQUE) TO PARTICIPATE IN A MULTILATERAL DEFENCE GUARANTEE FOR BELIZE IN EVENT OF FAILURE TO REACH AN AGREEMENT WITH GUATEMALA. WE WERE ABLE TO RESIST THIS AND THE COMMUNIQUE PASSAGE IS UNEXCEPTIONABLE.

8. MIDDLE EAST AND MEDITERRANEAN: MALTA CREATED MUCH DIFFICULTY, SEEKING (WITH AN EYE TO THEIR RELATIONS WITH LIBYA) TO USE BOTH COMMUNIQUE PASSAGES AS A VEHICLE FOR PRO-P.L.O. PROPAGANDA. WE MANAGED EVENTUALLY TO KEEP THIS OUT OF THE MEDITERRANEAN PASSAGE: BUT THE MIDDLE EAST PASSAGE REMAINS UNSATISFACTORY.

9. DECLARATION ON RACISM: WE, AMONGST OTHERS, HAD BEEN CONSULTED BY THE AUSTRALIANS AT AN EARLIER STAGE ABOUT THIS AND OTHER INITIATIVES THEY HAD IN MIND. WE HAD RESERVATIONS ABOUT THE IDEA - IT COULD HAVE BEEN A PANDORA'S BOX - BUT IN THE EVENT THERE WERE NO ATTEMPTS BY OTHER COUNTRIES TO QUOTE STRENGTHEN UNQUOTE THE TEXT (AS IT IS, SOME OF THE WORDING COULD STILL CAUSE US SOME DIFFICULTY OVER SOUTH AFRICA IN THE FUTURE)... THE AUSTRALIAN DRAFT TOOK SOME ACCOUNT OF SUGGESTIONS MADE BY US.

10. ECONOMIC: THE MAIN OUTCOME WAS THE DECISION TO SET UP A COMMONWEALTH STUDY GROUP ON CONSTRAINTS ON STRUCTURAL ADJUSTMENT AND ECONOMIC GROWTH TO REPORT BEFORE THE U.N. SPECIAL SESSION OF 1980. THIS WAS A SUGGESTION BY MR FRASER WHICH GREW OUT OF ONE BY THE SECRETARY-GENERAL FOR A STUDY GROUP ON A MARSHALL PLAN FOR DEVELOPING COUNTRIES. THE TERMS OF REFERENCE WERE WORKED OUT IN THE COURSE OF THE CONFERENCE BY A GROUP OF OFFICIALS AND INCORPORATED IN THE COMMUNIQUE (PARAS 39-43) AFTER APPROVAL IN THE EXECUTIVE SESSION. IN DISCUSSION WITH OTHERS, WE CAN TREAT IT AS A MODESTLY USEFUL INITIATIVE WHICH MAY THROW SOME LIGHT ON A FIELD IN WHICH LITTLE WORK HAS BEEN DONE AT PRESENT. AT LEAST IT SHOULD DO NO HARM.

11. IN THE DISCUSSIONS ON ECONOMIC QUESTIONS, THERE WERE NO SURPRISES. THE PRIME MINISTER AND MR FRASER PLACED STRONG EMPHASIS ON ENERGY PROBLEMS AND INFLATION AND IN PARTICULAR THE PRICE AND AVAILABILITY OF OIL, AS CENTRAL TO THE CONCERNS OF COUNTRIES AT ALL STAGES OF DEVELOPMENT. THE LATTER THEME WAS TAKEN UP OR REFLECTED BY VIRTUALLY ALL SPEAKERS EXCEPT THE NIGERIAN WHO PREDICTABLY TRIED TO PLAY IT DOWN. SPOKESMEN FOR DEVELOPING COUNTRIES OTHERWISE CONCENTRATED ON THEIR OWN SPECIAL CONCERNS, CALLING FOR FASTER PROGRESS IN NORTH/SOUTH NEGOTIATIONS GENERALLY. IN THE TIME AVAILABLE IT WAS INEVITABLY AN EXCHANGE OF VIEWS RATHER THAN A DISCUSSION BUT SHOULD HAVE CONTRIBUTED TO CLEARER UNDERSTANDING ON ALL SIDES OF THE CONCERNS AND DIFFICULTIES OF OTHERS. IT WAS REGRETTABLE THAT THE A.C.P. COMMONWEALTH COUNTRIES THOUGHT IT NECESSARY IN THIS FORUM TO EXPRESS THEIR QUOTE STRONG DISSATIS-FACTION UNQUOTE WITH THE OUTCOME OF THE LOME II NEGOTIATIONS.

12. COMMONWEALTH FUNCTIONAL COOPERATION: THE DISCUSSIONS, BOTH IN THE MAIN MEETING AND IN THE COMMITTEE OF THE WHOLE, SHOWED A GENERAL CONVICTION OF THE VALUE OF COMMONWEALTH FUNCTIONAL COOPERATION AND A READINESS TO EXTEND ITS RANGE. THERE WAS, HOWEVER, SOME LACK OF REALISM ABOUT THE LEVEL OF FINANCIAL RESOURCES THAT WERE LIKELY TO BE AVAILABLE; AND TOO GREAT A READINESS TO SET UP COMMITTEES OR WORKING PARTIES TO STUDY THIS PROPOSAL OR THAT. HOWEVER, THESE MAY WELL IN THE END HELP TO STEER THE COMMONWEALTH AWAY FROM UNSOUND OR UNWISE PROJECTS (E.G. THE GAMBIAN IDEA OF A COMMONWEALTH HUMAN RIGHTS COMMISSION).

13. COMMONWEALTH SECRETARY-GENERAL: NOT UNEXPECTEDLY, MR RAMPHAL WAS RE-APPOINTED FOR A FURTHER 5-YEAR TERM. THE INDIANS (WHO HAD PUT UP A CANDIDATE) WERE NOT BEST PLEASED AT THE WAY THIS WAS HANDLED (WHICH WAS CERTAINLY OPEN TO CRITICISM).

14. GENERAL: MR FRASER, WITH AN EYE TO HIS DOMESTIC AUDIENCE AS WELL AS TO THE WORLD AT LARGE (ESPECIALLY THE THIRD WORLD), SET OUT TO PLAY A MAJOR ROLE AT THIS MEETING. AUSTRALIAN INITIATIVES WERE RESPONSIBLE FOR THE DECLARATION ON RACISM, THE STUDY GROUP ON STRUCTURAL ADJUSTMENT AND THE EXERCISE ON COMMUNICATION AND THE MEDIA. AT TIMES MR FRASER OVERREACHED HIMSELF; AND HE DID NOT WIN FRIENDS EVERYWHERE.

15. THE C.H.G.M. TURNED OUT BETTER THAN HAD BEEN EXPECTED. IN ADVANCE THERE HAD BEEN FEARS FOR THE COMMONWEALTH'S CONTINUED COHESION: BUT THE AGREEMENT ON RHODESIA AND THE CONSTRUCTIVE APPROACH OF THE PRINCIPALS, NOTABLY NYERERE AND KAUNDA (WHO HANDLED THE MEETING VERY WELL), CONTRIBUTED TO WHAT HAS BEEN DESCRIBED BY SOME AS THE MOST SUCCESSFUL MEETING EVER. THIS IS AN OVERSTATEMENT, BUT WE DO REGARD THE MEETING AS HAVING BEEN A SUCCESS. AS WE COMMENTED IN GUIDANCE TELNO 100, IT SHOWED THE COMMONWEALTH AT ITS BEST: AND DEMONSTRATED THE ASSOCIATION'S POTENTIAL FOR HELPING IN THE RESOLUTION OF MAJOR WORLD PROBLEMS.

16. THE ABOVE IS PRIMARILY FOR YOUR OWN INFORMATION, BUT MAY BE DRAWN ON AT DISCRETION.

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THE PRIME MINISTER

14 August 1979

Dear Sir Christopher

Thank you so much for your letter about my visit to Lusaka. I was very glad indeed that it proved possible to fit in a visit to the Cheshire Home there; Denis and I were immensely impressed by all that we saw and particularly by the dedication of Sister Eladia and her devoted staff. It was a very moving occasion.

I am most grateful for your good wishes.

Yours sincerely

MT

Air Chief Marshal Sir Christopher Foxley-Norris, GCB, DSO.

jfh

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The Right Hon. Mrs. Margaret Thatcher M.P.,
Prime Minister,
10 Downing Street,
London SW1.

7th August 1979

29/8

Dear Prime Minister

It was with genuine pleasure and appreciation that we learnt from the radio that during what must have been an enormously heavy programme in connection with the Commonwealth Conference, you found time to visit the Cheshire Home in Lusaka.

Please accept on behalf of Leonard Cheshire and all of us in the Foundation most sincere thanks for your thoughtfulness in undertaking this visit, which I am sure will prove beneficial to our cause in this area.

To strike a more personal note it is a most encouraging aspect of our work that all over the world the political regimes of all types and philosophies accept our Homes. For example we are welcome in the Sudan, Ethiopia, Uganda, in many countries of the Eastern and Western coastal regions and also in South Africa. If politicians of these countries showed the same thought and sympathy in affairs of State as they do in our field, life would be very much easier for yourself, Peter Carrington and all of your colleagues!

Yours sincerely
Chris Foxley-Norris

Sir Christopher Foxley-Norris
Chairman

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Commonwealth

GR 1130

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FM F C O 101720Z AUG 79

TO PRIORITY NEW DELHI

TELEGRAM NUMBER 499 OF 10 AUGUST

INFO PRIORITY LUSAKA CANBERRA OTTAWA KUALA LUMPUR SINGAPORE
DAR ES SALAAM LAGOS KINGSTON BRIDGETOWN NICOSIA PORT OF SPAIN
NAIROBI GABORONE PRETORIA MAPUTO WASHINGTON UKMIS NEW YORK
INFO SAVING ALL OTHER COMMONWEALTH CAPITALS UKREP BRUSSELS UKMIS
GENEVA HANOI.

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sum
12/2*

CHGM 10TH AND FINAL SESSION; PM 7 AUGUST

1. PRESIDENT KAUNDA, AS CHAIRMAN, REFERRED TO A CONFERENCE DOCUMENT CONTAINING A LETTER TO HIM FROM THE HEAD OF THE INDIAN DELEGATION AND HIS OWN REPLY, ABOUT THE WAY IN WHICH COMMONWEALTH SECRETARIES-GENERAL WERE APPOINTED. REFERRING TO AN UNDERTAKING IN HIS OWN LETTER TO INVITE COMMENTS FROM HIS COLLEAGUES ON THE INDIAN VIEWS, HE ASKED THAT THOSE COMMENTS SHOULD BE CONVEYED IN DUE COURSE TO THE SECRETARY-GENERAL. THE LATTER WOULD SUBMIT A REPORT TO GOVERNMENTS IN THE LIGHT OF THEM BEFORE THE NEXT MEETING OF SENIOR OFFICIALS. PRESIDENT KAUNDA UNDERLINED THE FACT THAT THIS CORRESPONDENCE WAS AND SHOULD REMAIN CONFIDENTIAL.

2. PRESIDENT KAUNDA THEN REFERRED TO THE PROPOSED DECLARATION ON RACISM (MY TELNO 148 TO COLOMBO). THE BRITISH REPRESENTATIVE HAD ASKED FOR TIME TO CONSIDER THE MATTER, WITH PARTICULAR REFERENCE TO ONE WORD (QUOTE DESCENT UNQUOTE) WHICH IN THE CONTEXT OF CITIZENSHIP QUALIFICATIONS MIGHT CAUSE DIFFICULTY FOR THE BRITISH GOVERNMENT. HE ASKED WHETHER THE PRIME MINISTER WAS IN A POSITION TO STATE HER VIEW. MRS THATCHER SAID THAT SHE COULD CONFIRM THAT THE DECLARATION ENJOYED THE STRONG SUPPORT OF THE BRITISH GOVERNMENT (THIS PRODUCED A ROUND OF APPLAUSE). PRESIDENT KAUNDA DECLARED THE DOCUMENT TO BE ADOPTED BY THE CONFERENCE. (FOR YOUR INFORMATION, WE WERE ADVISED THAT WE COULD ACQUIESCE IN QUOTE DESCENT UNQUOTE INASMUCH AS THE DECLARATION WAS NOT A LEGALLY BINDING DOCUMENT.)

3. PRESIDENT KAUNDA THEN TURNED TO THE DRAFT COMMUNIQUE. OFFICIALS HAD WORKED LONG AND LATE PRODUCING THE DRAFT. HE HOPED THAT THERE WOULD NOT BE TOO MANY AMENDMENTS. HE THEN INVITED COMMENTS PARAGRAPH BY PARAGRAPH.

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4. THE CANADIAN PRIME MINISTER SOUGHT AMENDMENTS TO THE PASSAGE ON REFUGEES TO BRING OUT IN PARTICULAR THE FACT THAT THE VIETNAMESE GOVERNMENT SHOULD NOT BE GIVEN AN EXCUSE EITHER TO KEEP THOSE IN VIETNAM WHO WISHED TO LEAVE OR TO EXPEL THOSE WHO WISHED TO STAY. HE SUGGESTED THE INSERTION OF A REFERENCE TO A STATEMENT TO THIS EFFECT MADE AT THE GENEVA CONFERENCE BY DR WALDHEIM. IN PARAGRAPH 13 HE PROPOSED THE DELETION OF THE WORDS QUOTE CONTINUE TO UNQUOTE (IMPLYING THAT VIETNAM WAS ALREADY TAKING A POSITIVE ATTITUDE TOWARDS THE PROBLEM) BECAUSE HE THOUGHT THIS WAS UNDULY FAVOURABLE TO THE VIETNAMESE GOVERNMENT. THERE WAS GENERAL SUPPORT FOR THE FIRST OF THESE AMENDMENTS, BUT STRONG OPPOSITION TO THE SECOND FROM THE PRESIDENT OF TANZANIA AND THE INDIAN FOREIGN MINISTER AND SOME DOUBTS ABOUT IT FROM MALAYSIA. MR CLARK WITHDREW THE SECOND PROPOSED AMENDMENT AND PRESIDENT KAUNDA DECLARED THE FIRST ACCEPTED.

5. PRESIDENT NYERERE PROPOSED, WITH SUPPORT FROM PRESIDENT KAUNDA, CERTAIN AMENDMENTS TO PARAGRAPH 16 AND THE DELETION OF PART OF PARAGRAPH 20 ON THE GROUNDS, IN REGARD TO PARAGRAPH 16, THAT THE COMMONWEALTH SHOULD TAKE ACCOUNT OF EACH OTHER'S DIFFICULTIES WITH THEIR DOMESTIC OPINION AND IN REGARD TO PARAGRAPH 20 THAT THERE WAS NO PARTICULAR NEED FOR THE FRONT LINE STATES TO BE GIVEN QUOTE A PAT ON THE BACK UNQUOTE. THESE AMENDMENTS (WHICH, STRICTLY FOR YOUR OWN INFORMATION, WERE PUT FORWARD AT OUR SUGGESTION) WERE RAPIDLY ADOPTED AND THE REST OF THE POLITICAL SECTION OF THE COMMUNIQUE WAS APPROVED UNAMENDED.

6. THE ECONOMIC SECTION OF THE COMMUNIQUE WAS ADOPTED WITH MINIMAL AMENDMENTS. THE NIGERIAN COMMISSIONER FOR EXTERNAL AFFAIRS TRIED TO WEAKEN THE REFERENCE TO OIL AS THE CHIEF FACTOR IN AGGRAVATION OF BALANCE OF PAYMENTS PROBLEMS. HE WAS ROBUSTLY RESISTED BY A WIDE CROSS-SECTION OF MINISTERS FROM DEVELOPED AND DEVELOPING COUNTRIES AND SUCCEEDED ONLY IN GETTING A COSMETIC CHANGE. THE JAMAICAN PRIME MINISTER GOT IN A REFERENCE TO MUCH NEEDED MONETARY REFORM. THE ACP STATES STRENGTHENED THE PARAGRAPH EXPRESSING THEIR DISSATISFACTION WITH THE OUTCOME OF THE NEGOTIATION OF THE NEW LOME CONVENTION. DOMINICA SLIPPED THROUGH AN INSERTION IN THE SECTION ON SMALL STATES WHICH ADDED TO THE AGREED PROGRAMME OF ACTION THE ESTABLISHMENT OF A COMMITTEE TO MAKE PROPOSALS FOR FILLING GAPS IN THE PROGRAMME.

7. THE PRIME MINISTER OF AUSTRALIA AND THE PRESIDENT OF CYPRUS CONFIRMED THEIR OFFERS TO HOST THE 1981 CHGM AND THE 1980 CSOM RESPECTIVELY. BOTH WERE ACCEPTED.

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8. THE PRIME MINISTER OF GRENADA PROPOSED THE VOTE OF THANKS TO PRESIDENT KAUNDA FOR THE EXCELLENT ARRANGEMENTS FOR THE CONFERENCE AND FOR HIS OWN OUTSTANDING CONTRIBUTION AS CHAIRMAN. HE WELCOMED THE STEP FORWARD THAT HAD BEEN MADE TOWARDS FINDING A SOLUTION TO THE PROBLEM OF RHODESIA AT THIS FIRST CHGM TO BE HELD IN AFRICA. PRESIDENT MOI SECONDED THIS WITH A PREPARED SPEECH IN WHICH HE THANKED THE PRIME MINISTER FOR SO CLEARLY ASSUMING BRITAIN'S RESPONSIBILITY IN THIS MATTER. FOR THE HISTORIANS THIS WOULD BE THE SIGNIFICANCE OF THE LUSAKA CONFERENCE. BUT THE DEGREE OF AGREEMENT REACHED DID NOT OBTAIN THE NEED FOR URGENT ACTION.

9. THE PRIME MINISTER CONCLUDED THE SPEECHES OF THANKS BY PAYING TRIBUTE TO THE SKILL AND DEFTNESS OF PRESIDENT KAUNDA'S CHAIRMANSHIP AND HIS FAITH IN THE POSSIBILITY OF PROGRESS. HE HAD FOUND THE KEY NOT ONLY TO THE CONFIDENCE OF HIS COLLEAGUES, BUT ALSO TO THEIR ADMIRATION AND AFFECTION.

10. PRESIDENT KAUNDA BROUGHT THE CONFERENCE TO A CLOSE WITH A SHORT SPEECH IN WHICH HE THANKED HIS COLLEAGUES FOR THEIR PATIENCE AND COOPERATION. THEY HAD LEARNT FROM ONE ANOTHER NOT ONLY IN THE CONFERENCE ITSELF BUT MORE PARTICULARLY IN THEIR INFORMAL GATHERINGS OUTSIDE IT. THE SPIRIT OF FRIENDSHIP AND FRANKNESS AMONG THEM HELPED TO SOLVE THE MOST DIFFICULT PROBLEMS. THEIR DISCUSSIONS HAD BROUGHT ABOUT A WIDENING AREA OF AGREEMENT, GREATLY HELPED BY THE STRENGTH OF THE COMMONWEALTH.

11. WHAT WAS NOW NEEDED WAS THE STRENGTH OF THE LUSAKA SPIRIT. THE MEETING WOULD NOT BE REGARDED AS HISTORIC IF NO ACTION FLOWED FROM IT. SOME EPOCH-MAKING DECISIONS HAD BEEN MADE. THESE NOW HAD TO BE IMPLEMENTED. NEITHER COMMONWEALTH GOVERNMENTS NOR THE LIBERATION MOVEMENTS WANTED THE WAR. IT HAD BEEN IMPOSED ON THE LIBERATION MOVEMENTS AND ZIMBABWE'S NEIGHBOURS. THE TRANSFER OF POWER TO THE MAJORITY AND FREE AND FAIR ELECTIONS WERE NOW URGENTLY NEEDED. WITH THE SMITH REGIME STILL IN POWER, THE COLLECTIVE AGREEMENT OF THE CONFERENCE WAS NOT ENOUGH. IT HAD TORPEDOED MANY INITIATIVES. IT COULD TORPEDO THE THATCHER INITIATIVE AND THE ENTIRE WAS WOULD CONTINUE. HE URGED THE BRITISH GOVERNMENT TO SEE THAT THE DECISIONS WERE RAPIDLY TRANSFORMED INTO A PROGRAMME OF ACTION.

12. PRESIDENT KAUNDA CONCLUDED WITH TRIBUTES TO THOSE RESPONSIBLE FOR THE ARRANGEMENTS FOR THE CONFERENCE, IN PARTICULAR THE COMMONWEALTH SECRETARIAT AND THE SECRETARY-GENERAL.

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TO PRIORITY COLOMBO

TELEGRAM NUMBER 148 OF 10 AUGUST

INFO PRIORITY: BANJUL, NAIROBI, KAMPALA, NICOSIA, CANBERRA, DACCA,
MASERU, BRIDGETOWN, LUSAKA, UKMIS NEW YORK.

INFO SAVING ALL OTHER COMMONWEALTH CAPITALS.

*State no
sw
13/8*

CHGM 9TH SESSION, AM 7 AUGUST

1. FIRST HALF OF MORNING WAS DEVOTED TO CONSIDERING REPORT OF COMMITTEE OF WHOLE. THIS ENGENDERED LITTLE DISCUSSION EXCEPT ON COMMONWEALTH YOUTH PROGRAMME AND GAMBIAN PROPOSAL FOR A COMMONWEALTH HUMAN RIGHTS COMMISSION (PARA 1 OF LUSAKA TEL 814 OF 1 AUGUST).

2. CYP: (UNDERLINED) SRI LANKAN MINISTER FOR YOUTH AFFAIRS, INTRODUCING, SPOKE OF PROBLEMS AFFECTING YOUTH IN HIS COUNTRY AND SAID THAT NATIONAL YOUTH PROGRAMME COULD BE SUSTAINED ONLY WITH HELP FROM WEALTHIER COUNTRIES: HE HOPED THEY WOULD BE GENEROUS. SECRETARY-GENERAL ENDORSED THIS PLEA: AND AT HIS SUGGESTION MEETING ADOPTED A FORMULA URGING ALL GOVERNMENTS TO INCREASE THEIR PLEDGES (WHICH ARE VOLUNTARY) TO MAKE GOOD DEFICIT IN CYP'S FINANCES. MEETING AGREED THAT FOR PERIOD 1980/82 THEY SHOULD BE INCREASED TO POUNDS STERLING 1M P.A., COMPARED WITH ESTIMATED INCOME THIS YEAR OF POUNDS STERLING 800,000. (WHETHER THIS ASPIRATION WILL BE FULFILLED IS ANOTHER MATTER.)

2. COMMONWEALTH HUMAN RIGHTS COMMISSION: RESULT OF EXTENDED DISCUSSION IN COMMITTEE OF WHOLE HAD BEEN A RECOMMENDATION THAT GOVERNMENTS BE URGED TO CONVEY TO SECRETARY-GENERAL THEIR VIEWS ON GAMBIAN PROPOSAL BEFORE NEXT COMMONWEALTH LAW MINISTERS MEETING (DUE TO BE HELD APRIL 1980): AND THAT, SUBJECT TO THOSE VIEWS, RAMPHAL SHOULD APPOINT A WORKING PARTY TO MAKE RECOMMENDATIONS FOR CONSIDERATION BY COMMONWEALTH GOVERNMENTS. ULTIMATE RESULT OF ADOPTING THIS FORMULA WOULD PROBABLY HAVE BEEN TO PUT PROPOSAL BACK ON SHELF. PRESIDENT JAWARA (GAMBIA), STRESSING IMPORTANCE OF HUMAN RIGHTS AND SAYING THAT COMMONWEALTH OUGHT TO BE IN THE

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VANGUARD TO PROTECT THEM, ARGUED THAT WHAT WAS NEEDED WAS NOT REAFFIRMATION OF PRINCIPLES BUT SOME ACTUAL MECHANISM. HE THEREFORE URGED THE MEETING TO AGREE THAT RAMPHAL SHOULD BE AUTHORISED TO GO AHEAD WITH APPOINTMENT OF WORKING PARTY WITHOUT FURTHER DELAY. THIS WAS AGREED AND NO HEAD OF GOVERNMENT CHOSE TO RAISE THE DOUBTS WHICH HAD BEEN EXPRESSED BY CONSIDERABLE NUMBER OF REPRESENTATIVES IN COMMITTEE OF WHOLE ABOUT DESIRABILITY IN PRINCIPLE OF A COMMONWEALTH COMMISSION ON LINES PROPOSED BY GAMBIA. HOWEVER, PRESIDENT MOI (KENYA), WHILE EXPRESSING SUPPORT FOR GAMBIA PROPOSAL IN PRINCIPLE, SAID THAT CONSTITUTIONS VARIED FROM COUNTRY TO COUNTRY AND HE THOUGHT IT WISE THAT THE VIEWS OF GOVERNMENTS SHOULD BE INVITED. THERE WAS NO SUPPORT FOR PROPOSAL BY PRESIDENT BINAISE (UGANDA) THAT THE WORKING PARTY SHOULD GO SO FAR AS TO DRAFT A DECLARATION PROVIDING FOR THE ESTABLISHMENT OF A COMMONWEALTH HUMAN RIGHTS COURT.

3. HEADS OF GOVERNMENT'S DECISIONS ON OTHER SUBJECTS CONSIDERED BY COMMITTEE OF WHOLE WERE AS FOLLOWS:

(A) COMMONWEALTH FOUNDATION: THEY AGREED THAT SCOPE OF ITS ACTIVITIES SHOULD BE EXTENDED AND THAT TO TAKE ACCOUNT OF THIS AND OF RESULTS OF INFLATION POUNDS STERLING 1 POINT 1M SHOULD BE FIXED AS TARGET FOR FOUNDATION'S INCOME, ALTHOUGH IT WAS RECOGNISED THAT INCOME THIS YEAR WAS UNLIKELY TO EXCEED POUNDS STERLING 900,000 (IN PRACTICE WE THINK IT UNLIKELY THAT EVEN THIS LOWER FIGURE WILL BE REALISED).

(B) RELATIONS BETWEEN THE OFFICIAL AND UNOFFICIAL COMMONWEALTH: IT WAS AGREED THAT THESE SHOULD BE ENCOURAGED BY GOVERNMENTS AND ALSO BY THE COMMONWEALTH SECRETARIAT. IT WAS HOWEVER DECIDED NOT TO SET UP A SPECIAL QUOTE DESK UNQUOTE IN THE SECRETARIAT TO HELP PROMOTE AND COORDINATE LINKS WITH N G OS.

(C) WOMEN AND DEVELOPMENT: IT WAS AGREED THAT ADVISER TO THE SECRETARY-GENERAL BE APPOINTED, TO COORDINATE AND MONITOR ACTION. IN ADDITION, GOVERNMENTS SHOULD BE ENCOURAGED TO ENSURE THAT WOMEN PLAYED THEIR FULL PART IN ACTIVITIES ORGANISED OR FUNDED BY THE SECRETARIAT.

(D) COMMONWEALTH FILM AND TELEVISION INSTITUTE: IT WAS AGREED THAT SECRETARY-GENERAL SHOULD UNDERTAKE A FEASIBILITY STUDY OF THIS PROPOSAL BY CYPRUS GOVERNMENT.

(E) COMMUNICATIONS AND THE MEDIA: MEETING ENDORSED AUSTRALIAN PROPOSAL FOR ESTABLISHMENT OF A SELECT COMMITTEE TO CONSIDER WAYS AND MEANS OF HELPING DEVELOPING COUNTRIES TO MEET THEIR PROBLEMS IN FIELD OF COMMUNICATIONS AND THE MEDIA. IT WAS ALSO AGREED THAT MEDIA EXCHANGES BETWEEN COMMONWEALTH COUNTRIES SHOULD BE EXPANDED.

(F) RESOLUTIONS OF COMMONWEALTH MINISTERS OF HEALTH AND OF YOUNG COMMONWEALTH LEADERS: THESE WERE NOTED.

(G) FOOD SECURITY: THIS SUBJECT HAD BEEN CONSIDERED AT REQUEST OF BANGLADESH. IT WAS AGREED THAT COMMONWEALTH MINISTERS OF AGRICULTURE AND FOOD SHOULD MEET BEFORE OR DURING THE NEXT F A O COUNCIL MEETING. THEY MIGHT DISCUSS FOOD SECURITY, PRODUCTION AND DISTRIBUTION, AS WELL AS TRANSFER OF TECHNOLOGY FOR MANUFACTURE OF AGRICULTURAL INPUTS.

4. AFTER TEA BREAK, MEETING WENT ON TO CONSIDER PROPOSAL PRESENTED BY AUSTRALIAN FOREIGN MINISTER FOR A COMMONWEALTH DECLARATION ON RACISM AND RACIAL PREJUDICE. AUSTRALIAN DRAFT HAD BEEN CONSIDERED DURING PRECEDING 24 HOURS BY A SMALL COMMITTEE OF FOREIGN MINISTERS (AND, TO TAKE ACCOUNT OF POINT MADE PRIVATELY BY US, AUSTRALIANS HAD CHANGED ITS FORM FROM RESOLUTION ON U N LINES TO MORE TRADITIONAL COMMONWEALTH STYLE OF DECLARATION). MR PEACOCK SAID THAT HE HOPED MEETING WOULD BE ABLE TO ACCEPT REVISED DRAFT WITHOUT FURTHER CHANGE. AFTER SOME BRIEF EXCHANGES RELATING TO DISCRIMINATION ON GROUNDS OF TRIBAL ORIGIN (RAISED BY LESOTHO) AND SEX (RAISED BY BARBADOS), THE DECLARATION WAS AGREED IN PRINCIPLE, UNCHANGED EXCEPT FOR THE INSERTION OF AN ADDITIONAL REFERENCE TO SEX. FORMAL ADOPTION WAS AT OUR REQUEST LEFT OVER TO AFTERNOON SESSION.

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FROM FCO 091937Z AUG 79

TO PRIORITY CANBERRA

TELEGRAM NUMBER 388 OF 9 AUGUST

INFO PRIORITY NEW DELHI NICOSIA COLOMBO BRIDGETOWN OTTAWA
WELLINGTON KAMPALA DAR-ES-SALAAM NAIROBI GEORGETOWN DACCA
MASERU KUALA LUMPUR VICTORIA PORT MORESBY FREETOWN LUSAKA
INFO SAVING ALL OTHER COMMONWEALTH CAPITALS AND UKMIS NEW YORK

LUSAKA TEL 862 TO FCO: CHGM 8TH SESSION 6 AUGUST

1. IN EIGHTH SESSION HEADS OF GOVERNMENT TURNED TO COMMONWEALTH FUNCTIONAL COOPERATION, UNDER THREE MAIN HEADINGS.
2. REGIONAL COOPERATION: THIS WAS INTRODUCED BY MR FRASER (AUSTRALIA) WHO GAVE BRIEF ACCOUNT OF FIRST REGIONAL CHGM (SYDNEY, FEB 1978) AND SUBSEQUENT ACTIVITY BY WORKING GROUPS. HE SAID IT WAS AN EXPERIMENT THAT HAD PROVED WELL WORTHWHILE; AND CARE HAD BEEN TAKEN TO AVOID SUBJECTS WHICH WOULD BE MORE APPROPRIATE TO FULL CHGM (HE CONVENIENTLY OVERLOOKED COMMON FUND DISCUSSION). INDIAN FOREIGN MINISTER FOLLOWED, MENTIONING THAT NEXT ASIA/PACIFIC REGIONAL CHGM WAS TO BE HELD IN DELHI NEXT YEAR WHICH HE WAS CONFIDENT WOULD OPEN UP QUOTE NEW AVENUES OF CONSTRUCTIVE COOPERATION UNQUOTE.
3. THERE WERE NO COMMENTS FROM ANY NON-ASIA/PACIFIC LEADERS.
4. INDUSTRIAL COOPERATION: PRESIDENT KYPRIANOU (CYPRUS), INTRODUCING SAID THAT PROPOSALS RESULTING FROM COMMONWEALTH MINISTERIAL MEETING AT BANGALORE IN MARCH WERE INTENDED TO COMPLEMENT, RATHER THAN DUPLICATE, EXISTING INTERNATIONAL ARRANGEMENTS. NEW FUNDS WOULD BE NEEDED. CYPRUS WOULD CONTRIBUTE.
5. INDIAN FOREIGN MINISTER DESCRIBED BANGALORE PLAN AS QUOTE A FIRST STEP IN THE RIGHT DIRECTION UNQUOTE, AND SAID HE HOPED IT WOULD HELP ACCELERATE ECONOMIC GROWTH WHICH WAS SO IMPORTANT FOR DEVELOPING COUNTRIES. INDIA WAS READY TO CONTRIBUTE £1 MILLION TOWARDS THE PROGRAMME (WHICH IS EXPECTED TO COST £5 MILLION OVER FIRST THREE YEARS). I INFORMED MEETING OF OUR READINESS IN PRINCIPLE TO PROVIDE OUR CUSTOMARY 30 PER-CENT (WHICH WOULD BE £1.5 MILLION OVER 3 YEARS IF REPEAT IF TARGET IS REALISED). THIS OFFER WAS WARMLY WELCOMED BY PRESIDENT KAUNDA AS CHAIRMAN.

CONFIDENTIAL

/ 6.

Handwritten notes:
GWS
13/8

CONFIDENTIAL

6. MR CLARK (CANADA) AND MR FRASER (AUSTRALIA) EXPRESSED SUPPORT FOR PROPOSED ESTABLISHMENT OF INDUSTRIAL DEVELOPMENT UNIT: BUT WHILE PROMISING INCREASED CONTRIBUTIONS TO COMMONWEALTH FUND FOR TECHNICAL COOPERATION (CFTC) (UNDER AEGIS OF WHICH IDU WOULD BE SET UP) DID NOT IN TERMS COMMIT ADDITIONAL FUNDS. FOR IDU. KENYAN AND GUYANESE MINISTERS BOTH EXPRESSED SUPPORT. THE MEETING APPROVED THE PROPOSALS.

7. CFTC: MR ADAMS (BARBADOS) INTRODUCED, READING FROM A LONG PREPARED TEXT. HE STRESSED THE FUND'S NEED FOR INCREASED FINANCIAL SUPPORT, AND APPEALED PARTICULARLY TO DEVELOPED MEMBER COUNTRIES TO STEP UP THEIR CONTRIBUTIONS. BARBADOS FOR ITS PART WOULD INCREASE ITS CONTRIBUTION NEXT YEAR BY 25 PER- CENT.

8. MR PREMADASA (SRI LANKA) INTRODUCED A PAPER ON HIS FAVOURITE SUBJECT OF HOUSING, URBANISATION AND THE ENVIRONMENT, WHICH HE HAD ORIGINALLY (AND UNSUCCESSFULLY) SOUGHT TO HAVE INSCRIBED AS A SEPARATE ITEM ON THE AGENDA. IT WAS NOT FOLLOWED UP BY SUBSEQUENT SPEAKERS.

9. BANGLADESH (30%) LESOTHO (UNSPECIFIED) MALAYSIA (50%) SEYCHELLES (100%-- BUT REPRESENTING AN INCREASE OF ONLY £1,500), PAPUA/NEW GUINEA (30%), WESTERN SAMOA (20%), ZAMBIA (30%) ALL PLEDGED INCREASES. SIERRA LEONE FRANKLY ADMITTED THEY WERE IN ARREARS BUT EXPRESSED HOPE OF BEING ABLE TO RECTIFY SITUATION BEFORE TOO LONG AND QUOTE IN DUE COURSE UNQUOTE TO INCREASE THEIR CONTRIBUTION BY 20% . I SAID THAT WE WERE READY TO INCREASE OUR CONTRIBUTION THIS YEAR FROM £3.6M TO £3.75M, WHICH WOULD REPRESENT 30% OF £12.5M-- WHICH WAS OUR ASSESSMENT OF CFTC'S LIKELY EVENTUAL REVENUE (COMMENT: IN THE LIGHT OF THE PLEDGES QUOTED, EVEN THIS FIGURE MAY NOT BE REALISED--BUT OUR PLEDGE OF £3.75M WILL IN ANY CASE STAND). AT THE END OF THE DISCUSSION THE SECRETARY-GENERAL URGED QUOTE THE MAJOR COUNTRIES UNQUOTE TO CONSIDER WHETHER THEY COULD NOT INCREASE THE PROPORTION OF THEIR ODA DEVOTED TO CFTC.

10. AID TO UGANDA: PRESIDENT KAUNDA INTERVENED AT ONE POINT IN MEETING TO SAY THAT, APROPOS OF SOME EARLIER DISCUSSION, PRESIDENT NYERERE HAD SENT HIM A NOTE SAYING THAT MEETING SHOULD NOT CONSIDER QUESTION OF POSSIBLE AID TO TANZANIA BUT CONCENTRATE ON UGANDA'S NEEDS. QUOTE FIRST THINGS FIRST UNQUOTE, NYERERE COMMENTED.

CONFIDENTIAL

11. A CONSTRUCTIVE, IF UNEXCITING, AFTERNOON.

CARRINGTON

FCO/WH.
CCD.

ADDITIONAL DIST:
CHGM.

- 3 -
CONFIDENTIAL

Extract from the Times of Zambia

Jan 9/8

dated Wednesday, August 8, 1979.

OPINION

THE "Iron Lady" British Premier Mrs Margaret Thatcher is not all "iron" after all. By her own admission (she said she liked being called "Iron Lady") inside the iron casting is a soft heart.

That soft heart has now, won her great admiration as the most crucial Commonwealth conference draws to a close. So far her speeches on the vexing Rhodesian problem have been most welcome.

No wonder her Lusaka Press Club audience joyously sung in unison: "For she is a very jolly good fellow".

Through her Britain and the rest of the Commonwealth feel a new determination to solve what has been a 14-year-old running sore in Britain's relations with Black Africa.

Mrs Thatcher may still view the situation from the right. But she is a tough and realistic politician.

Once she is pointed in the right direction, as she now appears to be, she may show greater strength and will in dealing with Rhodesia than any of her predecessors.

In her speech to the Press Club she declared: "We mean now to move swiftly towards our immediate objectives of working with the parties to draw up an independence constitution."

The operative words were "move swiftly." That shows determination. But it will not be easy. Britain, the former great imperial power, cannot now maintain law and order in its own Irish backyard. But there is still some life in the "old lady".

If today she is a bit short on gunboats, she still has a formidable array of diplomatic and negotiating experience to draw on. She has five immediate tasks.

She has to draw up a new constitution which all parties can support. (If this hurdle is surmounted the rest will be relatively easy).

With the help of the Commonwealth or other nations, she must convene an all-party conference on Rhodesia. The cessation of hostilities and ending sanctions should not be the priority.

Thirdly she must establish the machinery for preparing comprehensive lists of registered voters and delimitation of constituencies.

Then she has to determine the composition of the authority which will supervise elections ensuring that they are held in a conducive atmosphere and are "free and fair".

Lastly she has to prepare the ground for an orderly and genuine transfer of power to the majority.

With Mrs Thatcher's newly-found determination and her desire to "move swiftly" all this can be done before Christmas. Only then can we say Mrs Thatcher is sincere.

We hope with courage she can live up to her lofty aims.

Foreign Report

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After Lusaka

Britain's Foreign Secretary, **Lord Carrington**, supported by the same Foreign Office officials who helped to shape the **Callaghan** government's policies on southern Africa, has long maintained in private that Zimbabwe-Rhodesia presents **Mrs Thatcher's** government with the risk of becoming embroiled in a new Vietnam without American backing. For that reason he was arguing, long before the Commonwealth conference opened in Lusaka, that Britain should avoid taking a stand in favour of recognising the internal settlement in Zimbabwe unless it could enlist the support of the **Carter** administration and a significant number of African governments. It was this advice that swayed Mrs Thatcher in Lusaka, more than the pressure from a powerful section of the Conservative party to lift sanctions and recognise the legality of **Bishop Muzorewa's** government, and led her to speak against her own instinct – as repeatedly expressed to her closest Conservative confidants and as publicly expressed in Canberra – to drop sanctions when they come up for renewal in November.

The scene now shifts to London and Salisbury. It is difficult to assess the depth of backbench Conservative opposition to the new line adopted by Mrs Thatcher in Lusaka, since many MPs have scattered for the August vacation. But it is worth recalling that last November no fewer than 116 Conservative MPs rebelled against the then policy of the party leadership by voting for the suspension of sanctions, and that that vote took place before the election in Zimbabwe. It is also worth recalling that Mrs Thatcher's criticisms of the present constitution of Zimbabwe and her decision to try to draft a new one run against the publicly expressed opinions of two elder statesmen of her party on whose experience she has leant heavily in the past: **Lord Home**, the former prime minister and foreign secretary, and **Lord Boyd**, who was personally chosen by Mrs Thatcher to lead the team of Conservative observers who compiled a report on the April election.

Lord Home has expressed the view that the present constitution of Zimbabwe fulfils the 'six principles' that have been upheld by successive British governments as conditions for recognition. He has also expressed harsh criticisms in private of the policy

shift made public at Lusaka, although he is reserving open comment for the time being. Lord Boyd has seen his judgment that it would be dangerous to seek to bring about radical changes in the Zimbabwe constitution rejected by the prime minister.

In Salisbury, Bishop Muzorewa has been concerned to retain the image of flexibility without instantly falling in line with the British government's approach. One of his main preoccupations is the need to maintain morale among his country's white community and the followers of his own UANC party. He expressed his worries on both fronts to Mrs Thatcher during his recent visit to London, insisting that special guarantees for the whites were essential to prevent a more rapid exodus from Zimbabwe (an estimated 1,000 whites a month have been leaving the country lately). He also defended the presence of **Ian Smith** and **P. K. van der Byl** in his cabinet on the grounds that Smith was 'the leader of the white tribe' and his membership of the government was reassuring to the white community. The strong reactions to Lusaka expressed by **Pik Botha**, South Africa's foreign minister, and private assurances from Pretoria that Zimbabwe can count on a South African military guarantee, will bolster Muzorewa's determination not to passively accept new elections under the draft constitution that is not to be drawn up in London. Whether the Lusaka plan had even a faint chance of getting off the ground was in any case doubtful by mid-week, after characteristically intemperate demands from **Robert Mugabe** that his guerrilla bands must be recognised as a legitimate army and allowed to enter Salisbury, and that he would not negotiate with traitors.

But assuming guerrilla objections do not jettison new discussions before they begin, key developments that can be expected over the next three months include the following:

1. Mrs Thatcher's cabinet will meet on Friday (10 August) to discuss the government's next moves.
2. Over the following week or 10 days, British officials will produce the first draft of a new constitution for Zimbabwe.
3. The draft will then be submitted to all parties involved in the Zimbabwe conflict, resulting in a period of debate and delay that could continue into middle or late September and will test (among other things) the exceedingly doubtful willingness of **Joshua Nkomo** and Robert Mugabe to endorse any proposals that would oblige them to subject their popularity to the trial of a free and fair election. Both have made it repeatedly plain that they insist on returning to Salisbury in the guise of military conquerors. It remains to be seen whether black Commonwealth leaders can really exert any restraining influence over them. Sceptics point out that their Soviet-block (and radical Arab) patrons and host-governments like that of **Samora Machel** in Mozambique are unlikely to be over-impressed by Lusaka.
4. The reactions to the alternative constitutional proposals may not take final shape until shortly before the Conservative party conference opens on 9 October. The conference is likely to subject Mrs Thatcher to a gruelling examination of her entire foreign policy, including Lord Carrington's surprising endorsement of the controversial Salt-2 treaty between Russia and the United States, given after intensive lobbying by the American embassy in London.
5. The House of Commons reopens on 22 October after the summer recess, and sanctions come up for renewal in November. Veteran observers say

that it is now a near-certainty that a majority of Conservative MPs (including most of those who voted for Mrs Thatcher when she made her original bid for the party leadership) will vote against the continuation of sanctions under any circumstances. Although this could leave the government with the option of renewing sanctions with the help of Labour and Liberal votes, this is a prospect that would expose Mrs Thatcher to considerable embarrassment. It might also involve the resignation of some members of her government, despite the fact that by excluding nearly all of last November's 'Rhodesia rebels' from the government benches (**Norman Tebbit**, the civil aviation minister, is a rare exception) she has reduced the prospect of large-scale defections.

Carter's detente with the PLO

The strained relationship between the **Carter** administration and Israel has been stretched even further by the president's much-publicised comparison between the PLO and the American civil rights movement, and the current pressure being applied by the White House to get the Israelis to make far-reaching concessions to Palestinian autonomy on the West Bank and the Gaza strip. The change in American policy appears to extend (despite assurances to the contrary given by **Cyrus Vance** to **Senator Stone**) to a willingness to give indirect support to an amendment to the UN Security Council's Resolution 242 that would allow the United States to negotiate directly with the PLO.

During his recent retreat at Camp David, President Carter spent as much time mulling over America's role in the Middle East as on any domestic issue. He was largely guided by his national security adviser, **Zbigniew Brzezinski**, who is reliably reported to have argued that the Israeli-Egyptian peace process was proving to be excessively costly for the United States. He observed that the radical Arab camp had gained cohesion (he was speaking, of course, before the latest violence in Iraq), while relatively moderate Arab states like Saudi Arabia and the Gulf sheikhdoms were drifting away from the United States. There was a need to re-establish relations of mutual confidence with the Saudis, Jordan and other Arab states.

This would involve more efforts on behalf of the Palestinians than Israel would be prepared to countenance. But the Israelis (Brzezinski's argument ran) would be forced to tag along, dependent on American arms and finance, and unable to risk repudiating the peace treaty and being branded as irresponsible.

The key exhibits for study at Camp David were working papers on the Saudi situation prepared by the American ambassador in Riyadh and Carter's special Middle East envoy, **Robert Strauss**. The gist of these papers was that, despite America's strenuous efforts to repair damaged relations with the Saudi royal house, the Saudi rulers no longer trusted America as a reliable guarantor for the kingdom's external and internal security and were casting about for alternatives.

The authors added their view that the Saudis' position could be tempered by a new approach to the Palestinian problem. To give the Americans the chance to undertake this, the Saudis had agreed to supply an extra 1m barrels of oil a day and to sell at the (below-the-market) price of \$18 a barrel – but not beyond the beginning of next month. By then, the United States would have to agree to change its ways in the Middle East: in particular, to accept current moves to have the Resolution 242 amended or comple-

mented so as to recognise the Palestinians' right to determine their national future. If the Americans then began a dialogue with the Palestinians, over strong Israeli objections, Saudi Arabia would recognise that they had taken the first step in the right direction and would be ready to talk about extensive co-operation on energy and military ties.

Another paper put before Carter on the military situation in the Arabian peninsula pointed to a recent build-up of South Yemeni and Cuban forces near the border between the two Yemens and a flurry of Soviet naval activity around Aden. These moves had prompted a military alert in the Saudi army, the transfer of armoured reinforcements to the Saudi frontier with North Yemen and a plea to Jordan to put a number of units on standby for departure to Saudi Arabia. (Jordanian units took part in the ten-week war between the two Yemens last spring.)

Yet another working paper dealt with arms sales to the Middle East, making the point that America's involvement in the Egyptian-Israeli peace process was helping the French to displace it in important Middle East and Gulf markets – and that this could cost up to \$1 billion or \$1.5 billion a year in sales.

The conclusion Carter's advisers reached was that, if the Americans could not achieve some movement by September, the Saudis might retaliate by cutting back oil deliveries and letting the price float upwards. Later, the flow might be further reduced by 5 or 10 per cent. Further expressions of displeasure could follow, even including the establishment of diplomatic relations between Riyadh and Moscow. Arab pressure would, moreover, be piled on to **President Sadat**.

Swayed by these assessments, Carter decided on 10 July to order significant revisions in America's Middle East policy, leaving the details to his senior advisers. On the morning of Friday, 13 July, Cyrus Vance, **Harold Brown** and **Zbigniew Brzezinski** met over a working breakfast and discussed tactics for getting Resolution 242 revised. (They also agreed on the sale of arms worth \$1.2 billion to Saudi Arabia and the delivery of 250 M-60 tanks to Jordan.)

Then, using the Saudis, the Kuwaitis, the West Germans and the British as go-betweens, they initiated American contacts with the PLO over a projected Security Council resolution that would acknowledge the Palestinians' right to self-determination.

The upshot was a neat strategem. Two draft resolutions would be tabled at the Security Council when it meets at the end of August:

(a) An extreme one, tabled by rejectionist Arab governments, and calling for the instant creation of an independent Palestinian state without recognition of Israel. This would almost certainly be thrown out by the majority of Security Council members; and

(b) A second resolution, tabled by moderate Arab governments, and calling for the recognition of the Palestinians' 'legitimate rights', including national self-determination, while accepting Resolution 242 (which recognises Israel's right to exist). America would not vote for this second resolution (thus honouring its commitment under the 1975 interim Sinai accords to refrain from supporting any amendment of 242) but neither would it cast its veto. The second resolution could then be adopted by a simple majority vote, after which the Carter administration could hope to defend itself against American Jewish and Israeli wrath.

This ploy would have the added advantage of letting the PLO off the old hook. It would not be obliged to accept the original Resolution 242, but would enjoy the options of either rejecting the new formula or simply ignoring it. Either way, the Israelis fear, the PLO could persist in its refusal to recognise Israel, safe in the knowledge that, under the new resolution, the Americans would be likely to start direct

talks with the Palestinian leaders. Israel's would probably be the only dissenting voice.

It took the Israelis, diverted by **Menahem Begin's** severe illness, the country's economic crisis, and the grave divisions in the cabinet, some time to catch on to the new American tactics. **Moshe Dayan**, the foreign minister, was first to suspect what might be blowing up in Washington. This week, the Israeli cabinet made a series of decisions designed to influence the Americans. In a message to Washington, the Israelis gave warning that they would contemplate withdrawing from the talks on Palestinian autonomy – the fifth round of which took place in Haifa this week – if the Americans abandoned their earlier peace strategy.

The warning was a calculated counter-move. Israel's withdrawal from the talks would confront Egypt with a new situation. Having always linked the peace treaty with progress towards Palestinian autonomy, the Egyptians could do one of two things: (a) hold off some of the measures aimed at creating normal relations with Israel; or (b) suspend the entire peace process until Israel returned to the autonomy talks. If that happened, Egypt could find itself with less than half of Sinai restored, while Israel would still control the oilfields in the Gulf of Suez, the Red Sea coast, and the big air and naval bases in Sinai.

The Americans have already hinted that if Israel upsets the peace treaty they might cut back economic or even military aid. The Israelis' retort is that they are not impressed and will wait to see whether the Americans carry out such a threat.

How the Russians ousted Macias

There were reports early this week that **President Macias** of Equatorial Guinea was still holding out in the village of Nzeng-Ayong – close to his native town, Momgomo – against the faction that seized power in the country in a coup that was executed on the night of 3-4 August. However, even if these reports were true, no informed observers credited Macias, one of the world's bloodiest dictators (accused in a recent report by the Geneva-based University Exchange Fund of having turned his country into 'the concentration camp of Africa'), with any probability of survival.

The key reason, as explained below, is that the Russians and the Cubans who had propped up his brutal regime decided that it was expedient to switch their support to the successful coup-maker, **Colonel Teodoro Obiang Nguema Mbasongo** (known as Nguema for short). According to information that has reached FOREIGN REPORT from sources within the right-wing underground opposition in the former Spanish colony, it was Soviet and Cuban military backing and transport facilities that made the coup possible, and the Russians are confident that Colonel Nguema will toe their line even more faithfully than Macias. Leaders of the pro-western opposition group, including **Antonio Ondo Mondo**, are currently living in exile in Madrid. He is the nephew of the former president, **Bonifacio Ondo Edu**, who was killed by Macias shortly after Macias seized power in the newly-independent state in 1968.

The coup against Macias was mounted from the island of Fernando Póo (which the dictator had renamed after himself), where Colonel Nguema was military governor, and where the Russians have established a major base for their fishing fleet in the port of San Carlos. Some 140 Russian and Cuban guards, technicians, naval personnel and intelligence officers are permanently stationed at San Carlos. Colonel Nguema acted as absolute ruler of the island, disregarding orders from the central Macias government when he saw fit.

The island has developed into a stronghold for the Russians and their Cuban satellites for several reasons. Specifically:

1. The Russians trust Nguema more than Macias. The dictator refused to accept total Soviet control. Macias also defaulted in his payments to the Russians for the presidential plane and the Soviet-made helicopter with which they had supplied him. Even more important, Macias had refused to sign an agreement with the Russians to grant them fishing rights in the territorial waters of Equatorial Guinea. He also blocked their efforts to initiate a long-term mining programme which involved the exploitation of strategic minerals, notably wolfram and cobalt.

2. The Russians had come to fear that the unpopular and repressive regime of Macias would collapse from within. Alarmed by the potential loss of an important client, Russia had cut back deliveries of petrol and arms to the central government.

3. A number of officers from Equatorial Guinea who had received training in Russia, Cuba, East Germany and North Korea had been posted to Fernando Póo – frequently at their own request.

4. The island had been almost entirely cut off from the mainland and the outside world, a situation which permitted the Russians and the Cubans to deliver arms and ammunition to Colonel Nguema directly, via the port of San Carlos. The only ship that used to provide regular communications between the island and the mainland broke down some time ago and was not repaired, apparently because of a lack of qualified technicians. The only direct air link between the island and the outside world was provided by the Spanish airline, Iberia, which maintains a regular service from Fernando Póo to Madrid.

5. The Russians and the Cubans also knew that Macias avoided visiting the island because of its isolation, even though it contains the nominal capital of the country, Malabo. Macias preferred to divide his time between his official headquarters in the coastal town of Bata and Momgomo, his native town, located close to the border with Gabon.

Though the isolation of Equatorial Guinea made it difficult for western intelligence services to obtain complete details of Soviet and Cuban arms shipments to the port of San Carlos, FOREIGN REPORT has obtained eyewitness accounts of the following shipments:

- A. In February, 1977, the Bulgarian freighter *Bulgam* brought an arms shipment including 20 heavy mortars, supplied by the state-owned weapons firm Kindex in Sofia.

- B. In August the same year, a Czech aircraft flew in from Prague, via Tripoli in Libya, with 20 Soviet-made heavy machine-guns supplied by the Czech state-owned arms combine, Omnipol.

- C. In March, 1978, the freighter *Ustinov* brought 500 AK-47 automatic rifles (Kalashnikovs) and 200,000 rounds of ammunition, also from Omnipol.

After carefully preparing the political ground, and with the required weapons in place, the plan to overthrow Macias was set in motion. On Friday, 3 August, Colonel Nguema, accompanied by members of the military revolutionary council, as well as trusted soldiers, embarked on fishing vessels provided by the Russians and sailed to the mainland government seat at Bata, where they hoped to find and arrest the

resident.

On their arrival, the plotters learned that Macias had left for Momgomo. Without encountering resistance, the conspirators were able to bring the military garrison in Bata under their control and to take over the headquarters of the country's youth organisation, which Macias had modelled on those of communist countries. With this much achieved, the Cubans provided a helicopter for Nguema and his men to fly them the 200km to Momgomo. They arrived during the night.

According to early reports (contradicted by other reports two days later) they arrested Macias, again without encountering resistance from the 80-strong presidential guard. The president's bodyguard included Cubans. It is said that the Cubans refused to defend him against the plotters, and urged other members of the guard to stand aside.

The use of the Cuban-supplied helicopter was vital to the success of the operation, which depended on surprise. Had Nguema been forced to use the only road linking Bata with Momgomo, he would have had first to rally to his side, or eliminate, the soldiers manning the military outposts, which are spaced 25km apart along the road (which is in extremely bad condition).

Some western analysts believe that the victory of Colonel Nguema in Equatorial Guinea, if consolidated, may result in a marginally less brutal style government but will also tighten the Soviet grip on the country.

Nguema, now 33, received his training at the Spanish military school in Zaragoza, from which he graduated with the rank of sergeant. To further his career, in 1975 he denounced a plot against Macias, mounted by colleagues from the military school whom he had personally groomed for a coup attempt. As a reward, Macias appointed him deputy minister for defence, and later named him military governor of Fernando Póo. In 1976, Nguema was responsible for the arrest of the then ministers of finance and education, of the director of the central bank, and of the secretary of the presidency. They were all beaten to death while in prison, although their murders were presented officially as acts of 'suicide'.

Part of Nguema's preparations for the coup against Macias was to send his wife to Madrid on the Iberia flight on 2 August. Should the coup fail, he reasoned, his wife would be safe; should it succeed, she would be able to establish immediate contact with the Spanish foreign ministry.

A new Chinese strike against Vietnam?

Western diplomatic observers in Peking, Bangkok and Hongkong currently agree that China is likely to take the initiative in a new flare-up of the conflict along the Vietnamese border. Vietnam is actively strengthening its defences along the frontier, but is most unlikely to seek any renewal of military confrontation with the Chinese, which would be bound to prejudice its anti-guerrilla operations (conducted with mounting Soviet support) in Cambodia.

A second Chinese strike into Vietnam, it is still believed, would not provoke any major Soviet counter-attack into Sinkiang or along the Siberian border, although the Russians might stage a series of diversionary incidents to feed speculations about their intentions. This assessment is supported by the fact that (a) the Russians cynically accepted China's equally cynical proposal for 'neighbourly negotiations' last September and (b) reappointed as their representative in Peking the durable (and chameleon-

like) deputy foreign minister, **Leonid Ilyichev**, who had refused to yield an inch in the futile decade-old border discussions with China and who had survived in ministerial posts under Stalin and Khrushchev before **Leonid Brezhnev** inherited power.

The Russians have now initiated a regular air service to Phnom Penh and are shipping and airlifting large quantities of military supplies – including fighter planes and tanks – into Cambodia, where Vietnam still maintains at least 150,000 troops. Seaborne supplies from Russia are landed at the port of Kompong Som, now seen as a potentially important base for Russia's expanding Pacific fleet, which already makes constant use of the Vietnamese ports of Camranh Bay and Danang. Soviet food supplies are also expected to be despatched to Cambodia as famine spreads across the country – although Russia's capacity to feed Cambodians will hinge on the willingness of western countries to sell it the grain (and other food commodities) that Soviet agriculture is failing to produce in sufficient quantities to accommodate internal demand.

The current Vietnam-backed regime in Phnom Penh appears, as a deliberate act of policy, to have turned its back on the famine that is spreading in those parts of Cambodia where the Khmer Rouge supporters of the ousted **Pol Pot** still enjoy some support. This, inevitably, will impose further political embarrassment and social strain on neighbouring Thailand, which can expect new hordes of starving civilians to stream across the border.

Vietnam's hold over subjugated Laos is also being stiffened by the arrival of large numbers of military advisers, who are directing the construction of two air bases in central and southern Laos and supervising a defence build-up against a possible Chinese flank approach through the northern part of the country – a manoeuvre that could be undertaken in parallel with a new probe into Vietnam. A Chinese-built highway from Hunan province through northern Laos leads towards Dien Bien Phu, where **General Giap** inflicted the military reverse on the French in 1954 that persuaded them to end their colonial rule in Vietnam.

Vietnam's refusal to receive the travelling American congressional delegation that is touring south-east Asian refugee camps will ensure the continuing operation of American naval vessels to pick up the still-defiant Vietnamese 'boat people'. Soviet and American warships are now frequently sighting each other in the South China sea.

Whatever its intentions on the Vietnamese border, China still maintains key units of its 42nd army, transferred from the Vietnam front after the 'punitive' invasion last March, along its 17-mile-long border with Hongkong. The stated purpose (which is being fulfilled) is to co-operate effectively with Hongkong security forces (reinforced by British troops) in curbing the flow of illegal immigrants into the colony from China. The biggest threat to Hongkong by these 'illegals' is now via Macão, where the so-called 'snakeboat' syndicates are charging as much as 10,000 Hongkong dollars a head for attempted night entry to the British colony. Instructively, Chinese gunboats are discreetly co-operating with Macão marine police launches in turning back and even firing on suspected 'snakeboats'.

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COMMUNIQUE - PASSAGES ON SOUTHERN AFRICA

1. I attach a suggested redraft, in which the new passages have been sidelined. If it proves impossible to obtain the complete deletion of paragraph 17, a fall-back would be to suggest that the following should be inserted in paragraph 16, after the first sentence.

"They expressed their concern that the establishment in Namibia of a "National Assembly" might indicate that, despite their acceptance of the UN proposals, the South African Government intended nevertheless to carry out its own policies with regard to Namibia instead of working with the international community to secure for their country an independent status which would secure international recognition."

7 August 1979

A Duff

Encl

15. Heads of Government stressed that the grave problems afflicting the Southern Africa region stemmed from the racist policies of the South African regime embodied in the system of apartheid. In order formally to express their abhorrence of all forms of racist policy, wherever and however they might be manifesting^{ed}, they agreed to make a special declaration on this subject. This has been published as the Lusaka Declaration of the Commonwealth on Racism and Racial Prejudice. This declaration reaffirms the Commonwealth rejection of all policies designed to perpetuate apartheid, racial segregation or other policies based on theories that racial groups are or may be inherently the superior or inferior.

16. Heads of Government deplored South Africa's continued refusal to implement the relevant Security Council resolutions providing for Namibia's independence and the UN Secretary-General's proposals outlined in his report of 26 February 1979. They commended the positive response of those Commonwealth Governments which had been requested by the Secretary-General to provide military or civilian personnel as part of the proposed UN Transitional Assistance Group for Namibia.

17. [Omitted]

18. Heads of Government recalled that in repeatedly condemning South Africa's policies, the UN General Assembly and Security Council had warned South Africa that it faced international action under Chapter VII of the United Nations Charter if it did not agree to the implementation of the UN proposals for

Namibia. They therefore called upon South Africa to comply with the decisions of the international community.

19. Taking note that two of their members had played a role as part of a Five-power initiative with the South African authorities in attempting to secure South Africa's cooperation in implementing the decisions of the Security Council with regard to Namibia, Heads of Government expressed the earnest hope that this effort would contribute to expediting Namibia's passage to genuine independence.

20. Meeting for the first time in full session in Africa, Heads of Government paid tribute to the outstanding contribution of African countries in general and African Commonwealth countries in particular, to the development of a more humanitarian international community and to the evolution of the Commonwealth along relevant and enlightened lines. They paid special tribute to the Commonwealth Front-Line States of Africa, namely, Botswana, Tanzania and Zambia, and to Nigeria for their active support to the various initiatives seeking negotiated solutions to the problems of Rhodesia and Namibia. They expressed their deep sympathy for the human suffering and material losses caused by the continuation of the fighting and their determinat^{ion} to do all in their power to eradicate as soon as possible the root causes of the conflicts.

SPEAKING NOTE:

SOUTH AFRICA AND NAMIBIA

1. It is a negation of diplomacy to speak of attempting to secure South African co-operation (paragraph 19), while using language in the earlier paragraphs that would ensure South African non-cooperation.

2. We believe that we do have a chance of making progress on Namibia. Our initiative is not a cosmetic exercise. It is for real, and we need the best psychological climate we can get in which to conduct it. Sir J Murray arrives in Pretoria this weekend.

Rhodesia

3. Similarly with Rhodesia. We have very great sympathy with Zambia over the Rhodesian attacks. But the Rhodesians see it differently. They believe they are fighting for their lives. We need their cooperation if we are to get a Constitutional Conference going, just as we need South African cooperation over Namibia. Our objective is to bring the fighting and the suffering to an end. We do not believe that condemnation, however justified, helps to this end. Give us a chance to do what we have said we will do.

PS/No 10 ✓

cc: PS/Secretary of State
 Sir J Hunt
 Sir M Palliser
 Mr Barltrop
 Mr Fenn
 Mr James

Handwritten:
 Fenn
 7/8

CHGM: DRAFT COMMUNIQUE

Economic Section:

...

1. I attach a copy of the Economic Section of the Draft Communique as it emerged, ad referendum, from the Committee of the Whole. The first paragraph is a general introduction emphasising the problems, particularly of the developing members of the Commonwealth. This is standard. It is an odd analysis but contains nothing damaging.
2. Paragraphs 2 - 6 contains the terms of reference, agreed at yesterday afternoon's Executive Session, for the proposed Study Group on constraints on structural change and growth. These are acceptable.
3. Paragraphs 7 - 12 (like paragraph 1 based on Secretariat drafts) are pretty awful. They cover:

Balance of payments problems	paragraph 7
IMF conditionality	8
Energy	9
MTN's	10
Lome II	11
North South dialogue	12
Commonwealth industrial development unit	13
Food security	14
Aid	15
Small member countries	16
Regional co-operation	17

They give this section of the communique a heavy development bias. This again is standard and perhaps inevitable, given the shape of the Commonwealth.

Energy

4. The paragraph on energy is in square brackets. This reflects the inability of officials to reach agreement on what it should contain.

/5.



... 5. I attach a revised draft on energy, which we could either propose as an alternative draft or draw on in any discussion. I have built it as far as possible around the existing draft - hence the length. The contents have been cleared with London.

Other paragraphs

6. I am preparing a separate note on points which might come up in other paragraphs, together with a possible alternative version for the whole thing, in the form of a short summary of the essentials, followed by the agreed passages recording decisions at the Conference (the Study Group, the IDU and one or two other points). This might conceivably be useful if, at the end of the day, it proves difficult to reach agreement on the basis of the existing draft.

David Thomas

7 August 1979

DMD THOMAS

DRAFT COMMUNIQUE

ECONOMIC MATTERS

Energy

Paragraph 5:

Heads of Government expressed serious concern about the effects on the world economy of recent developments in the field of energy. Their discussions underlined that the recent increases in the price of oil would affect the prospects for growth of both developed and developing countries. They recognised that non-oil developing countries would be worst hit, since they would suffer indirect as well as direct effects. The level of economic demand in developed countries would inevitably be affected and their ability to give assistance would be impaired. Heads of Government also recognised that the decisions of the major industrialised country consumers to restrain demand for oil, to diversify into other fuels, to develop new resources, and to pursue policies of conservation, were of great importance as a contribution to achieving a balance of supply and demand for oil. This would be of benefit to the world economy as a whole. Heads of Government emphasised the need for all economies to adjust to these developments, and called on the international community to continue and intensify efforts to conserve energy, to develop additional energy resources and to ensure the provision of adequate financial and other assistance for this purpose.

POINTS FROM PRESIDENT KAUNDA'S REPLY TO THE PRIME MINISTER'S
SPEECH AT THE PRESENTATION OF THE ZAMBIAN PRESS AWARDS AT THE
PAMODZI HOTEL, LUSAKA, ON 6 AUGUST AT 2100

Speaking without notes in response to the Prime Minister's speech on the occasion of the presentation of the annual Zambian press awards, President Kaunda said that there was nothing to divide Zambia and the United Kingdom apart from the problem of Rhodesia. This problem had been discussed exhaustively during the past few days and he was convinced that, once it had been solved, it would bring Britain and Zambia closer and closer together.

President Kaunda said that, speaking as a Zambian, he believed that the Prime Minister had brought a ray of hope by virtue of her frankness and sincerity of purpose. She had the willpower to solve the problem of Rhodesia. Zambia had never entertained any hatred for the British people. Despite some quarrels and differences, Zambians remained Zambians. President Kaunda recalled a "very bad evening" which he had spent at 10 Downing Street with Mr. Edward Heath. Jim Callaghan had been his personal friend for many years but he had nevertheless been compelled to say some rough things about him and about his government. He now knew and understood Mrs. Thatcher much better. He knew that he was now meeting a British leader who could make decisions: he would pray for her. Mrs. Thatcher's decisions would go a long way towards finding a solution to the problem of Rhodesia. She would leave many Zambian friends behind her when she left Lusaka. He and Mrs. Thatcher should have further discussions on these matters when he was freed from the ties of the chairmanship of the Commonwealth Heads of Government Meeting. The people of Zambia would do everything possible to build greater friendship between Britain and Zambia.

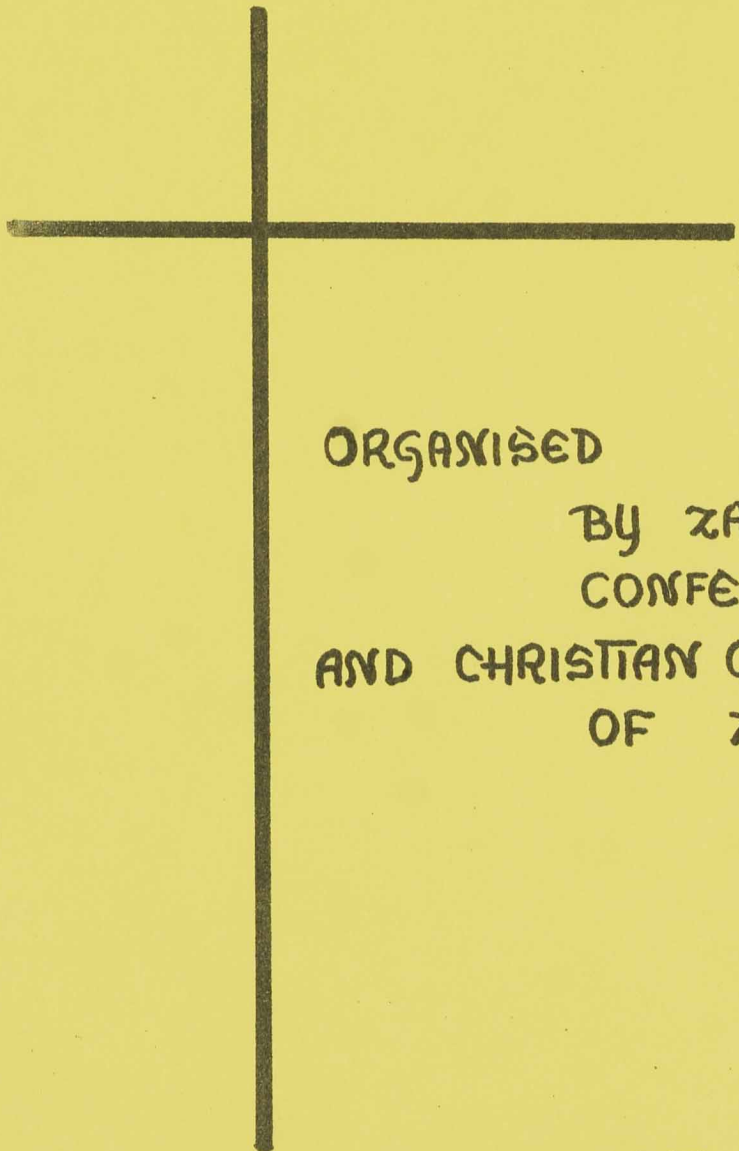
President Kaunda concluded: "All the best and keep it up".

SM.

8 August 1979

6/20 na
2/21
3/8

~ COMMONWEALTH
SUMMIT CONFERENCE ECUMENICAL
WORSHIP ~



ORGANISED
BY ZAMBIA EPISCOPAL
CONFERENCE
AND CHRISTIAN COUNCIL
OF ZAMBIA

ADDRESS OF
HIS GRACE + E. MILINGO
ARCHBISHOP OF LUSAKA.

Your Excellency, Dr. D. Kenneth Kaunda, President of the Republic of Zambia. Your Excellencies, Heads of States from the Continent of Africa and from the Commonwealth Countries, Your Excellencies members of the Diplomatic Corps, Your Honour the Secretary General Mr. Mainza Chona and Honorable Ministers Distinguished Guests, Ladies and Gentlemen.

On behalf of the Christian Council of Zambia and the Zambia Episcopal Conference, and indeed on my own behalf, I sincerely thank our Government, in particular His Excellency the President, Dr. Kenneth Kaunda, to have asked us to organize this Ecumenical service. We would like to assure you Excellencies that the Church has participated in your meetings in many ways, without being physically present. As I assured State House on 31st July 1979 that our prayer campaign for the success of this meeting began on 14th July 1979. On 15th July we had again Community Prayers, and on Wednesday, 1st August 1979, when you went into the meeting, we did not only offer prayers, but we also added something extra to our prayers. Today we want you to know that we appreciate your concern for the welfare of the people, whom you represent, and that we are edified to see you here today, bending our knees together with you before God, our Common Father.

May I reiterate what His Excellency the President of the Republic of Zambia, Dr. K. Kaunda said to Her Majesty Queen Elizabeth II and their Royal Highnesses, on 28th July 1979, at Intercontinental Hotel at the State Dinner. The President thanked Her Majesty the Queen for having come to Zambia, in spite of objections, persuasions, and in spite of the situation in which we are living. It was a courageous decision, which showed Her concern for us and for the world peace. To us the people of Zambia Her presence gave us confidence in her and surely, we have come to know who are our friends, particularly when we really need friends. As the saying goes: "A friend in need is a friend indeed."

Allow me to say the same thing to you. We have appreciated your presence in our country. You made risky decisions to come here. For us as helpless as we are, we only trusted in God, and prayed for your security and the success of the meeting, and we

are still praying for you. As you return home, please remember us to your people, and we too in return will also remember them in our prayers.

YOU ARE OUR FRIENDS INDEED.

May you bear with us, Your Excellencies, if we share with you our worries, anxieties and disgust over the atrocities which we have passed through and we are still passing through from the Rhodesian Forces. Zambia is known by the Rhodesian Regime as the black North. This is followed by ridicule and very humiliating treatment of a black man in Rhodesia, who aims at attaining freedom and independence. All the weaknesses of African Governments are quoted and presented to those who are fighting for their human rights, and for freedom in their own land. The Rhodesian Regime has taken it upon itself to defend the Christian civilization, which, as they say, has made Europe and the rest of the world what it is. The Rhodesian Regime believes to have a divine mission to save christian civilization, as the crusades were also said to have had a divine mission. Their argument comes from the fact that the liberation movement has heavily relied on the support from the Communist Countries. Since communism is atheistic, the Rhodesian Regime feels an obligation to blot out all the enemies of God.

Your Excellencies, you are aware of a similarity in the reasoning of those who live by the philosophy of apartheid. They believe that separate development is designed by God, who made the races what they are. Some are destined to serve others. Some will ever remain of low attainment in their mental achievements, and others are the perfection of the human races, that is, the white race. Hence they treat others as they decide to treat them, and in the way they want. Since the rest of the human race are destined to serve them, they may decide to get rid of them as they want, and they do it without remorse. Since the rest of the human race are made for them, so they believe, they have no respect for the human dignity of other races. Hence they see none in the people of the black north. They bomb the

the freedom -fighters who are in the black north. They violate our territory since we are in the North, and thousands of innocent civilians have met their death during these raids. We Zambians have not retaliated. We have been humiliated, we have become a laughing-stock to the world, and to crown it all we have been called savages in England.

SAVAGERY AND INSANITY.

Let us look closely to our alleged savagery. We Zambians live continuously in suspense and under tension. In spite of this we do not accept at any time a decision which may be made to throw a bomb for general purposes in Rhodesia. We love both the whites and the blacks in Rhodesia, and none of them should be the target of the Zambian guns and bombers. For us man means a world in itself, a person who is the crown of creation. Hence we say; "We are a society, which is man centered." We hate to see the dead after bombings and raids. We hate to see the lame and the wounded. We hate to see the small children who are refugees in our country. We share with them the hazards of life, though we do not agree with those who have caused this misery and degradation. It is because we are still human, full of affection for our fellow human beings. In a word we are not savages at all.

On the contrary, the atrocities which the Rhodesian Forces inflict on their victims here, and in Rhodesia itself, would justify us to call them savages. But we feel that the proper term is insanity. But not the insanity as defined by the British Lord Chief Justice Tindal in 1843, in the murder of Edward Drummond, secretary to the Prime Minister, Sir Robert Peel. I mean a definition which merely excuses the culprit by the use of twisty words. Mr. McNaughten was aware of what he was doing, and he confessed that he was compelled by the Tories of his native city to assassinate the Prime Minister Sir Robert Peel. What he did was insane, and was responsible for it, and deserved a normal punishment, not a mental home. So we read; "McNaughten spent the rest of his life in mental institutions.

..... The public reaction was indignant; many people ascribed the shooting to a political plot. Queen Victoria herself protested the verdict, which excused McNaughten as "not guilty on the ground of insanity." We here in Zambia do not define insanity as the British Chief Justice Tindal defined it. We say that the atrocities which the Rhodesian Forces are carrying out in Rhodesia, Mozambique, Angola and Zambia are insane, but we hold them responsible, and we say they are guilty of murder, for killing thousands and thousands of refugees and innocent civilians. If we shall go on defining policies of Government according to the British Chief Justice Tindal's philosophy, we shall raise dust everywhere in the world and consequently there will be confusion in the world. God forbid.

FACTS AND REALITY ON RHODESIA

Already four years ago His Lordship Bishop Lamont used very strong words against the Rhodesian Regime. I quote:

"Conscience compels me to state that your administration by its clearly racist and oppressive policies and by its stubborn **refusal** to change, is largely responsible for the injustices which have provoked the present disorder and it must in that measure be considered guilty of what ever misery or bloodshed may follow.

On whatever dubious grounds you may at one time have based your claim to rule, such argument no longer has validity. You may rule with the consent of a small and selfish electorate, but you rule without the consent of the nation, which is the test of legitimacy."

To-day we stand at 140.000 refugees who have left Rhodesia and are scattered in the bordering countries. While 50.000 have become displaced persons as they have left their homes in rural areas, and are wandering round among relatives in Urban areas. Due to the insecurity in our mission work, doctors have left the country, hospitals and clinics under these conditions can hardly operate. In April this year 1979, thirty-seven mission schools have been closed. In the same month we stood at having only

7 doctors in our mission hospitals out of 44. We have now only 55 hospitals and clinics out of 97 mission hospitals and clinics, which we used to run when there was peace in Rhodesia. (CAFORD: Aid For The Progress of Peoples).

Many missionaries and local church workers, priests, sisters, brothers and church leaders have been killed, kidnapped and expelled from the country. How is it that the world still believes in the divine mission of the Rhodesian Regime to save christian civilization? On the other hand we all know that the word "Christian Civilization" is a mere facade to discard what is behind the refusal to accept human brother-hood. If the world will go on believing what the Rhodesian Regime is saying, it means that God is a racist. But I believe that God is not a racist. I believe that He never created a race, which is an appendage to another race. I also believe that in every race there is something special, which justifies its existence, and which contributes to the betterment of other races, by its presence on this planet.

Hoping I am speaking to those of you who believe in Jesus Christ. In this case I feel that each one of us, who holds a community responsibility should realize the consequence of hasty decisions and wrong utterances, when it comes to the effects of our actions on the people's lives. It seems that everything is allowed to a politician, as long as he is in power or she is in power, but it is not true. Some have a complete wrong notion of man. We all need to be honest with ourselves in order to put things right in the world. The advice of Dr. Frank N.D. Buchman is appropriate here. He says: "Absolute honesty, absolute purity, absolute unselfishness, absolute love. Those are Christ's standards. Are they yours? You may have to put things straight. I had to." Says Dr. Frank Buchman. He goes on to say: "I began by writing to six people, admitting that ill-will between us was my fault, and not theirs. Then I could really help people. Remember - if you want the world to get straight, get straight yourself." (Remaking the world).

WHY NO SOLUTIONS TO THE MANY WORLD PROBLEMS

When everything on the agenda of international meetings in

is considered a political subject, which means free for all leaders, and take back what you want, with no obligation to stick to decisions, certainly we cannot find solutions to world's problems. If the complaint that is in the majority of human society that we have no leaders, just because people do not feel bound to obey them, it is because the leaders obey no one except themselves. They have no moral guide and nothing is absolute in what they do. They refuse themselves nothing, and in order to open new channels of their enjoyment for the fact of being in power, they make new laws to safeguard their perpetuity. As long as they live, they forget the saying that: "Everything born of a woman will one day die."

When we read the daily papers and listen to the news on radio and television, we become only too aware of man's energetic drive to fulfillment that so often ends in tragedy, failure and destruction. We see laws promulgated and maintained that fail to lead man to his full growth and that only succeed in leading him to confrontation. We are told of the disunity that results in prejudice, opposition and wars. Yes, this is a logical consequence. People expect a sincere love from their leaders. They expect a fair deal and treatment in the law. In a word they expect humanity, instead of brutality; consideration instead of one-sidedness; persuasion instead of dictatorship.

You, who have come here have in mind to change this situation. You have come here to share with others your people's problems, and on the other hand to contribute to the solution of other people's problems. This meeting is certainly "give and take." As you lead your people, why not take the following advice of St. Paul to the Romans, 12: 1-21: "Love must be completely sincere. Hate what is evil, hold on to what is good. Love one another warmly as brothers in Christ, and be eager to show respect for one another." What I am driving at is that not everything that has been treated as political on the agenda of international meetings was in fact "political." What I mean is that the decisions were to be based on man's human rights, his dignity and respect, not just on convenience, suitability and pure legalism. The laws we formulate to-day should be based

on the promise of Jesus made to the human race: "I have come that you may have life and have it to the full." They should bring life in the fullest possible measure to those who live under them; they should help the individual to grow as a person; they should unite a society in peace and harmony; they should lead men on to a total and transcendental view of life. If on the agenda man is treated as a political being, and hence he can be treated anyhow, nobody has a right to correct a philosopher who will define man as "Bones joined together, put in motion." Several questions follow: Who put the bones in motion? What kind of bones are they? Who joined them together and how did he join them? If this definition is inadequate, allow me then to say that man should never be treated only as a political animal. He is more than that. Hence those of us who have responsibility to lead man in society must take all precautions to treat him well, scrupulously and with the fear of the Lord.

May I conclude with the words of Dr. Frank N.D. Buchman: "The world today is waiting for guidance. We are now fighting a greater war than any war since the world began. It is not nation against nation, but chaos against God.

New men, new nations, a new world-God-controlled.
There you have a programme valid for a world crisis."
(Chaos against God: 27th Nov. 1938).

+ E. Milingo
ARCHBISHOP OF LUSAKA

Holy Cross Cathedral
LUSAKA.

5th August 1979.

For all other
papers on presentation
A Press Awards
See Admin file.

SPEECH BY THE RT. HON. MRS. MARGARET THATCHER

TO THE ZAMBIAN PRESS ASSOCIATION

MONDAY 6 AUGUST 1979

Mr. President, your Excellencies, friends,

I am deeply honoured that you, Mr. President, have invited me to be with you tonight to present the annual press awards of Zambia.

I know that the presentation of these awards is an event which is very closely associated with you personally, Mr. President, and I appreciate all the more your kindness in asking me to share this occasion with you.

You may not know, Mr. President, that you and I have something in common which is, I believe, of special significance in your country, as a mark of good fortune.

We are both the parents of twins.

This evening's celebration is thus taking place under the best of auspices.

Your invitation to me is typical of the efforts which you, Mr. President, the people of Lusaka and indeed all the people of Zambia have made to make me feel welcome and at home among you.

/ I know

I congratulate the Zambian Press Association, whose sponsorship of these awards makes a valuable contribution to the pursuit of new standards of excellence in a fine tradition of free journalism.

And I warmly congratulate the award winners tonight on their achievements, and encourage them to do their best to see that the Zambian Press continues to maintain its high standards.

In both our countries, the Press has a vital role to play and Prime Ministers are not always immune from criticism - as I know only too well!

The Zambian Press is known for being lively and no respecter of persons or institutions.

This is not always a comfortable fact for those in Government to face.

When hard things have been said in the British Press about Zambia and in the Zambian Press about Britain, we must not seek to control or censor the media.

Instead we should encourage our journalists to know each other's countries better, and understand the other's point of view.

Ignorance and prejudice often walk hand-in-hand.

Journalism is a career which demands the highest professionalism.

It demands responsibility as well, for the line between honest revelation and disingenuous sensationalism is sometimes perilously thin.

But the best journalists of our two countries set a fine example of how integrity can be combined with a lively and, if necessary, critical tone.

/I congratulate

But I am glad to say that not all my time in Lusaka has been spent discussing important issues of state.

I have also had the opportunity to see, for the first time, something of the traditions and culture of your very beautiful country and its hospitable people. And to hear what wonderful singers Zambians are.

I hope that my distinguished audience will forgive me if I say that sometimes both our countries suffer from the public images presented to one another.

Often it is the sensational story or reported disagreement that hits the headlines.

We must indeed acknowledge that Britain and Zambia do not see eye to eye on everything; it would be surprising if we did.

But equally we do well to remember the many points we have in common and the many links between us.

During this Conference, I have found that, despite the fact that I came to Zambia as a stranger, there is a basic goodwill and a desire to get on good terms -- an attitude which I entirely share.

/In both our countries,

But above all we want to move quickly to the most important goal of all, and that is an end to the hostilities.

I said in my speech on Friday that I simply did not believe that there is anything now dividing the people of Rhodesia which is worth the use of the bomb and the gun to kill and maim men, women and children by the thousand, or which can justify the misery of the hundreds of thousands in refugee camps.

The British Government are deeply conscious of the urgent need to bring peace to the people of Rhodesia and to Rhodesia's neighbours, and I know you are too.

I am grateful to my Commonwealth colleagues for the helpful and constructive way in which we have worked together on this problem over the last few days.

We have talked long and earnestly together.

We have sought together to analyse the essential elements of the problem of Rhodesia.

We have discussed how to work towards a solution.

It has been a wonderful and inspiring experience.

This meeting, my first Heads of Government Meeting, has shown the Commonwealth at its most positive.

/ But I am glad

This uniquely "Commonwealth" atmosphere gives us ample opportunity for a constructive dialogue.

You will all by this time know that a striking example of the way the Commonwealth Heads of Government work together, and the way that the Commonwealth can be of real help over difficult problems, has just been given by the publication of the statement we agreed yesterday in regard to Rhodesia.

That statement does two very important things.

First, it records firm Commonwealth agreement that only Britain can give Rhodesia legal independence.

Second, it affirms the confidence of the Commonwealth in Britain to do that.

Now this is very significant, most helpful.

It means that we have full Commonwealth support and encouragement to move forward along the path described to our colleagues and indicated publicly.

The statement is a firm and welcome point from which to start a new initiative.

We mean now to move swiftly towards our immediate objective of working with the parties to draw up an independence constitution.

/But above all

I know that I speak for all of us in paying tribute to the wise, skilful and yet always friendly and informal way in which you have guided our discussions.

This, I hope and believe, will go down as one of the great Commonwealth meetings.

There can be few such occasions on which the unity of purpose and the sense of shared ideals, which is what we mean when we speak of the spirit of the Commonwealth, have been more obvious or more productive of practical results.

That this has been so has been, Mr. President, in great measure your own achievement.

I should like, too, to pay tribute to all your Ministers and officials who have worked so hard to ensure the success of our meeting and to make us feel so comfortable and so completely at home. I know that I speak for all my colleagues when I tell you how much we have appreciated the excellent arrangements which you have made for us; and which have contributed so much to maintaining the traditional informal atmosphere in these Commonwealth meetings.

/ This uniquely

I know that hospitality and kindness come naturally to
Zambians, whose friendship is both spontaneous and
sincere.

Mr. President, during these eventful days in Lusaka you have been
host and friend not only to me, but to all the 39 Heads
of State and Government who are present in your capital
to take part in the Commonwealth Heads of Government
Meeting.

/ I know

DRAFT PASSAGE FOR INCLUSION IN THE COMMUNIQUE

*Enter me
for
7/8*

Southern Africa

Heads of Government had a frank discussion on the current problems of Southern Africa and their implications for the Commonwealth and the wider international community. While recognising that certain developments since their Meeting in London have added new dimensions, they remained concerned by the potential dangers inherent in the existing situation. They therefore stressed the urgent need for finding satisfactory solutions to the remaining problems of this region.

In relation to the situation in Rhodesia, Heads of Government therefore:

- a. confirmed that they were wholly committed to genuine black majority rule for the people of Zimbabwe;
- b. recognised, in this context, that the internal settlement constitution is defective in certain important respects;
- c. fully accepted that it is the constitutional responsibility of the United Kingdom to grant legal independence to Zimbabwe on the basis of majority rule;
- d. recognised that the search for a lasting settlement must involve all parties to the conflict;

- e. were deeply conscious of the urgent need to achieve such a settlement and bring peace to the people of Zimbabwe and their neighbours;
- f. accepted that independence on the basis of majority rule requires the adoption of a democratic constitution including appropriate safeguards for minorities;
- g. acknowledged that the government formed **under** such an independence constitution must be chosen through free and fair elections, properly supervised under British Government authority, and with Commonwealth observers;
- h. welcomed the British Government's indication that an appropriate procedure for advancing towards these objectives would be for them to call a constitutional conference to which all the parties would be invited; and,
- i. consequently, accepted that it must be a major objective to bring about a cessation of hostilities and an end to sanctions as part of the process of implementation of a lasting settlement.

Sir A Duff

cc:

Mr Cartledge
Mr Wall
Sir John Hunt
PUS
Mr Thomas
Mr Fenn
Mr Dewar

COMMITTEE OF THE WHOLE, 3-4 AUGUST

1. The following records the results of the discussions in the Committee of the Whole on 3 and 4 August.

Commonwealth Film and Television Institute

The Cyprus Government proposal was welcomed in principle. It was widely felt however that more information was needed before decisions could be reached, and it was agreed that the Commonwealth Secretariat should therefore carry out a feasibility study. The representative of Bangladesh (mindful no doubt of the Turks) questioned the desirability of Cyprus as a location ("given the present situation on the island"), and the question of location is not touched on in the Committee's report to Heads of Government.

Communications and the Media

There was general support for the Australian proposals, and the Committee agreed to commend them to Heads of Government for adoption. The only modification to the Australian proposal was (at my suggestion) to modify the proposed arrangements for coordination of media exchanges - I pointed out that this would not be an appropriate role for the Commonwealth Foundation. In introducing their proposals, incidentally, the Australian representative said that his Government were ready to offer £75,000 to help get things going.

Commonwealth Human Rights Commission

The enthusiasm of the Gambians for their proposal was reflected in the fact that their President came upstairs to introduce it; and also in the subsequent persistence shown by their Attorney General in trying to preserve it intact in the face of doubts expressed by a considerable number of delegations. Gambian support came notably from Uganda (with a powerful intervention by Dr Ariker) and also from several other African countries. The only non-African representative to express unqualified support was the Cypriot (no doubt with an eye on the Turkish Cypriots). Several other representatives expressed approval in principle for the Gambian proposal but said that it needed to be examined very carefully. Others, led by Fiji, expressed doubts as to whether the proposed Commission would be appropriate for the Commonwealth and raised questions about the element of supra-nationality. Such doubts came particularly not exclusively from Malaysia/Singapore and the Caribbean. The net result of a two hour discussion was agreement (with reluctant Gambian acquiescence) to recommend that Heads of Government welcome the Gambian initiative in principle and that Commonwealth

// but

/Governments

- 2 -

Governments be asked to consider it and communicate their views to the Secretary General - who thereafter, and subject to those views, might set up a working party to make recommendations for consideration by Governments. When the actual wording of the Committee's report to Heads of Government was being considered yesterday afternoon, the Gambians pressed for a time limit of six months to be fixed for the communication of Governments' views to the Secretariat. But it was eventually agreed to recommend that Governments be asked to comment by the time of the next Commonwealth Law Ministers meeting - which is to be in Barbados next April. I (and a number of other delegates with whom I have talked) suspect that the African support for the Gambians and Ugandans was motivated by considerations of African solidarity rather than by conviction that a Human Rights Commission would be a good thing. Given the number of countries who have expressed reservations about the proposal, it will be no surprise if it once again ends up on the shelf gathering dust. This would suit us (and probably the majority of members).

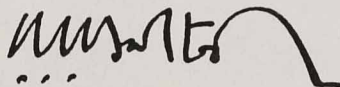
Resolutions

The resolutions of Commonwealth Health Ministers and Young Commonwealth Leaders were dealt with quickly, being "noted". Fortunately no-one suggested that those of the Young Commonwealth Leaders (which deal with international economic issues and Southern Africa) should be "noted with approval" - if they had, we could have had a battle on our hands.

Food Security

The result of the discussion of the Bangladesh paper was that the Committee decided to "endorse the concern" expressed by the Bangladesh Government over the international food security situation and to recommend to Heads of Government that consideration be given to holding a (? one day) meeting of Commonwealth Ministers of Agriculture before or during the next FAO Council meeting. Several delegates, when commenting on the Bangladesh paper, stressed the importance of ensuring that programmes already put in hand by, eg, FAO were not duplicated.

2. In the course of yesterday morning and the first half of the afternoon we agreed the terms of our report to Heads of Government covering all the subjects remitted to us (excluding the communique). With the exception of the draft passage on the Commonwealth Youth Programme, the Secretariat drafts were good and we ran into no real difficulty in reaching agreement; even with the Human Rights passage the only problem was the question of a possible time limit. The passage on CYP was more than 3 times as long as any of the other passages and was wholly out of balance with the rest - probably due to excessive enthusiasm on the Secretariat staff responsible for the Programme. We spent some time getting it cut down in size - although it is still longer than it ought to be.
3. Shortly before 4 pm we eventually got on the subject of the communique. Mr Thomas has minuted separately about this part of the discussion.
4. I attach a copy of the final text of the Committee's Report.



5 August 1979

R A R Barltrop

Encl

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HGM(79)24

REPORT OF THE COMMITTEE OF THE WHOLE

NOTE BY THE SECRETARY-GENERAL

1. The Committee of the Whole at its meetings of 2 and 3 August 1979, considered the agenda items remitted to it by Heads of Government.

MEMORANDUM BY THE SECRETARY-GENERAL ON THE
COMMONWEALTH YOUTH PROGRAMME (HGM(79)7)

2. The Committee reaffirmed the original objectives of the Commonwealth Youth Programme and noted that it was the only Programme providing for extensive inter-governmental co-operation in this field. It recognised that the need for mobilising young people to assist in the development process was even more pressing now than when the Programme was first launched in 1973. The Committee, however, noted with concern that inadequate funding of the Programme was severely limiting its capacity to assist Commonwealth Governments in a crucial area of co-operation. The Committee, commending the work of the three regional centres in providing essential training for youth administrators and field workers, recognised that unless the Programme received more funds this vital aspect of its activities would be placed in jeopardy.

3. The demand from Commonwealth Governments for more assistance in developing youth policies and programmes at the national level and the scope that existed for increased mutual learning through the expansion of the fellowship scheme and the provision for youth exchanges was acknowledged.

4. The Committee strongly endorsed the request of the Secretary-General for an increase of at least one-third in pledges to the Commonwealth Youth Programme. It agreed that the funds available to the Programme for the biennium 1980-82 should be increased to £1 million per annum. In determining its minimum voluntary contribution to the target figure it is suggested that each Government might be guided by its assessed percentage contribution to the Commonwealth Secretariat's administration budget.

5. The Committee recommended that the Commonwealth Youth Affairs Council at its meeting early in 1980 should review the management structure and activities of the Programme in the light of current financial constraints.

MEMORANDUM BY THE CHAIRMAN AND TRUSTEES OF THE COMMONWEALTH
FOUNDATION ON THE COMMONWEALTH FOUNDATION - AN INCREASED
INCOME AND A BROADENED MANDATE (HGM(79)4 and 5)

6. The Committee commended the cost-effectiveness and imaginative work of the Commonwealth Foundation in developing and strengthening professional co-operation throughout the Commonwealth, and expressed its appreciation of the services of Mr. John Chadwick, Director of the Commonwealth Foundation since its inception, who was due to retire in 1980. The Committee agreed that the Foundation's mandate

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should, subject to a review of its priorities, be expanded as recommended by the Advisory Committee on Relationships between the Official and the Unofficial Commonwealth in areas including culture, information, social welfare and rural development. In order to make good the erosive effects of inflation, and to permit the envisaged expansion in the Foundation's activities, the target for the Foundation's income was set at £1.1 million, although it was recognised that realisable resources were unlikely to exceed £900,000 in 1979-1980.

MEMORANDUM BY THE SECRETARY-GENERAL ON THE ADVISORY COMMITTEE ON RELATIONSHIPS BETWEEN THE OFFICIAL AND UNOFFICIAL COMMONWEALTH (HGM(79)9)

7. The Committee considered the Report of the Advisory Committee on relationships between the official and the unofficial Commonwealth and endorsed the conclusion that non-governmental organisations were an under-utilised resource. The Committee agreed that official Commonwealth bodies at all levels, national, international and regional, should make a determined drive to establish regular exchanges with the unofficial sector. In this way the energies and expertise of non-governmental organisations would be more effectively harnessed to programmes of social and economic development, and to increasing information, understanding and appreciation of the Commonwealth among the general public. At the national level, Governments should take appropriate measures to improve contact with NGOs and to channel assistance to and through them. The Committee requested the Secretary-General to encourage Commonwealth consultative bodies dealing with technical and professional matters to invite representatives of NGOs to meetings in an observer capacity. While declining to support for financial and other reasons the Advisory Committee's recommendation that an NGO Desk should be created in the Secretariat, the Committee recommended that the Secretary-General should seek to implement such recommendations of the Advisory Committee as were practicable within the Secretariat's present resources, and report in due course to Governments.

MEMORANDUM BY THE SECRETARY-GENERAL ON WOMEN AND DEVELOPMENT (HGM(79)14)

8. The Committee noted that in conformity with the decision taken at the Heads of Government Meeting held in London in 1977, the Secretary-General had carried out an assessment of all Secretariat programmes with a view to ensuring that appropriate provision was made for women both as participants in and as beneficiaries of such programmes.

9. The Committee also noted that the review revealed scope for greater involvement of women in Secretariat programmes and for those programmes to be more relevant to the needs of women. It recognised that to achieve significant and quick progress in this area a focal point was needed within the Secretariat to assist the Secretary-General in responding to identified needs and priorities of Governments and help the Secretariat to plan its programmes so as to take full account of the needs of women. The Committee, therefore, agreed that an Adviser to the Secretary-General be appointed, with such supporting staff as were necessary, to co-ordinate and monitor action in this area.

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10. It was recognised, however, that to a large extent progress depended on the policies of member Governments. In particular Governments should be encouraged to ensure that women played their full part in activities organised and training programmes funded by the Secretariat, and that in their requests for assistance, development projects which would be of direct benefit to women should receive due priority.

MEMORANDUM BY THE GOVERNMENT OF THE GAMBIA FOR
THE ESTABLISHMENT OF A COMMONWEALTH HUMAN RIGHTS
COMMISSION (HGM(79)23)

11. The Committee recommended that Heads of Government reaffirm the importance attached by Commonwealth Governments to the observance of human rights as proclaimed in the Singapore Declaration and other international instruments and welcome in principle the initiative by the Government of The Gambia for the establishment of a Commonwealth Human Rights Commission. It further recommended that Governments be urged by the Secretary-General to communicate to him by the date of the next Commonwealth Law Ministers Meeting, the views requested on the subject by Law Ministers at their Winnipeg Meeting in August 1977. The Secretary-General should be requested, subject to the views received, to appoint a suitably qualified and representative Working Party to make recommendations for the consideration of Commonwealth Governments.

MEMORANDUM BY THE GOVERNMENT OF CYPRUS ON A
COMMONWEALTH FILM AND TELEVISION INSTITUTE (HGM(79)17)

12. The Committee welcomed in principle the proposal by the Government of Cyprus for the establishment of a Commonwealth Film and Television Institute which would operate as a non-governmental institution. The Committee recommended that the Secretary-General should be invited to undertake, with relevant Commonwealth institutions, a detailed study of the feasibility of the proposal and report to member Governments, if possible within a year.

MEMORANDUM BY THE GOVERNMENT OF AUSTRALIA ON COMMUNICATION
AND THE MEDIA IN THE COMMONWEALTH (HGM(79)21)

13. The Committee recommended to Heads of Government endorsement of the establishment of a select committee to identify the most pressing communication and media problems, with particular reference to the needs of developing countries, as a basis for the identification of regional and national communications priorities in Commonwealth countries and of suitable forms of practical co-operation to meet these problems. The Committee further agreed that the Secretary-General be asked to determine, in consultation with member Governments, the size and composition of the select committee bearing in mind the need to obtain a representative cross-section of Commonwealth opinion. The Committee could include representatives not only of member Governments but also of relevant Commonwealth non-governmental organisations.

14. The Committee commended to Heads of Government the desirability of expanding media exchanges between Commonwealth countries and proposed that such exchanges be co-ordinated by the Secretariat, in consultation with the Commonwealth Foundation and the Governments

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concerned, and on the basis of voluntary contributions.

MEMORANDUM BY THE SECRETARY-GENERAL ON RESOLUTIONS OF COMMONWEALTH
MINISTERS OF HEALTH AND OF YOUNG COMMONWEALTH LEADERS (HGM(79)15)

15. The Committee noted the importance of the decision taken by the Fifth Commonwealth Health Ministers Conference held in Wellington, New Zealand in 1977 and of the subsequent resolutions adopted by Commonwealth Health Ministers at their meeting in Geneva.

16. The Committee, noting the resolutions of Young Commonwealth Leaders on international economic issues and on Southern Africa adopted at their meeting in Colombo, Sri Lanka, recognised the value of encouraging young people not only to participate in the development of their societies but also to consult together and articulate their views on issues of Commonwealth and wider international concern.

PROPOSAL BY THE GOVERNMENT OF BANGLADESH
ON COMMONWEALTH FOOD SECURITY

17. The Committee endorsed the concern expressed by the Government of Bangladesh over the international food security situation. The Committee recommended to Heads of Government that consideration should be given to holding a meeting of Commonwealth Ministers of Agriculture and Food before or during the forthcoming FAO Council Meeting. It agreed that a meeting could usefully encompass such essential elements as food security, production and distribution, as well as the transfer of technology for the manufacture of agricultural inputs. To facilitate the discussion at the proposed Ministerial Meeting, the Secretariat should prepare a study of these issues.

Commonwealth Secretariat
Mulungushi Conference Hall
Lusaka

4 August, 1979

CONFIDENTIAL

Secretary of State

Handwritten:
 back note
 by
 6/8

1. I spent sometime with Ramphal last night discussing "independently supervised" but getting nowhere. However, thinking about it again this morning, I wonder if we could make some progress with one of the following formulations.

- (i) acknowledged that the Government formed under such an independence constitution must be chosen through free and fair elections conducted under independent supervision; or
- (ii) acknowledged that the government ^{be} formed under such an independence constitution must be chosen through elections conducted under such independent supervision ^{as} whatever form of independent supervision) as may be necessary to ensure that they are free and fair; or
- (iii) urged the British Government ^{to} welcomed the British Government's intention) to arrange that the government formed under such an independence constitution should be chosen through elections conducted under such independence supervision) whatever form of independence supervision) as may be necessary to ensure that they are free and fair.

2. As regards the sub-paragraph dealing with the "constitutional conference", a possible formulation which I discussed with Ramphal would be the following:

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 "welcomed the British Government's ^{view} that an appropriate procedure for advancing towards these objectives might be for them to call a constitutional conference to which all the parties would be invited";

or alternatively, it seems to me that one might start a new paragraph which would read as follows:

"Heads of Government discussed ^{for} with ~~the British Government~~ the procedures that might be appropriate, advancing towards these objectives and which would involve all the parties. They welcomed the British Government's intention to move swiftly to set these procedures in train. They accepted that it must be a major objective of these procedures to bring about a cessation of hostilities and an end to sanctions as part of the process of implementation of a lasting settlement.

3. Ramphal urged us to agreed to put in an additional sub-paragraph, after the existing sub-paragraph (c), as follows:

"welcomed the British Government's intention to bring Rhodesia to legal independence on a basis which the Commonwealth and the international community as a whole would find acceptable." This of course is a quote from the Prime Minister's speech, however I told Ramphal that he simply must not press us to accept any more additions, however accurate they might be in regard to our intentions. I said it would be psychologically wrong to attempt

this. However, I suppose that we might consider an addition like this if it would gain us what we wanted in regard to one of the other clauses. It is moreover possible (according to Ramphal) that the Nigerian would press for something like this addition.

5 August 1979

A Duff

PRIME MINISTER ✓

Seen by the PM
for

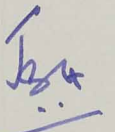
One point struck us just after you left. If you are able to reach agreement in the small group today it will have to be ratified by the full conference.

At present the conference is due to return to Southern Africa tomorrow afternoon, and the communique is due to come out on Wednesday night. If this procedure is adhered to, there are bound to be leaks about the agreement, some of them accurate and some inaccurate. You will also have a problem about what to say when you do your television interviews for BBC and ITN tomorrow.

If all goes well, there would seem to be a strong case for -

- (i) taking Southern Africa in the main conference tomorrow morning instead of tomorrow afternoon;
- (ii) announcing the agreement reached at lunchtime tomorrow.

If you agree, you might like to put this suggestion at the appropriate moment and also to emphasise the desirability of everyone keeping their mouths shut in the meantime.


(JOHN HUNT)

5 August 1979

cc. PS / No 10

Sir J Hunt

cc:

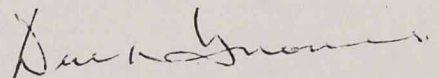
Sir M Palliser

Sir A Duff

Mr Barltrop

AUSTRALIAN PROPOSAL FOR A STUDY GROUP ON CONSTRAINTS ON GROWTH

1. I attach a draft brief on the proposed study group on the constraints on structural change and economic growth.
2. I understand from the Deputy Secretary General that unless any head of government asks for this to be taken separately, the draft terms of reference will be incorporated in the Communique and taken when heads of government look at this on the last day.
3. If you consider there are major points to be raised, we could try to do this in the Committee of the Whole but I judge that on the major issues of energy and the list of possible constraints to be studied we should not be able to resolve our differences there. I fear that the developing country representatives are acting under personal instructions from the leaders of their delegations and will be unable to give way without their authority. I would prefer therefore not to take the initiative in reopening this question in the Committee of the Whole. If others do so, then of course I would take the opportunity of trying to get improvements in the draft.



5 August 1979

D M D Thomas

Encl

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BRIEF

AUSTRALIAN PROPOSAL FOR A STUDY GROUP ON THE CONSTRAINTS ON STRUCTURAL CHANGE AND GROWTH.

POINTS TO MAKEGENERAL

We understand the idea behind this proposal. The more we can agree about the nature of the constraints and the linkages between them, the better the hope of tackling them successfully.

But infact we know very well what the constraints are. We are all wrestling with them in our own countries. We are a bit sceptical about the help that can be given by a further report on the subject.

Nevertheless, if colleagues think the study is worth undertaking, I would be prepared to join the consensus provided the terms of reference are clear and balanced.

[Points on Particular Paragraphs]Paragraph 1

Sorry to see no reference to under-utilisation of resources. Suggest adding at the end of the penultimate sentence after "for economic growth" -

"and to bring about fuller utilisation of human and material resources".

Paragraph 2

There should surely be a reference here to the problem of energy which is central to all other questions. Suggest adding the following sentence at the end of the paragraph: -

"the imbalance in the supply and demand for energy and increases in the cost of oil have played a major part in these developments".

/Paragraph 4

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Paragraph 4

The last sentence appears to imply that we have been ill-informed and unresponsive. Since the terms of reference refer later on (paragraph 6) to the need for heads of government to be involved, I suggest this sentence should be dropped from paragraph 4. (If Mr Manley persists) I suggest changing the sentence to read:

"for the decision making process to be sufficiently responsive, it will require better information, and involvement at the highest political level".

Paragraph 5

We could accept the following amendments [likely to be suggested by Mr Manley] as a condition for removal of square brackets:

- (i) line 2 the addition of "in depth" before "report";
- (ii) line 3 the addition of "chosen from appropriate disciplines" after "independent experts";
- (iii) line 9 the addition of "which should have a focus" after "report".
- ~~(iv) last two lines amend "inhibiting international flows of official and private capital" to read "inhibiting international flows of financial resources, both official and private, and capital investment".~~

In return, insist on the change suggested below in paragraph 7.

In addition, suggest amending last line and a half to read "inhibiting international flows of financial resources, both official and private, and capital investment."

Paragraph 7

Line 2 amend the phrase "after due consultation" to read "after consultation with member governments".

(If the Secretary General raises the question of additional

finance) it should be possible to finance such a study from the existing resources of the Secretariat. The UK would not be prepared to contribute additional funds for this purpose.

DRAFT: minute/letter/teleletter/despach/note

TYPE: Draft/Final 1+

FROM:

Reference

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

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BACKGROUND AND TACTICS

CAVEAT.....

The idea of a study group came from the Secretary General before the Conference. His suggestion to Mr Fraser was for a study group on a new Marshall Plan for developing countries. But initial soundings by the Australians and members of the Secretariat showed a good deal of resistance to this idea.

In the event, Mr Fraser, in his opening statement on economic issues, proposed a study of appropriate ways of reducing constraints to economic growth. This suggestions was supported in principle by Mr Manley and Mr Clark. But Mr Manley placed the main emphasis in his remarks on structural change and the study he suggested was of "political and diplomatic initiatives needed to deal with specific problems".

A working group met all day on 3 August to hammer out draft terms of reference for a study group. Our objectives were to ensure that:

Enclosures—flag(s).....

(a) it should be a technical group, with members participating in their personal capacities;

(b) any work should be financed from the present budget;

(c) there should be no special ministerial meeting to receive an eventual report: it should be undertaken as a service to Commonwealth governments;

We also aimed to ensure that the terms of reference were balanced and non-prejudicial. In particular, we thought it important that the preambular paragraphs should include a passage underlining the central importance of energy. We also needed to make clear, in any reference to structural adjustment, that this was a process which resulted primarily from market forces responding to shifts in comparative advantage, not from direct action by governments.

These objectives were shared by the Australians and Canadians.

The developing countries, led by Jamaica, Tanzania and Zambia appeared to have three objectives:

(a) to make the group political, rather than technical, and in particular to make it action oriented (ie the study group should make recommendations for action by governments);

(b) to contest the view that a resumption of growth would be sufficient to solve the world's economic problems and to give primary prominence for the need for structural change, to give developing countries a fair ^{or} share of the world's resources and of its decision making process.

(c) to contest the view that energy was a factor of ^{Developing countries regarded} over-riding importance, ~~to the exclusion of~~ other factors (such as protectionism and fluctuations in commodity prices)

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- 3 -

~~which were~~ regarded as more damaging constraints for ~~developing~~ developing countries than the supply and cost of energy.

The discussion in the working group inevitably had strong overtones of the North/South dialogue, with opinion polarizing ^{and} between developed and developing countries. We have always sought to ^{resist} avoid this in ^{the Commonwealth} the Commonwealth, but in this context it was inevitable.

Subject to ^{the} one passage in square brackets in paragraph 5, draft terms of reference were finally agreed by officials ^{and} referendum to heads of Government. Most of our objectives were achieved, but we were not able to get agreement on a form of words in the preamble to bring out the key importance of energy. The Canadians and we made it clear that we thought our heads of government would wish to return to this point when they discussed the terms of reference.

For the rest the terms of reference provide for the Secretary General to commission a report on the factors inhibiting structural change and a sustained improvement in economic growth, in particular in developing countries. The report would assess the importance of and relationship between possible constraints, and identify measures by which countries might act to reduce or eliminate them. It would be available to assist Commonwealth Governments in preparation for the UN Special Session of 1980.

The disagreement about the passage in paragraph 5 ~~was~~ centred on whether an indicative list of possible constraints should be included in the terms of reference (as we and several developing countries thought right) or whether the study group should be asked to look, initially, at a restricted number of key factors such as industrial-

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isation and transfers of resources (as the Jamaicans wanted). A suggested compromise was that the terms of reference should not contain a list, and that the experts should themselves determine which constraints they wished to study.

We could accept either an indicative list or no list at all. But a short list, of the kind suggested by the Jamaicans, would be damaging in two respects:

(a) it would force the Commonwealth firmly into the mould of the North/South dialogue. The issues the Jamaicans suggest are those which are being tackled this year in the UN, both in New York and Geneva. The Jamaican aim is to use the Commonwealth forum (as in the case of the Commonwealth Common Fund Conference) to help achieve the objectives of the group of 77.

(b) it would, in the Jamaican concept be the first of a series of reports on such questions.

Moreover, it would destroy the essence of the Australian idea, which is to look at all the relevant constraints, and the linkages between them.

Over the weekend, Mr Manley and Mr Fraser have discussed the question further and their officials have been in touch. The Jamaicans have agreed to the inclusion of the indicative list subject to three conditions:

(a) they want the report to be described as "in depth". We can accept this.

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- 5 -

(b) they want it specified that the experts should be chosen from appropriate disciplines. We can also accept this provided it is made clear that the Secretary General should consult with member governments before appointing the experts. We would not want him to have an entirely free hand in this, particularly as regards the Chairman and any UK participant.

(c) they want it specified that the report should "have on focus". Whatever this means, we can accept it.

We did not discuss the question of finance in the working group. The Australians and Canadians argued strongly beforehand that if the question of finance was not specifically raised, the Secretariat would be obliged to finance the work of the group within the existing budget. We have nevertheless included passages in the Points to Make for use, should the question be raised.

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*Seen by PM
and Mr. Ramphal
in Lusaka Central
Enter
JG
GJR*

MR CARTLEDGE/MR WHITMORE

The Secretary of State has spoken both to Mr Fraser and one of his aides. Mr Fraser put up only the feeblest pretence that he was not responsible for the leak.

Lord Carrington now thinks that the only way to put matters right is for the Prime Minister to obtain clearance from Mr Ramphal on behalf of the other members of the group that we should explain the text to the UK press, on the strict understanding that this is a draft to be put before the conference tomorrow; and that it is still subject to the approval of the conference.

Lord Carrington thinks that this is the only way through. Otherwise the British press will lead with highly damaging stories about "new elections" under "supervision" with none of the significant detail.

Lord Carrington realises that this would to some extent pre-empt the Prime Minister's press appearance tomorrow. But the story is going to come out in tomorrow morning's press anyway; it is better that it should come out accurately. Moreover, there will be plenty left for the Prime Minister to say.

The matter is clearly urgent: we shall need the approval of the Prime Minister and Mr Ramphal before the press briefing to be given by Mr James tonight: this has now been put back to 7.30pm.

G. G. H. Walden

(G G H Walden)

5 August 1979

PS The text would not be handed over to the press, but the significant portions read to them.

Note from Secretary
General to PM at
Church Service -
original returned.

ABJ^{7/8}



COMMONWEALTH
INTERDENOMINATIONAL
SERVICE OF WORSHIP

Sunday, 5th August, 1979
1800 hours

The Cathedral of the Holy Cross
Lusaka, Zambia

I think it would be better - in
reference to the heads outside the
negotiating group - to hold a brief
meeting of heads at Malcolm's Villa
shortly after they arrive at 7.00 pm.
We can then explain (with the
texts before them) what has
happened - seek their concurrence
in the text - and secure their
permission for immediate release.
We can then get it out - as an
already agreed text - before any
further, even briefings by leaders.
Briefing on a 'draft' is a
recipe for disaster: it will
risk a re-opening of the text on
the basis of the explanations given.

Perhaps we can have a
private word with
'H.K.' before we leave here!

S.

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PP CANBERRA

DAR ES SALAAM

PP NASSAU

CHGM

PP WELLINGTON

PP KAMPALA

PP VICTORIA

PP BRIDGETOWN

Enter na

PP MAURITIUS

8/1

PP VALLETTA

4/1

PP KUALA LUMPUR

PP MOSCOW

PP OTTAWA

GR 1000

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FM LUSAKA 030925Z AUG 79

TO PRIORITY FCO

TELNO 823 OF 3 AUG

INFO PRIORITY CANBERRA, DAR ES SALAAM, NASSAU, WELLINGTON, KAMPALA, VICTORIA, BRIDGETOWN, MAURITIUS, VALLETTA, KUALA LUMPUR, MOSCOW, OTTAWA, INFO SAVING OTHER COMMONWEALTH CAPITALS.

MY TELNO 814: CHGM THIRD SESSION
CONTINUATION OF DISCUSSION OF WORLD POLITICAL SCENE.

1. THE PRIME MINISTER OF AUSTRALIA OPENED WITH A SUBSTANTIAL STATEMENT CONCENTRATING ON THE REFUGEE PROBLEM. HE BEGAN WITH A SURVEY OF THE CHANGES WHICH HAD OCCURRED SINCE HEADS OF GOVERNMENT HAD MET IN LONDON. IN 1977 THE PROSPECTS HAD BEEN REASONABLY GOOD, WITH THE TOKYO ROUND AHEAD, AND BETTER PROSPECTS FOR THE WORLD ECONOMY. BUT POLITICS AND ECONOMICS WERE INTER-RELATED AND WERE NOW COMBINING TO REDUCE GROWTH. COUNTRIES WERE TURNING IN ON THEMSELVES. TENSIONS HAD INCREASED IN SOUTHERN AFRICA, THE MIDDLE EAST, WITH SPECIAL PROBLEMS IN IRAN, AFGHANISTAN AND INDO-CHINA. THE STRATEGIC OUTLOOK WAS GLOOMY.
2. IN SOUTH EAST ASIA, FOLLOWING US WITHDRAWAL FROM VIETNAM, THERE HAD BEEN A DESIRE TO HELP VIETNAM AND BUILD GREATER STABILITY IN THE AREA. THESE HOPES HAD NOW BEEN DASHED. SOVIET INFLUENCE IN THE REGION HAD INCREASED, GIVING VIETNAM SUFFICIENT CONFIDENCE TO ATTACK CAMBODIA. AS A RESULT AID TO VIETNAM HAD BEEN CUT OFF. IN SHORT, WHILE WE HAD TRIED TO TURN OUR BACKS ON THE PAST, OUR REWARD HAD BEEN A RENEWAL OF CONFLICT.
3. TURNING TO THE PROBLEM OF REFUGEES, FRASER SAID THESE WERE A MIXTURE OF VIETNAMESE AND CHINESE. THIS WAS NOT JUST A SINO-VIETNAMESE MATTER. THOSE UNDER GREATEST PRESSURE FROM THE FLOW WERE THE SOUTH EAST ASIAN COUNTRIES AND AUSTRALIA. HE CLAIMED THAT AUSTRALIA HAD ACCEPTED MORE REFUGEES THAN ANY OTHER COUNTRY.

4. FRASER CONCLUDED THAT DESTABILISATION IN SOUTH EAST ASIA HAD BEEN A DELIBERATE ACT OF POLICY. BUT THE FLOW OF REFUGEES WAS ALSO BRINGING VIETNAM SUBSTANTIAL AMOUNTS OF FOREIGN EXCHANGE (IN SUBSEQUENT QUESTIONING, FRASER HAD DIFFICULTY IN EXPLAINING HOW THIS WAS SO.) A RESPONSE WAS NEEDED FROM THE WORLD COMMUNITY, BUT THE PROBLEM WAS TO FIND A SOLUTION AT THE SOURCE, WHICH MEANT CHANGING VIETNAMESE POLICIES. HE WONDERED WHAT PRESSURES COULD BE BROUGHT TO BEAR. THERE SHOULD CERTAINLY BE A TOUGH PASSAGE IN THE COMMUNIQUE BUT HE DOUBTED WHETHER, BEYOND STOPPING AID AND EXERTING MORAL PRESSURE, THERE WAS MUCH ELSE TO BE DONE.

THE PRESIDENT OF KENYA AGREED WITH MR FRASER

5. = 513 043'803,5 9% (3,6- -0433# 285£ .4 %4-'34'S APPROACH BUT RAISED THE PROBLEM OF REFUGEES IN AFRICA. IF VIETNAM WAS ABLE TO TURN HER REFUGEE PROBLEM INTO AN EXPORT INDUSTRY, AFRICAN COUNTRIES MIGHT BE TEMPTED TO DO THE SAME. COLLECTIVE ACTION WAS NEEDED BY THE UNITED NATIONS.

6. THE PRIME MINISTER OF CANADA AGREED WITH FRASER THAT IT WAS NECESSARY TO TRY TO CHANGE VIETNAMESE POLICIES BY CUTTING OFF AID AND USING STRONG LANGUAGE IN BODIES SUCH AS THE COMMONWEALTH. THE PRIME MINISTER OF NEW ZEALAND AGREED IN PRINCIPLE, BUT WARNED AGAINST APPEARING TO ENCOURAGE GOVERNMENTS TO REFUSE TO ALLOW PEOPLE TO LEAVE WHO WISHED TO DO SO. THERE WAS A PARALLEL IN EASTERN EUROPE. THE PRESIDENT OF TANZANIA AGREED WITH PRESIDENT MOI THAT ANYTHING SAID IN THE COMMUNIQUE SHOULD DEAL WITH ALL REFUGEES, NOT SIMPLY THOSE IN ASIA.

7. MRS THATCHER SAID THERE WERE TWO MAIN FACTORS TO BE TAKEN INTO ACCOUNT. FIRST, IT WAS NOT NORMAL PRACTICE TO INTERFERE IN THE INTERNAL AFFAIRS OF OTHER COUNTRIES. THE ONLY OCCASIONS WHEN THIS WAS IN FACT BOTH A RIGHT AND A DUTY WAS WHEN THEIR POLICIES WERE SO REPUGNANT, AND SO MANIFESTLY IN BREACH OF THE UN CONVENTION ON HUMAN RIGHTS AND THE HELSINKI AGREEMENT AS TO REQUIRE CONDEMNATION. SECOND, THERE WAS NO POINT IN TRYING TO BRING PRESSURE ON THE SOVIET UNION. AS MR FRASER WELL KNEW, SHE HAD SOUGHT TO DO THIS HERSELF IN MOSCOW. THE FACT WAS THAT IT PROBABLY SUITED THE SOVIET DESIGN TO SEE THE REGION DESTABILISED. THE RIGHT APPROACH WAS THROUGH HUMAN RIGHTS. IF COUNTRIES WERE RUN PROPERLY, THEIR PEOPLE DID NOT SEEK TO LEAVE. BUT IF THEY WERE NOT AND THERE WERE THOSE WHO DECIDED TO LEAVE, THEN IT WAS INCUMBENT ON THE GOVERNMENT CONCERNED TO TRY TO MANAGE THE EXODUS HUMANELY. SHE THOUGHT THE COMMUNIQUE COULD TACKLE THE QUESTION FROM BOTH DIRECTIONS. ON HUMAN RIGHTS, IT SHOULD BRING OUT THAT IN A HUMANE SOCIETY PEOPLE WHO WISHED SHOULD BE ALLOWED TO LEAVE. BUT THE WHOLE PROBLEM HAD ALSO TO BE RELATED TO THE FACT THAT THE WORLD WAS DIVIDED BASICALLY BETWEEN TWO POLITICAL SYSTEMS. TYRANNIES HAD EXISTED THROUGHOUT HISTORY. THE MODERN VERSION WAS A PARTICULAR TYPE OF COMMUNISM. THE ALTERNATIVE WAS THE FREE DEMOCRATIC SYSTEM UNDER WHICH PEOPLE AND NATIONS WERE ABLE TO BE GOVERNED AS THEY CHOSE.

8. THE PRESIDENT OF TANZANIA DOUBTED THE WISDOM OF CONTRASTING THE TWO SYSTEMS. THE COMMONWEALTH COULD NOT BE ASKED TO SAY THAT COMMUNISM WAS A SYSTEM WHICH INEVITABLY PRODUCED REFUGEES. OTHER SYSTEMS DID TOO. IN AFRICA, FOR EXAMPLE, REFUGEES HAD NOT BEEN THE CONSEQUENCE OF A COMMUNIST SYSTEM. FRASER PROFESSED TO TAKE THIS POINT BUT ARGUED THAT IT WAS A QUESTION OF FINDING THE RIGHT WORDS. THE PRIME MINISTER OF THE SEYCHELLES THOUGHT THAT THE COMMUNIQUE SHOULD TRY TO TACKLE NOT SIMPLY THE EFFECTS BUT THE CAUSES. HIS MAIN CONCERN WAS THE MILITARY BUILD UP IN THE INDIAN OCEAN.

9. THE PRESIDENT OF UGANDA, AFTER EXPRESSING JOY AT HIS COUNTRY'S RETURN AFTER 4 YEARS OF SUSPENSION AND HIS GRATITUDE FOR THE HELP THAT WAS BEING GIVEN BY THE COMMONWEALTH AND BRITAIN, CONCENTRATED ON UGANDA'S CONTINUING NEED FOR HELP IN REBUILDING THE COUNTRY. HE REJECTED CLAIMS THAT TANZANIAN TROOPS WERE THERE TO STAY.

10,000 HAD LEFT ALREADY AND THE REMAINING 26,000 WOULD LEAVE WHEN SECURITY HAD BEEN SUFFICIENTLY RESTORED. THE TANZANIANS WERE BROTHERS. NYERERE SUBSEQUENTLY INTERVENED WITH A VIGOROUS DENIAL THAT TANZANIA SOUGHT TO RETAIN TROOPS IN UGANDA BEYOND THE IMMEDIATE NEEDS OF THE SECURITY SITUATION. THIS WAS A VERY COSTLY BUSINESS FOR HIS COUNTRY. BUT THEY COULD NOT JUST ABANDON UGANDA.

10. TURNING TO OTHER PROBLEMS OF UGANDA, BINAISA SAID THAT THE YOUNGER GENERATION HAD BEEN CORRUPTED BY THE AMIN REGIME AND NEEDED RE-EDUCATING. HIS PRIORITY WAS TO IMPORT ESSENTIAL GOODS TO KEEP THE ECONOMY GOING, AND HE WAS DEEPLY GRATEFUL FOR KENYA'S HELP IN THIS RESPECT. THE ARMY AND THE POLICE NEEDED RESTRAINING AND HE HOPED THAT BRITAIN WERE READY TO HELP WITH THE LATTER. HE WOULD BE READY TO WORK AGAIN FOR EAST AFRICAN UNION.

11. BINAISA WENT ON TO ATTEMPT A SURVEY OF INTERNATIONAL PROBLEMS, INCLUDING SALT, PALESTINE AND BELIZE, FINISHING UP WITH A PROPOSAL FOR A COMMONWEALTH HUMAN RIGHTS COURT. THE ATTEMPT WAS ILL-CONCEIVED, WITH A STRONG ANTI-AMERICAN BIAS.

12. THE PRIME MINISTER OF BARBADOS, AFTER A WARM REFERENCE TO UGANDA, SPOKE MAINLY ABOUT BELIZE (SEE MY TELNO 819) AND WAS SUPPORTED BY THE PRIME MINISTER OF MAURITIUS.

13. THE MALTESE MINISTER OF EDUCATION, THE MALAYSIAN FOREIGN MINISTER, THE PRESIDENT OF BOTSWANA, THE PRIME MINISTER OF THE BAHAMAS, AND IN A BRIEFLY RESUMED SESSION IN THE AFTERNOON, THE PRIME MINISTER OF GUYANA AND THE INDIAN FOREIGN MINISTER, ALSO SPOKE-IN-SEVERAL CASES AT CONSIDERABLE LENGTH - BUT WITHOUT ADDING ANYTHING OF VALUE TO THE DISCUSSION.

14. THE DISCUSSION OF SOUTHERN AFRICAN PROBLEMS BEGINS THIS MORNING.

FCO PLEASE PASS TO SAVING ADDRESSEES.

ALLINSON

NNNN

NOTE OF A CONVERSATION BETWEEN THE FOREIGN AND COMMONWEALTH SECRETARY AND THE
INDIAN FOREIGN MINISTER IN LUSAKA ON FRIDAY 3 AUGUST

Handwritten: Kato
7/8

Present:-

Lord Carrington

Mr Mishra

Mr G G H Walden

Mr Jagat Mehta

1. The conversation began without Mr Mishra, who arrived late. Mr Mehta said that his Foreign Minister had thought Mrs Thatcher's speech on Rhodesia very conciliatory. He asked what lay behind the Nigerians' sudden action against BP. The Secretary of State said that it was probably connected with the imminent handover to civilian government. The Nigerian military wanted to lay down an immutable line on policy towards South Africa. The Nigerians had also supported the Anglo-American proposals, and were disappointed when these had failed. Mr Mehta commented that there was a great contrast between Nigerian actions at that time, when they had helped to arrange the secret meeting between Mr Smith and Mr Nkomo, and the line they had taken today. Lord Carrington said that the Nigerians' statement about the takeover of BP had been entirely untrue and the Nigerians must have known this.

2. When Mr Mishra arrived, the Secretary of State asked him about the internal situation in India, and whether it would lead to changes in Indian foreign policy. After describing the state of the parties, Mr Mishra said that there would be no change in Indian foreign policy and that the strength of the traditional consensus there had been illustrated by his decision to attend the Commonwealth Conference. Mr Mehta added that the greatest problem in Indian foreign policy was that of the possible Pakistani development of a nuclear weapon and the associated question of American supplies of nuclear fuel to India. Lord Carrington asked how worried the Indians were about the Pakistanis. Mr Mehta said that everyone agreed that their nuclear development did not seem to be for peaceful purposes only, though there were differences about whether a nuclear explosion could come in three months or three or four years. The political consequences of any explosion would be serious, including for the Pakistanis themselves. The Indians could have had their own explosion before the Chinese if they had developed their own nuclear programme for non-peaceful purposes. There were problems about Indian signature of the Non-Proliferation Treaty: the Indians were in favour of non-discrimination. Since the Americans had mentioned the possibility of a safeguards agreement between Pakistan and India, public opinion had focussed on the fact that China already had nuclear weapons, and people had begun talking about "nuclear apartheid".

3. The Secretary of State asked whether the Pakistanis were developing an Islamic bomb or a Pakistani bomb. Mr Mehta said that he could not see any integrated Islamic political strategy behind this development. Lord Carrington commented that, if it nevertheless proved to be an Islamic bomb, it would make the Middle East even more unstable. Mr Mehta said that the Pakistanis were in a bad political state, following the Bhutto affair. The economy was also in a bad way. President Zia had inherited the nuclear bomb programme from Mr Bhutto. Given the interest of the military, it was possible he was unable to stop it.

4. Mr Mishra mentioned that he had seen the newspaper reports that Pakistan might rejoin the Commonwealth. He did not comment.

/5.

5. Lord Carrington asked whether Mr Mishra would be going to Havana for the non-aligned summit. Mr Mishra said that he and the Indian Prime Minister would probably go. Lord Carrington said that he hoped the summit would indeed be non-aligned. Cuba's claim to non-alignment made less and less sense. Mr Mehta said that the Cubans distinguished between their role as chairman of the conference and their own views. Mr Mishra said that one could object to their membership of the non-aligned movement but not to their chairmanship once they were members. Lord Carrington said that the Cubans made no secret of the fact that in their view non-alignment meant identification with Soviet foreign policy. He himself found it easier to be aligned.

6. On Rhodesia, Lord Carrington stressed that the UK was on a tight-rope, and that if we were pushed too hard at the Commonwealth Conference we would be accused of having "sold out to the black Commonwealth". This would make it impossible to sell any agreement to Salisbury. Presidents Nyerere and Kaunda understood this.

FOREIGN AND COMMONWEALTH OFFICE

7 August 1979

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PRIME MINISTER'S SPEECH ON SOUTHERN AFRICA

FRIDAY, 3 AUGUST, 1979

LUSAKA

Southern Africa has seldom been far from the forefront of our consideration over the two years since heads of government last met in London. The problems of Southern Africa are of course not limited to Rhodesia.

We have had a helpful contribution from Mr. Clark on Namibia. Our fears and anxieties about Southern Africa itself are unfortunately likely to be with us for a long time.

But I imagine that it is on the question of Rhodesia that my colleagues will wish me to speak; and I therefore propose to confine my own intervention to that subject.

The problem of Rhodesia has hung over the Commonwealth for many years.

The present trouble began in 1965 when the then Rhodesian government made the illegal declaration of independence. This was followed by years in which the efforts of successive British governments to achieve a settlement based on the wishes of a majority of the people of Rhodesia were frustrated, years in which the political rights of the majority were denied. Then came the war which has brought great hardship and suffering both inside Rhodesia and in neighbouring countries.

What began as a struggle between the white minority and the black majority has more recently taken on a very different dimension.

*President
M. M. Nyame
has said*

There is now an African President, an African Prime Minister and an African majority in Parliament.

/There have been

There have been elections in which for the first time the African majority have been able to elect the leaders of the government. There are those who seem to believe that the world should simply go on treating Bishop Muzorewa as if he were Mr. Smith. But the change that has taken place in Rhodesia cannot be dismissed as of no consequence.

It is the British Government's view that we must use the opportunity created by the changes which have taken place in Rhodesia to see if we can now find the solution which has eluded us for so long, and to bring an end to the war.

We owe it to the people of Rhodesia to do all we can, all of us, to help all of them, to resolve their political differences peacefully rather than by force.

I simply do not believe that there is anything now dividing the people of Rhodesia which is worth the use of the bomb and the gun to kill and maim men, women and children by the thousand, or which can justify the misery of the hundreds of thousands in refugee camps.

In the changes that have now taken place we surely have the basis from which to try to develop a solution which will command general international acceptance.

We have already had extensive consultations.
As you know, on the British Government's behalf, Lord Harlech saw the Heads of Government of seven African states and also Mr. Mugabe and representatives of Mr. Nkomo.

Richard Luce saw the governments of a further five African countries. We have also been in touch with all our other Commonwealth friends as well as with our European Community partners and the United States. The consultations we have had so far have been of great value to the Government in helping to identify what the solution should be.

I should like to take this opportunity to thank personally all those Heads of Government here today who have helped us in this way.

/From our consultations

From our consultations certain common factors emerge clearly.

- ① The ~~most significant~~ ^{most significant}, I think, is the view that the constitution under which Bishop Muzorewa has come to power is defective in certain important respects.

I refer of course to the provisions which make it possible for the white minority to block, in the Parliament, constitutional changes that would be unwelcome to them.

This is a valid criticism - such a blocking mechanism has not appeared in any other independence constitution agreed to by the British Parliament. //

The principle that there should be some guaranteed representation for minority communities (during a certain minimum period following the transfer of power on independence) ^{as Prime Minister Muzorewa has reminded us.} is not new - and I think

we all recognise the importance to Rhodesia of encouraging the European minority to remain and to continue to play a useful part in the life of the community.

But that is a very different matter from enabling them to block all ~~progress~~ ^{change}.

- ② The other main criticism of the constitution relating to the composition and powers of the various service commissions is also valid. It is clearly wrong that the government should not have adequate control over ^{senior} senior appointments.

- ③ Those consulted also considered it essential that the search for a solution should involve the present external parties, so that their supporters outside the country might return home in peace and play their full part in political life.

/Finally,

④ ^{Landy} ~~Finally~~, in considering the consultations we have had so far, I have been impressed by the general conviction that any solution of the Rhodesia problem must derive its authority from Britain as the responsible colonial power.

The international community has lost few opportunities to remind us that it is Britain's constitutional responsibility to bring Rhodesia to legal independence on a basis of justice and democracy fully comparable with the arrangements we have made for the independence of other countries.

We accept that responsibility and have every intention of discharging it honourably.

Mr. Chairman, as I mentioned earlier, the consultations we have had with our Commonwealth partners over the last two months, and indeed with many other governments, have been most helpful. We have looked forward to this meeting as an important stage in that process of consultation before we decide our policy and initiate what we all profoundly hope will be the final approach to a solution.

I look forward very much to hearing any further views of colleagues here; but you will have gathered that we think we can begin to see the form that an attempt at a solution ought to take.

/ Let me therefore

Let me therefore, before this debate continues, make certain points about the British position quite clear.

- (i) the British Government are wholly committed to genuine black majority rule in Rhodesia;
- (ii) we accept that it is our constitutional responsibility to grant legal independence on that basis and that only Britain can do it;
- (iii) we accept that our objective must be to establish that independence on the basis of a constitution comparable with the constitutions we have agreed with other countries;
- (iv) we are deeply conscious of the urgent need to bring peace to the people of Rhodesia and her neighbours; we will therefore present our proposals as quickly as possible to all the parties, and at the same time call on them to cease hostilities and move forward with us to a settlement.

Our aim is, as I stated it during our opening session, to bring Rhodesia to legal independence on a basis which the Commonwealth and the international community as a whole will find acceptable.

I believe that we now have a chance to achieve this, and we must take it.

GRS 1700

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TO PRIORITY FCO

TELEGRAM NUMBER 821 OF 3 AUGUST

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MY TELNO 814: CHGM FOURTH SESSION,
WORLD ECONOMIC SITUATION AND PROSPECTS

1. THE PRIME MINISTER OF AUSTRALIA OPENED THE DISCUSSION PM 2 AUGUST WITH A PREPARED STATEMENT, COVERING HIS NOW FAMILIAR THEMES. THE LAST DECADE OF THE CENTURY WOULD BE DOMINATED BY ECONOMIC ISSUES AND THE COMMONWEALTH HAD A BIG PART TO PLAY IN THEM. THE CURRENT ECONOMIC OUTLOOK WAS NOT BRIGHT. INFLATION WAS UNLIKELY TO BE REDUCED. THERE WAS A RISK OF SOCIAL UNREST AND AN URGENT NEED FOR ACTION. ALL ISSUES WERE INTER-RELATED AND THE ECONOMIES OF ALL COUNTRIES, DEVELOPED AND DEVELOPING, WERE INTERDEPENDENT. INDUSTRIALISED COUNTRIES HAD A GREATER RESPONSIBILITY THAN OTHERS TO OVERCOME INFLATION. THE COMMONWEALTH HAD A RIGHT TO CALL ON THEM TO DO MORE. MOREOVER DEVELOPED COUNTRIES MUST REDUCE THEIR CONSUMPTION OF OIL, AND THE OIL PRODUCERS HAD A RESPONSIBILITY FOR CONTINUITY OF SUPPLY AND MAINTENANCE OF REASONABLE PRICES.
2. FRASER WENT ON TO DEVELOP THE LINKS BETWEEN PROTECTIONISM AND INFLATION AND CLAIMED THAT THERE WAS A GREATER RISK OF PROTECTIONISM NOW THAT THE MTNS HAD BEEN CONCLUDED. HE ALSO UNDERLINED THE NEED FOR POSITIVE ADJUSTMENT POLICIES AND CRITICISED THE CONCEPT OF SELECTIVE SAFEGUARDS AND VOLUNTARY RESTRAINT AGREEMENTS.
3. BUT FRASER CONCLUDED THAT IT WOULD BE WRONG TO BE DEFEATIST. AUSTRALIA HAD EXCELLENT RELATIONS WITH HER DEVELOPING COUNTRY NEIGHBOURS. HE BELIEVED THAT THE BENEFITS OF THE FREE MARKET SHOULD NOT BE RESTRICTED TO THOSE WHO HAD ALREADY ARRIVED.
4. FRASER THEN POSED A SERIES OF QUESTIONS ABOUT WHETHER THE REDUCTION OF INFLATION WOULD ALONE GENERATE GROWTH. WERE THERE NOT A WHOLE RANGE OF CONSTRAINTS THAT NEEDED TO BE TACKLED? WAS THERE A WAY IN WHICH RESOURCES COULD BE BETTER DEPLOYED TO PROVIDE DYNAMISM? COULD MONEY SPENT ON SUBSIDIES FIND A MORE PRODUCTIVE USE? COULD WE NOT FIND WAYS TO PROTECT THE ENVIRONMENT WITHOUT FRUSTRATING INVESTMENT AND ENTERPRISE? HOW COULD THE NEWLY INDUSTRIALISED COUNTRIES BE BETTER ACCOMMODATED? HE SUGGESTED THAT THE COMMONWEALTH COULD USEFULLY DRAW ATTENTION TO THESE PROBLEMS AND RAISED THE POSSIBILITY OF ESTABLISHING A STUDY GROUP TO INVESTIGATE AND REPORT ON THEM.
5. THE PRIME MINISTER OF JAMAICA WELCOMED THE VERY USEFUL FRAMEWORK SET OUT BY FRASER. HE LIKED THE IDEA OF A STUDY OF CONSTRAINTS ON GROWTH. THE ECONOMIC ENGINE OF INDUSTRIALISED COUNTRIES HAD RUN OUT OF STEAM. HE SAW TWO GREAT DANGERS FROM THIS. FIRST, THE INDUSTRIALISED COUNTRIES, BECAUSE OF THEIR DIFFICULTIES, WOULD REJECT THE NIEO. SECOND, THE DEVELOPING COUNTRIES MIGHT RETREAT INTO BITTERNESS AND FRUSTRATION. THE ANSWER LAY IN HOW WE UNDERSTOOD INTERDEPENDENCE. IT MEANT MUTUAL ACTION, GLOBALLY PLANNED. ASYMETRICAL INTERDEPENDENCE WAS NOT ACCEPTABLE. AID WAS IMPORTANT BUT IT WAS NO GOOD PUTTING ALL OUR HOPES INTO A LATTER DAY MARSHALL PLAN. THE NIEO HAD BECOME A SYMBOL OF DISAGREEMENT. THE IMPORTANT THING WAS THAT THE SOUTH HAD A CAPACITY FOR PRODUCTIVE POTENTIAL AND THE MAIN QUESTION WAS HOW TO INCREASE IT WITHOUT DAMAGING THE PRODUCTIVE POTENTIAL OF THE NORTH.

6. MANLEY WENT ON TO TOUCH BRIEFLY ON THE COMMON FUND, THE NEED FOR A NEW COMPENSATORY FINANCING MECHANISM FOR EXPORT EARNINGS (● WAS INDIFFERENT WHETHER THIS WAS IN THE IMF OR THE INTEGRATED PROGRAMME FOR COMMODITIES) AND IMF CONDITIONALITY, ALL OF WHICH HE ADDRESSED IN MODERATE TERMS.
7. MANLEY CONCLUDED THAT AN INTERNATIONAL ENERGY INSTITUTE WAS NEEDED TO COPE WITH THE LONGTERM PROBLEMS OF ENERGY. THE WORLD NEEDED AN ENERGY POLICY AND THE QUESTION SHOULD BE LIFTED HIGHER ON THE INTERNATIONAL AGENDA AND INVOLVE HIGH-RANKING MINISTERS.
8. THE PRESIDENT OF BANGLADESH, IN A BRIEF INTERVENTION, SPOKE MAINLY ABOUT THE PROBLEMS OF FOOD PRODUCTION AND SECURITY IN FOOD DEFICIT COUNTRIES. HE SUGGESTED THAT THE COMMONWEALTH SHOULD DEVELOP A FOOD SECURITY SYSTEM. THIS PROPOSAL WAS REFERRED TO THE COMMITTEE OF THE WHOLE FOR FURTHER STUDY.
9. THE PRIME MINISTER THEN SPOKE AT THE CHAIRMAN'S INVITATION. SHE SAID THAT EACH QUARTER CENTURY THE PICTURE CHANGED. AFTER THE WAR WE HAD ALL BEEN LOOKING FOR EXPANSION AND FULL EMPLOYMENT. THE POLICIES OF GROWTH HAD BEEN SO SUCCESSFUL THAT WE BELIEVED GROWTH WOULD GO ON FOREVER. BUT CONSTRAINTS HAD THEN ARISEN. THE ENERGY CONSTRAINTS HAD BEEN VISIBLE EVEN BEFORE THE OIL CRISIS BUT THE DANGERS HAD BEEN IGNORED. ANOTHER MAJOR CONSTRAINT HAD BEEN INFLATION. AT 3% THIS HAD NOT BEEN REGARDED AS SERIOUS AND THE SUCCESS OF GROWTH POLICIES HAD MADE PEOPLE EXPECT HIGH STANDARDS OF LIVING WHETHER THEY EARNED THEM OR NOT. THIS HAD CAUSED A WORSENING OF INFLATION AND THE OIL CRISES HAD COMPOUNDED THE RESULTING ECONOMIC AND SOCIAL PROBLEMS. BUT THE BASIC CAUSE WAS AS ALWAYS POLITICAL. STEPS SHOULD HAVE BEEN TAKEN TO DEAL WITH THE PROBLEMS OF ENERGY BEFORE THE YOM KIPPUR WAR, BUT THEY WERE NOT.
10. THESE DEVELOPMENTS GAVE US ALL PROBLEMS. BUT DEVELOPING COUNTRIES SUFFERED THE MOST SERIOUS DAMAGE. THERE WAS NOT ONLY THE DIRECT SHORTAGE OF OIL. THERE WAS ALSO THE PROBLEM THAT THE RICHER COUNTRIES FOUND IT HARDER TO GIVE THEM AID AND TO KEEP THEIR MARKETS EXPANDING. MOREOVER IT WAS WRONG THAT SUCH A LARGE PROPORTION OF OIL, COAL AND GAS SHOULD BE CONSUMED AS FUEL. THESE SHOULD BE USED FOR OTHER PURPOSES SUCH AS CHEMICAL FEED STOCKS.
11. THE PRIME MINISTER WENT ON TO SAY THAT THE OIL PRICE INCREASES OF 1973/74 HAD BEEN ABSORBED SURPRISINGLY WELL BY THE INTERNATIONAL BANKING SYSTEM. THE RESULTING SURPLUSES HAD BEEN RECYCLED TO THE COUNTRIES, DEVELOPED AND DEVELOPING, BUT NOT ENOUGH TO THE LATTER. THE INTERNATIONAL FINANCIAL MECHANISMS HAD NOT FAILED. BUT ALTHOUGH THE WAY THE WORLD HAD RIDDEN THE EARLIER STORM, IT WAS HARDER TO RIDE THE PRESENT ONE. WE HAD TO FACE THE FACT THAT WE WERE ALL VULNERABLE TO OIL PRICE RISES WHICH OCCURRED FOR POLITICAL REASONS.

12. THERE WERE BOTH SHORT AND LONG TERM PROBLEMS. THE SHORT TERM PROBLEM WAS TO TRY TO BRING SUPPLY AND DEMAND INTO BETTER BALANCE. THAT WAS WHY THE PARTICIPANTS AT THE TOKYO SUMMIT HAD AGREED TO RESTRICT DEMAND. THIS HAD TO BE DONE MAINLY THROUGH THE PRICE MECHANISM. EVEN A 5% CUT BACK WOULD MEAN A SERIOUS SHORTAGE. THERE WOULD ALSO BE AN ATTEMPT TO SWITCH FROM OIL TO COAL AND GAS AND TO FIND MORE EFFECTIVE WAYS OF CONSERVING ENERGY. BUT IN THE LONGER TERM, THE PROBLEMS COULD ONLY BE SOLVED BY FINDING NEW AND RENEWABLE SOURCES. SUPPLIES OF OIL WOULD NOT LAST FOREVER. THE IRONY WAS THAT HIGHER PRICES WOULD LEAD TO THE MORE RAPID DEVELOPMENT OF NEW SOURCES OF CONVENTIONAL FUELS AND HENCE TO THEIR MORE RAPID DEPLETION. SOME ADDITIONAL ENERGY COULD BE OBTAINED FROM EXPLOITATION OF SOLAR ENERGY, WIND AND WATER. BUT THESE WOULD NOT PROVIDE ENOUGH ADDITIONAL ENERGY IN TIME TO MEET THE WORLD'S NEEDS. THE ONLY WAY OF ACHIEVING THIS WAS THROUGH THE DEVELOPMENT OF NUCLEAR FUELS. PEOPLE WERE UNDERSTANDABLY FRIGHTENED OF THE POSSIBLE RISKS. BUT WE HAD TO REMEMBER THAT NOT ONE LIFE HAD YET BEEN LOST AS A RESULT OF THE USE OF NUCLEAR ENERGY. THE SAME COULD NOT BE SAID OF OTHER FUELS.

13. TOUCHING ON THE NEED FOR INTERNATIONAL CONSULTATIONS, THE PRIME MINISTER SUGGESTED THAT THE WAY TO APPROACH THIS WAS PERHAPS THROUGH BUILDING ON THE IEA.

14. TURNING TO THE PROBLEMS OF INFLATION, MRS THATCHER SAID THAT THE SURGE OF INFLATION IN RECENT YEARS WOULD NOT HAVE OCCURED IF GOVERNMENTS HAD NOT PROMISED MORE THAN WAS SUPPORTED BY THE LEVEL OF WORK. NO FINANCIAL MECHANISM COULD GET ROUND THAT. SHE RECOGNISED THAT INDUSTRIALISED COUNTRIES HAD TO ACCEPT THE MAJOR RESPONSIBILITY FOR CONTROLLING INFLATION. MR FRASER HAD SAID THAT THE TWO COUNTRIES FIGHTING INFLATION HAD NOW BEEN JOINED BY A THIRD. HE CONFIRMED IN REPLY TO HER QUESTION THAT HE HAD BEEN REFERRING TO THE UK. IT WAS IMPORTANT TO UNDERSTAND THE INTER-RELATIONSHIP BETWEEN ENERGY AND INFLATION. AFTER THE 1973/74 OIL CRISIS, SOME COUNTRIES HAD NOT ACCEPTED THE INEVITABLE CONSEQUENT CUT-BACKS IN STANDARDS OF LIVING. AT THE TOKYO SUMMIT IT HAD BEEN AGREED NOT TO FOLLOW THAT PATH AGAIN. IF THERE WAS A DISPROPORTIONATE INCREASE IN THE COST OF ONE COMMODITY, WAYS HAD TO BE FOUND OF SPENDING LESS ON OTHERS, UNLESS NEW WEALTH WAS CREATED. THE PRIME MINISTER EMPHASISED THAT UNLESS INFLATION COULD BE CONQUERED, INVESTMENT WOULD FALL AND THERE COULD BE NO RESUMPTION OF REAL GROWTH. NEVERTHELESS, THE PRESENT SITUATION WAS BETTER THAN DURING THE INTER-WAR YEARS. TECHNOLOGY HAD BROUGHT NEW POSSIBILITIES WITHIN OUR GRASP. HONG KONG WAS AN EXAMPLE OF A SYSTEM WHICH ALLOWED FULL SCOPE TO HUMAN INGENUITY AND SPIRIT. ITS EXPERIENCE ILLUSTRATED THE CAPACITY FOR GROWTH FROM ORDINARY MEN AND WOMEN EXERCISING THEIR INGENUITY AND BUSINESS SKILL; AND FROM LARGE INDUSTRIES WORKING EFFICIENTLY. MOST PROBLEMS WERE MAN MADE AND COULD BE SOLVED BY MAN, NOT BY MECHANISMS, PROVIDED WE WERE PREPARED TO GIVE SCOPE FOR HARD WORK AND INGENUITY.

THE PRIME MINISTER CONCLUDED THAT WHEN THE UNITED KINGDOM ECONOMY WAS STRONGER, BRITISH COMPANIES WOULD BE BETTER ABLE TO INCREASE THEIR INVESTMENT OVERSEAS. SHE REFERRED TO THE RECENT RELAXATION OF EXCHANGE CONTROLS AS GIVING ENCOURAGEMENT TO THIS. IF FOREIGN ENTERPRISES WERE NATIONALISED, THE INCENTIVE TO INVEST WOULD BE REMOVED. MOREOVER, INCREASED GROWTH WOULD MAKE IT POSSIBLE TO PROVIDE MORE AID. TOGETHER IF WE ALL PURSUED SOUND FINANCIAL POLICIES, WE COULD GET THE WORLD ECONOMY EXPANDING AGAIN.

THE NEW ZEALAND PRIME MINISTER WAS MORE PESSIMISTIC. HE CRITICISED THE 5% CUT-BACKS IN PLANNED OIL CONSUMPTION AS INADEQUATE AND SUPPORTED THE JAMAICAN PRIME MINISTER IN HIS CRITICISM OF THE IMF. HE DESCRIBED THE MTN AS TOTALLY DISAPPOINTING, UNFAIR TO DEVELOPING COUNTRIES AND UNFAIR TO AGRICULTURAL PRODUCERS. HE THOUGHT THE OIL PRICE WOULD DOUBLE AGAIN IN A YEAR. THIS WOULD DESTROY THE OIL PRODUCERS MARKETS AND THEIR INSTITUTIONS. HE ALSO CRITICISED THE ECONOMIC POLICIES OF THE USA. WHAT WAS NEEDED WAS POLITICAL WILL, WHICH BRITAIN CLEARLY POSSESSED. HE GAVE NO SUPPORT TO THE IDEA OF BUILDING ON THE IAEA. CONFERENCES DID NOT SOLVE PROBLEMS, THEY LED TO PARALYSIS BY ANALYSIS.

17. THE PRESIDENT OF TANZANIA, IN A BRIEF INTERVENTION, RECALLED THAT IF THE POST-WAR PERIOD HAD BEEN ONE OF GROWTH, THIS HAD NOT BEEN SHARED BY DEVELOPING COUNTRIES. NOW THEY HAD CAPACITY FOR GROWTH. THE OIL PRICE INCREASE WAS MERELY AN ADDITIONAL PROBLEM FOR THEM. HE COULD NOT RAISE THE PRICE OF FOOD STUFFS TO COMPENSATE FOR THE INCREASED PRICE OF OIL AND MACHINERY, BUT HE UNDERSTOOD WHY THE OIL PRODUCERS WERE NOT PREPARED TO SELL THEIR NON-RENEWABLE RESOURCES CHEAP. POOR COUNTRIES WERE FORCED TO PROMISE A HIGHER STANDARD OF LIVING. RICH COUNTRIES MUST STOP DOING SO. ELSEWHERE, PEOPLE WERE TALKING ABOUT A SECOND CAR. IN TANZANIA PEOPLE NEEDED A SECOND MEAL.

18. THE PRIME MINISTER OF CANADA SPOKE VERY BRIEFLY TO SUPPORT FRASER'S SUGGESTION OF A STUDY OF CONSTRAINTS ON GROWTH. HE THOUGHT THE RESULTS SHOULD BE AVAILABLE BEFORE THE UN SPECIAL SESSION IN 1980 AND SUGGESTED THAT THE COMMITTEE OF THE WHOLE SHOULD BE ASKED TO DRAFT TERMS OF REFERENCE.

FCO PLEASE PASS TO SAVING ADDRESSEES.

ALLINSON

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Mr Cartledge - *Cartledge* *3/8*

THE SECRETARY OF STATE'S BILATERAL MEETING WITH MISS FLORA MACDONALD MP

1. Lord Carrington saw Miss MacDonald after the Prime Minister's lunch today:

(a) Rhodesia

Miss MacDonald said that the Canadians were worried about the UK being isolated, and did not want to be isolated with us. However, they would like to be helpful, though in a different way from the Australians; in Miss MacDonald's view, Mr Fraser had leaned too far towards the Africans in his speech yesterday. Canadian public opinion could not accept the present Rhodesian Government, but would be much more ready to do so if there were changes to the Constitution and if Mr Smith were to go. Lord Carrington said that it would be helpful if the Canadians could do whatever possible to restrain the more excitable Commonwealth leaders. He told Miss MacDonald in strict confidence that we were indeed unhappy about aspects of the Constitution, and would probably be making proposals in the next few weeks. Miss MacDonald undertook to keep this for Mr Clark's ears only.

(b) Australian Resolution on Racialism

Miss MacDonald said that the Canadians had asked the Australians to co-sponsor this resolution. They were reluctant to do this since they thought it added nothing new to UN pronouncements on racialism; and because they suspected it was simply another Australian attempt to ingratiate themselves with the Third World. Lord Carrington said that the Australians had not even tried to get us to co-sponsor the resolution.

(c) Namibia

Miss MacDonald said that the Canadians had been asked to introduce the Namibian discussions during the debate on Southern Africa tomorrow.

G G H Walden

(G G H Walden)
Private Secretary

2 August 1979

cc: PS
PUS
Sir A Duff
Mr Thomas
Mr Fenn
Mr Barltrop

Sir A Duff
 cc: Mr Cartledge ✓
 Private Secretary
 Sir John Hunt
 FUS
 Mr Thomas
 Mr Fenn
 Mr Dewar

COMMITTEE OF THE WHOLE, THURSDAY 2 AUGUST

1. You may like to know the results of the deliberations in the Committee of the Whole today:

Commonwealth Foundation

the prospects of
 There was a consensus in support of the proposal by the Chairman and Trustees for increasing the foundation budget to £1.1 million (with expanded areas of operation). In view of the uncertainty about this money actually being found, it was agreed that this figure should be regarded as a target, with £900,000 being the most that they are likely to be able to find in the current financial year; it was hoped however that the higher figure might be achieved next year.

I sought to inject some realism into the discussions about the prospects of Commonwealth countries coming anywhere near the £1.1 million target in the near future; but on this, as with the other items (see below), the developing countries as a whole were all too ready to agree to proposals entailing higher expenditure without taking sufficient account of the likelihood of the funds being found.

Relations between the official and the unofficial Commonwealth

The recommendations of the Advisory Committee were accepted except for:

- a) the proposal for establishing a special NGO 'desk' in the Commonwealth Secretariat; and
- b) the recommendation that Governments should consider including NGO representatives in their Delegations to Ministerial Conferences.

On the first point it was agreed that the Commonwealth Secretary-General would instead be asked to see what he could achieve on the existing budget and with his existing staff, and to report to the 1980 Commonwealth Senior Officials meeting.

There was thus some financial restraint on this item - although I suspect that for a good proportion of developing countries a reluctance to give too much encouragement to NGO's was a more influential factor.

/Women and Development

Women and Development

The recommendations in the Secretariat paper were all accepted, including that for the appointment of an Adviser on Women and Development (with two supporting staff) within the Commonwealth Secretariat. My suggestion that the Adviser might be able to manage with one supporting staff rather than two fell on stony ground.

Commonwealth Youth Programme

The recommended target of a budget for £1 million per annum in 1980/82 was accepted; together however with a Ghanaian proposal that an assessment might be carried out to give member Governments guidelines as to what might be appropriate levels of contribution for them (at present most of the burden is borne by a handful of member countries).

2. The above conclusions will of course constitute recommendations to the Heads of Government.

3. The Committee of the Whole is to continue tomorrow morning with the remaining remitted subjects, viz the Gambian proposal for a Commonwealth Commission on Human Rights; the Cyprus proposal for a Commonwealth Film and Television Institute; the Australian proposals on the media and resolutions of Commonwealth Health Ministers and Youth Leaders. The aim is to finish off all this tomorrow, with a view to starting work on the initial passages of the draft communique on Saturday morning.

Roger Barltrop

2 August 1979

RAR BARLTROP



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By
2/8

PRIME MINISTER
of Australia

FOR MEDIA

SPEECH FOR CHOGM OPENING SESSION

I am honoured to have been invited to reply to your speech of welcome, Mr. President. On behalf of us all, I would like to thank you for your warm welcome and your gracious hospitality. I would also like to thank Sonny Ramphal and his Secretariat for their dedicated work in preparing for this Conference.

This is an historic occasion. It is the first time that a regular Commonwealth Heads of Government Meeting has been held in Africa. You, Mr. President, have been firm in your resolve that, whatever the difficulties, this Conference should be held in Zambia - a member country which occupies a front line position in southern African affairs, which has suffered greatly because of the problems of the region, and which has much to contribute to the resolution of those problems.

Mr. President, I believe you to be right in your conviction that the logic of the Commonwealth's history and character required that this Conference be held in southern Africa. The Commonwealth as it is represented here is the product of a movement which has swept the world over the last thirty years, converting colonies into independent countries and establishing political equality between peoples, irrespective of race and colour. Mr. President, in terms of that major transformation in global affairs, there is still unfinished business to be attended to in southern Africa and time is running out. As the process began in the Commonwealth, as the Commonwealth has both contributed to and reflected its course, it is appropriate - and indeed essential ; that we should establish the relevance of this institution by concerning ourselves with its completion.

The issues involved in southern Africa, and in particular in Zimbabwe, are enormously complex ones. They present different member states with different problems, both domestic and international. But I believe that as we deliberate in this Conference we should keep three things firmly in mind.

First, it is vital that we recognise and build on the substantial areas of agreement which exist among us on this issue, that we not be dominated by negative aspects. No one at this meeting believes that a settlement is compatible with a constitutional situation in Salisbury, which is tainted in any way with racialism. We are all in favour of majority rule - true majority rule which takes account of all the parties concerned and which is reflected not only in elections but in the underlying structure of power and authority.

No one wants a solution through slaughter and bloodshed, both because it will produce untold suffering to innocent people and because it will breed new hatreds. Everyone wants to see outside interference in the region diminish, not grow. No one wants to see the Commonwealth damaged. It is imperative that as we enter the thickets of technicalities and controversies, we do not allow them to obscure these basic points. Formidable as the differences on some issues are, I believe that, as far as those of us present at this meeting are concerned, they are differences about means and timing, not about ends. We must not allow means to dominate ends.

Mr. President, I would like to elaborate briefly on one of these elements of agreement. The essential cause of the grave situation in southern Africa is racialism, the belief that one race is superior to another and therefore enjoys a natural right to dominate, exploit and discriminate against others. This is a belief that all here categorically reject. All oppression is repugnant, but there is an obscenity about oppression based on no more than the colour of a person's skin. You, Mr. President, were the guiding hand behind the Declaration of Commonwealth principles made by the Heads of Government Meeting in Singapore in 1971, when members recognised racial prejudice as a dangerous sickness and racial discrimination as an unmitigated evil. It is not only appropriate but imperative that at this time, in this place, we should solemnly reaffirm our adherence to that Declaration.

The second thing we should keep in mind is that, whatever else it has done and whatever one might think about particular aspects of it, the recent election has created conditions for movement. But in itself, the election settles nothing - let there be no doubt about that. It has however, brought about a different situation. It has created new facts and disturbed a stalemate. There have been significant constitutional changes, and it is clear that before agreement is reached, and the essential acceptance of that agreement by a number of African states is achieved, there will have to be further changes. As to what happens next, that is not in the lap of the gods. It is, to a very large extent, in our laps. Much depends on whether we can seize, and seize with determination and vision, the opportunity provided by the comparative fluidity which now exists, in order to advance towards a settlement. Time is running out and we may not have such an opportunity again.

Thirdly, Mr. President, I think it is clear that if a non-violent solution to the problem of Zimbabwe is to be found it will involve flexibility on all sides - flexibility not about the objective of a non-racialist society, but concerning the process of arriving at that objective and the individual interests of the principals. Compromise and moderation should be seen not merely in terms of establishing a bridge between different positions. They should be seen as positive values in their own right - the essential values both of democratic politics and of peaceful relationships between states which are simultaneously sovereign and interdependent. There is an urgent need to rally and invigorate the forces of moderation and reasonableness in international affairs. We should advocate and proclaim moderation not apologetically and out of expediency, but confidently - even passionately - as a matter of fundamental principle. If we do so, the bridges are likely to emerge of their own accord.

Mr. President and fellow delegates, it is our solemn duty at this meeting to contribute positively to the search for comprehensive, equitable and peaceful solutions to the problems of this region. At the end of the day it is vital that we will have reached agreement among ourselves which will enable constructive negotiation and consultation to proceed.

Mr. President, inevitably the problems of southern Africa will occupy the central place in this Conference. But there is much else that is urgent on our agenda.

If a major theme of the last quarter century has been the ending of colonialism, the remainder of this century is likely to be increasingly preoccupied with economic problems. We have already demonstrated the scope for Commonwealth action on economic matters by the initiative we took on the Common Fund at the last Heads of Government Meeting. I believe that the Commonwealth can legitimately claim considerable credit for the fact that the Common Fund proposal represents one of the few areas in which real progress has been made since then.

We must all view with grave concern assessments that there is little likelihood of an improvement in the slow growth in international economic activity and international trade that has been experienced since 1973.

What these assessments imply is that there has been a serious deterioration in the prospects for reducing poverty and raising living standards in developing countries.

I believe that a prerequisite to remedying this outlook must be to deal with the dual scourges of inflation and protection.

These are interconnected problems whose solution lies primarily in the hands of powerful developed states. There is also an urgent need to ensure that inadequate supplies of oil do not act as a constraint on economic growth or endanger the interdependent economic system which has the potential to provide great mutual benefits.

The issues are complex and I shall not dwell on them further now except to say that I believe the time has come for a new and bold approach to get the world economy moving at a faster rate and to ensure that all participants have equal opportunities to share in the benefits.

A strong and determined effort will be needed, involving attention and consideration by world leaders. If we appeal to the concept of interdependence, we must mean what we say and all play a part according to our ability.

Another issue which in one way or another touches most of us is that of refugees. Mr. President, I know that your country - and many of our other African members - have had to cope with this and with the attendant tragic problems of divided families, temporary arrangements which tend to become permanent, international indifference and consequent pressure on all too scarce resources. The problem is now assuming crisis proportions in our own part of the world - as a result not only of the inevitable disruption resulting from conflict but of a deliberately pursued policy which, again, has a racist component. We must address ourselves to it. Humanity requires us to come to the aid of the victims of such action. But humanity and realism also demand that the international community attack the problem at its source, that we mobilise pressure to end the policies of persecution and expulsion which result in mass exodus.

I have touched on a number of the central issues confronting this Conference. But in concluding I urge that in dealing with major global and regional problems, we take care not to neglect some of the less dramatic ones. In particular, let us bear in mind the special and often pressing problems faced by small states, remembering that there is a significant and growing number of such states among our members.

Mr. President, I believe, as I think you do, that this meeting will be a crucial one for the Commonwealth. Rarely, if ever, have we gathered to address problems of such magnitude and urgency. Rarely have we had the eyes of the international community so firmly on us. And rarely, have we had as great an opportunity to demonstrate the value of this institution by making a positive contribution to world order.

If we rise to the occasion, if, under your leadership, we set aside sectional and short-term considerations and show the statesmanship, wisdom and resolution which the circumstances demand, we have it within our means to contribute to peace in Africa and to establish beyond doubt that the Commonwealth is going to be a key institution in the last decades of this century. If we speak to each other and with each other, instead of at each other or past each other, in a week's time we will emerge a stronger and more relevant body.

Mr. President, let that be our determination.

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TO IMMEDIATE LUSAKA

TELEGRAM NUMBER 596 OF 1 AUGUST

AND TO UKDEL IMF/IBRD WASHINGTON

INFO UKMIS GENEVA

SAVING TO FOR INFO UKDEL OECD, UKMIS NEW YORK, UKREP BRUSSELS

FOR THOMAS: YOUR TEL NO 801 (NOT TO ALL) CHGM:

POSSIBLE WORKING GROUP ON MARSHALL PLAN FOR DEVELOPING COUNTRIES

1. WE AGREE THAT THIS IS A MOST UNATTRACTIVE IDEA, BUT THAT IT MAY BE DIFFICULT TO HEAD OFF. TACTICALLY THE RIGHT APPROACH MAY BE TO ARGUE FIRST THAT SUCH A STUDY IS SUPERFLUOUS (AT LEAST AT THIS STAGE) AND SECOND TO CAST DOUBT ON THE ECONOMIC VALIDITY OF THE PARALLEL WITH THE ORIGINAL MARSHALL PLAN CONCEPT. IF WE HAVE TO ACCEPT A WORKING GROUP, THEN WE SHOULD WISH TO QUOTE PRECEDENTS TO STEER TOWARDS A STUDY OF THE KIND YOU SUGGEST (YOUR PARAGRAPH 6) WITH MEMBERS SPEAKING FOR THEMSELVES NOT THEIR GOVERNMENTS. IN PRACTICE IT WOULD PROBABLY BE DIFFICULT TO AVOID COLLECTIVE CONSIDERATION OF THE REPORT AT SOME POINT, THOUGH THERE MAY BE SCOPE FOR ARGUING THAT SENIOR OFFICIALS SHOULD DO THIS SINCE THE COMMONWEALTH FINANCE MINISTERS MEETING IN 1980 IS TOO LATE IF THE REPORT IS TO BE RELEVANT TO, FOR EXAMPLE, WORK ON THE IDS.

CURRENT WORK ELSEWHERE

2. THE UN SECRETARY GENERAL WAS CALLED UPON BY THE GENERAL ASSEMBLY IN RESOLUTION 33/136 ON THE ACCELERATION OF THE TRANSFER OF REAL RESOURCES TO DEVELOPING COUNTRIES TO -

'UNDERTAKE CONSULTATIONS WITH A VIEW TO APPRAISING THE CONCEPT OF A SUBSTANTIALLY INCREASED TRANSFER OF RESOURCES, INCLUDING POTENTIAL MECHANISMS FOR SUCH TRANSFERS, AND TO REPORT THEREON TO THE GENERAL ASSEMBLY AT ITS THIRTY-FOURTH SESSION, TAKING FULLY INTO ACCOUNT THE RESULTS OF NEGOTIATIONS TO BE HELD BY THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT AT ITS FIFTH SESSION, AS WELL AS ANY FURTHER NEGOTIATIONS ON THE SUBJECT IN THE COMMITTEE OF THE WHOLE'.

RESOLUTION 129(V) OF UNCTAD DREW ATTENTION TO THIS WORK.

3. THE DEVELOPMENT COMMITTEE IS TO MEET ON 30 SEPTEMBER AND CONSIDER FIRST THE QUESTION OF FINANCIAL FLOWS TO DEVELOPING COUNTRIES AND THE ADJUSTMENT PROCESS. THE FUND BOARD HAS ALREADY MET ON 18 AND 25 JULY TO DISCUSS A JOINT IMF/WORLD BANK STAFF STUDY ON THIS QUESTION, AND A FINAL DISCUSSION WAS SCHEDULED FOR TODAY, 1 AUGUST. THOUGH THERE WAS INITIALLY WIDESPREAD CRITICISM OF THE FORM OF THE REPORT WITH A GENERAL FEELING THAT THE ROLE OF THE COMMERCIAL BANKS WAS UNDERPLAYED, THE STUDY DOES COVER THE WHOLE FIELD IN GREAT DETAIL. WE SUGGEST THAT UKDEL IMF/IBRD COULD NOW TELEGRAPH BRIEF REPORTS ON THESE MOST RECENT MEETINGS TO YOU AS WELL AS TO THE FCO.

4. THE UNCTAD V RESOLUTION ON AID, PRIVATE FLOWS AND THE MASSIVE TRANSFER OF RESOURCES ASKED THE UN SECRETARY-GENERAL TO EXAMINE THE RANGE OF POSSIBLE IDEAS FOR INCREASING FINANCIAL FLOWS TO THE THIRD WORLD, DRAWING LARGELY ON PRIVATE CAPITAL MARKETS.

5. THE BRANDT COMMISSION WILL REPORT AT THE BEGINNING OF NEXT YEAR AND WILL DOUBTLESS HAVE RECOMMENDATIONS IN THIS GENERAL AREA.

6. IT IS REASONABLE TO SUGGEST THAN ANY COMMONWEALTH CONTRIBUTION TO THIS GENERAL AREA SHOULD AT LEAST WAIT UPON THE OUTCOME OF THESE DISCUSSIONS AND REPORTS AND POSSIBLY TOO UPON THE GENERAL ASSEMBLY'S OWN CONSIDERATION OF THE SECRETARY-GENERAL'S REPORT.

Prime Minister

Prime Minister

GRS
3/8

7. AS REGARDS INTERNAL WESTERN WORK IN THIS AREA, YOU COULD POINT OUT TO THE AUSTRALIANS IN PARTICULAR, BUT NOT TO DEVELOPING COUNTRY COMMONWEALTH MEMBERS, THAT THE OECD SECRETARIAT HAVE A PROGRAMME OF WORK FOR DAC WHICH AMOUNTS TO A SURVEY OF THE WHOLE RESOURCE TRANSFERS FIELD. A SPECIAL MEETING OF DAC IS PLANNED FOR 26 SEPTEMBER JUST BEFORE THE DEVELOPMENT COMMITTEE MEETING.

ECONOMIC DIFFICULTIES

8. THE FUNDAMENTAL ASSUMPTION MUST BE THAT THERE ARE UNUSED FINANCIAL RESOURCES, PRIMARILY IN THE WEST, WHICH SHOULD BE TRANSFERRED TO THE DEVELOPING COUNTRIES. IN FACT, IN PRESENT ECONOMIC CIRCUMSTANCES SUCH RESOURCES ARE MAINLY CONFINED TO THE SURPLUS COUNTRIES WHICH, IN THE NEXT FEW YEARS, CONSIST VERY LARGELY OF MEMBERS OF OPEC. THE BANKS HAVE PROVIDED THE MAJOR MECHANISM FOR RECYCLING OPEC SURPLUSES, BUT CONCERN IS INCREASINGLY BEING EXPRESSED AT THE EXTENT OF COMMERCIAL BANKING EXPOSURE IN DEVELOPING COUNTRIES. STEPPED-UP CO-FINANCING OFFERS SOME ENCOURAGEMENT FOR ADDITIONAL INVESTMENT IN LDCS BUT THERE ARE LIMITS TO THE POSSIBLE RATES OF INCREASE. WE SUSPECT THAT A NUMBER OF DEVELOPING COUNTRY REPRESENTATIVES MAY THEMSELVES BE PRIVATELY UNCONVINCED OF THE ARGUMENTS THAT INVESTMENT IN DEVELOPING COUNTRIES COULD BE USEFULLY COUNTER-CYCLICAL. THIS IS CERTAINLY TRUE OF JAYWARDENE HIMSELF.

PRECEDENTS

9. THE KINGSTON CHGM IN MAY 1975 INVITED A GROUP OF TEN EXPERTS FROM MEMBER COUNTRIES TO PROPOSE PRACTICAL MEASURES DIRECTED AT CLOSING THE GAP BETWEEN RICH AND POOR COUNTRIES. THE INTERIM REPORT 'TOWARDS A NEW INTERNATIONAL ECONOMIC ORDER' PREPARED UNDER THE CHAIRMANSHIP OF MR MCINTYRE WAS GIVEN GENERAL ENDORSEMENT BY COMMONWEALTH FINANCE MINISTERS IN GEORGETOWN IN AUGUST 1975 AND WAS THEN MADE AVAILABLE TO THE INTERNATIONAL COMMUNITY IN THE CONTEXT OF THE SEVENTH SPECIAL SESSION OF THE GENERAL ASSEMBLY. IT WAS EMPHASISED THAT THE REPORT WAS PREPARED BY MEMBERS IN THEIR PERSONAL CAPACITIES, AND THAT IT DID NOT IMPLY THAT IT NECESSARILY REPRESENTED THE VIEWS OF COMMONWEALTH GOVERNMENTS OR COMMIT THEM INDIVIDUALLY OR COLLECTIVELY TO ITS RECOMMENDATIONS.

10. THE REPORT OF THE COMMONWEALTH TEAM OF INDUSTRIAL SPECIALISTS, ESTABLISHED IN NOVEMBER 1976 UNDER THE CHAIRMANSHIP OF MR JHA, WAS SIMILARLY PREPARED BY THE MEMBERS IN THEIR PERSONAL CAPACITIES AND DID NOT COMMIT GOVERNMENTS IN ANY WAY. IT WAS SUBSEQUENTLY GIVEN A MINISTERIAL STAMP AT THE MEETING IN BANGALORE.

CARRINGTON

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PRIME MINISTER'S STATEMENT
AT OPENING SESSION OF
COMMONWEALTH HEADS OF GOVERNMENT MEETING
LUSAKA, WEDNESDAY 1 AUGUST 1979

Mr. Chairman, ~~Fellow Heads of Government, Mr. Secretary-General,~~ ^{Colleague} (it is
an honour to speak at this opening session.

And it is a particular pleasure, Mr. President, to meet
here in Zambia under your chairmanship.

You yourself have for many years played a notable role in
Commonwealth affairs.

Your country is deeply involved in some of the most difficult
problems the Commonwealth faces today.

I look forward to interesting and useful days in Lusaka, and,
Mr. Chairman, to enjoying your generous hospitality.

We are all very conscious of the unsparing efforts which you
have made for our comfort and of the meticulous preparations
to which the Secretary-General and his staff have devoted
so much time.

Mr. Chairman, I begin by joining in the welcome for the four Commonwealth
countries represented here for the first time: the Solomon
Islands, Dominica, St. Lucia and Kiribati.

And I am glad, too, to see Uganda resume her place with us.

/Mr. Chairman

Mr. Chairman, you and many of our colleagues have attended Commonwealth Heads of Government meetings in the past.

Although I have attended other Commonwealth gatherings, this is the first Heads of Government meeting in which I have taken part and I look forward to adding, in Lusaka, to my experience of how the Commonwealth works.

Together, our countries make up a quarter of the world's population and of its nations.

Our peoples come from different religions, races and cultures.

They live under very dissimilar political and economic systems.

What is it that brings us together?

The first and obvious answer is: history.

History brought our nations together in the past.

It was a random process and each of us may interpret it in different and even incompatible ways.

Our shared history has given us some common ideas about politics and a common language in which to communicate.

No other international gathering of comparable size has these advantages.

/But shared

But shared history and shared language are of little use on their own.

I doubt if any of us come here simply out of sentimental regard for the past.

Moreover, it is not enough for us just to exchange views on the issues of the day.

It is not enough for the Commonwealth to operate simply as a worldwide communications network.

Nor is it enough that the Commonwealth should be merely one of the many international bodies for the provision of economic aid between developed and developing countries -- although 90 per cent of our Commonwealth members belong to the latter category.

Important though all these functions are, the Commonwealth must stand for something more if it is to endure.

Our predecessors publicly committed the Commonwealth to the ideals of democracy, individual liberty and equality for all under the rule of law.

/It is not

It is not the exclusive prerogative of any one constitutional system to promote these ideals.

They can - as I hope they do - exist within the wide variety of political arrangements under which we have variously chosen to live.

But in a world in which these beliefs are under constant attack, I believe that the Commonwealth has a duty to proclaim them, to protect them and to practise them.

(Practise is not always showed on Britain. But it should be shown in all Commonwealth countries which are relevant to the system and help for a Commonwealth which is relevant to the system.)

Mr. Chairman, I should like to refer briefly to some topics which concern us all and which will be central to our discussions this week. *have all just included.*

First, the world economy.

Here the prospects are not encouraging. We face slower growth, rising inflation, persistent unemployment and balance of payments problems.

Our difficulties have been made worse by the latest round of oil price increases *and by recent sudden Arabian action which will affect the oil market.* *opines*
The developing countries will be doubly hard hit.

/In the first place

In the first place, directly: but then, too, because many developed countries will be less able to give help or to provide the expanding markets which the developing countries need for their prosperity.

In the short term, we each need to adopt sensible domestic policies, and to make the best use of existing international institutions for economic cooperation.

In the longer term, we must find ways of using the world's limited supplies of fossil fuel more effectively, and to develop alternative and preferably renewable sources of energy.

The Tokyo Summit was an important step.

Our discussions here could take the process further.

Second, I refer to the tragic plight of those caught up in the latest example of man's inhumanity to man: the refugees from Vietnam.

Refugees are nothing new to some members of the Commonwealth, who have for years grappled with the problems they pose. Now others, too, notably Malaysia, are faced with very heavy social burdens not of their own making.

/Both the

Both the Commonwealth and the world community must constantly focus on the real source of the crisis, which is the policy pursued by the Vietnamese Government.

Only if there is a genuine change of policy there can we hope to stop the appalling suffering.

In the meantime, we have a practical as well as a humanitarian and political problem to solve.

That is why Britain proposed to the United Nations that a Conference should be convened which would cover all these aspects.

The Geneva Conference, at which a number of Commonwealth countries were represented, marked an important first step.

But there is much more to do, and it is vital that the international community should maintain the solidarity it displayed at Geneva in following up the decisions reached there.

Third, the problems of Southern Africa.

We are all conscious of the ever more urgent need for a settlement of the Rhodesia problem.

/ My colleagues

My colleagues and I have greatly benefited from the consultations we have been pursuing within the Commonwealth and with other African governments.

I am grateful to all those who have given us their advice and have expressed their views so clearly.

I shall listen with the greatest attention to what is said at this meeting in Lusaka.

The United Kingdom has pledged itself to exercise its constitutional responsibility for Rhodesia.

The aim is to bring Rhodesia to legal independence on a basis which the Commonwealth and the international community as a whole will find acceptable; and which offers the prospect of peace for people of Rhodesia and its neighbours.

M I said in the House of Commons last week
~~I should like to make it clear, once and for all, that~~
the British Government ^{is wholly} ~~are totally~~ committed to genuine black majority rule in Rhodesia.

The value of these days in Lusaka will lie not only in the outcome of our discussions round the table.

It will lie equally, or perhaps even mainly, in the friendships which we are able to renew and in the fresh contacts which we are able to make during our time together.

The informality of the Commonwealth style is its great strength.

/ By this

By this time next week there may, I dare say, still remain some differences of view between us, and on more than one issue. But I know, too, that we shall - each one of us - be confirmed in our recognition of the sincerity of purpose of our Commonwealth partners and of their fundamental goodwill and commitment to the Commonwealth's ideals.

PART 2 begins:-

PM's Opening Statement 1.8.79

PART 1 ends:-

FCS/Australian For Min mtg note 31.7.79

