NOTE OF A MEETING BETWEEN THE PRIME MINISTER AND PRESIDENT CEAUCESCU OF ROMANIA IN THE HOTEL INTERCONTINENTAL, BELGRADE, AT 0930 ON 8 MAY 1980

Present

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The Prime Minister
Mr. C. A. Whitmore

President Ceaucescu of Romania Prime Minister Mr. Ilie Verdet

Anglo/Romanian Relations

<u>President Ceaucescu</u> said that this was their first meeting since Mrs. Thatcher had become Prime Minister. He would like to extend his congratulations to her and to offer her his best wishes for complete success. Romania placed great value on the relations between the two countries and the two Governments, and he believed that these relations were at present developing well.

The <u>Prime Minister</u> said that she was grateful to President Ceaucescu for the talks she had had with him in Bucharest and in London when she was Leader of the Opposition. She had found these conversations very useful. Lord Carrington's recent talks in Romania had also been very helpful. She thought it important that Anglo/Romanian relations should be good, especially in the world's present uncertain conditions.

Zimbabwe

President Ceaucescu expressed his appreciation of the way the British Government had brought Zimbabwe to independence.

The <u>Prime Minister</u> said that she was very pleased with the way things were now going in Zimbabwe. Mr. Mugabe, who she knew was close to President Ceaucescu, was leading his country and pursuing his policies in a statesmanlike way.

<u>President Ceaucescu</u> said that he continued to be on very good terms with Mr. Mugabe. While the Lancaster House talks

/were in progress,

were in progress, he had seen him and had insisted that agreement should be reached. He, too, was optimistic about the prospects for Zimbabwe and hoped very much that the satisfactory development of the new Government would be assured.

The <u>Prime Minister</u> said that Zimbabwe would, of course, need help and support in the early days of independence. Britain was giving Zimbabwe aid, but we wanted to help without being intrusive.

<u>President Ceaucescu</u> said that he believed that Zimbabwe was a country where Romania and Britain could cooperate fruitfully in a practical way. He had not examined the possibilities closely, but he was sure that in nearly all fields, and particularly those of mining, agriculture and the development of industrial production, it would be possible to work together usefully,

International Scene

<u>President Ceaucescu</u> said that the world was confronted with a number of major international problems at present. Everybody should do all they could to reduce tension and resume a policy of detente.

The Prime Minister said that there were three interacting problems at present which led to a very unstable situation. The first was Afghanistan. It would help to reduce tension enormously if the Soviet Union would withdraw from that country, but it was difficult at present to see how that was to be brought about. The second was Iran. The British Government was urging the United States not to contemplate the use of force to secure the release of the hostages. Military action might well escalate and it would have a damaging effect on relationships between the United States and the Middle East. Nonetheless, she had a great deal of sympathy with the Americans: they had exercised patience for six months now but this had not secured the release of the hostages. Finally, we needed to make progress on the Arab/Israel problem.

/President Ceaucescu

President Ceaucescu said that he agreed that it would be a good thing if we did not have the Afghanistan issue on our hands at present, and if Soviet troops had not entered that country, Now we should aim for a solution that would allow the withdrawal of the Soviet troops. Of course, the Soviet position was that if interference in the internal affairs of Afghanistan and support from outside for forces trying to overthrow the Afghan Government were to cease, they would withdraw their troops. He believed that it would help to solve the problem if there was an agreement between Afghanistan and her neighbours, Pakistan and Iran. He thought, however, that the present situation in Iran, and especially the continued holding of the hostages, posed a danger to peace that mightbe far greater than the Afghanistan problem. convinced that a political solution for the release of the hostages should be sought. Force should not be resorted to in any circumstances. If it was, it would complicate the situation enormously and might lead eventually to the dismemberment of Iran. the difficulties about the Iranian situation at present was that the country was not stable. He hoped that the forthcoming Assembly elections would lead to the consolidation of the regime.

President Ceaucescu continued that, as regards the Middle
East, efforts should continue to be made to achieve a secure peace
in which the Palestinian issue was settled and an independent
Palestinian state established. He thought that Britain could
do much more in this regard.

The <u>Prime Minister</u> said that she saw great difficulties in President Ceaucescu's argument that we should go the whole way to the creation of an independent Palestinian state. A more feasible proposition might be to establish some kind of federation embracing a Palestinian state and one or more other states. But the important thing was to try to make progress on the Arab/Israel problem and not to allow a vacuum to develop. Britain had held back in order to allow the Camp David talks to run their full course, but the European Community countries were now considering where we should go once those talks came to an end.

/President Ceaucescu

President Ceaucescu said that he did not believe that a federation could be created without prior existence of an independent Palestinian state. He accepted that immediately after such a state had been established, it might enter into a confederation which might include Jordan. Such a confederation might even one day embrace Israel. He believed that there was a great need for some initiative on Britain's part. The Americans were now preoccupied with their elections and would be less ready to take positive steps towards a settlement.

President Ceaucescu added that with all the attention being given to Afghanistan, Iran and the Middle East, Europe should not lose sight of its own problems. The European countries should work together more on the preparation for the Madrid CSCE meeting and on disarmament in Europe. But these were major questions which there was no time to pursue now.

Visit to Romania

President Ceaucescu said that he would very much like the Prime Minister to come to Romania. The <u>Prime Minister</u> said that she would like to pay such a visit one day. It would give her great pleasure, after her earlier visits, to come to Romania as Prime Minister.

The meeting ended at 1000.

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