

Lie DS Commonweath

10 DOWNING STREET

From the Private Secretary

20 July 1979

Soutspet file - Sin Lamba - Carl by Premadam - Mas 74

Dear Stoher,

CALL ON THE PRIME MINISTER BY THE PRIME MINISTER OF SRI LANKA, MR. R. PREMADASA, AT 10 DOWNING STREET ON 19 JULY 1979

The Prime Minister of Sri Lanka, Mr. Premadasa, called on the Prime Minister at No.10 on 19 July at 1730. He was accompanied by his wife - who was expected to take her leave after a few minutes but in the event remained firmly ensconced throughout the discussion, by the Sri Lankan High Commissioner and by his Private Secretary Mr. Weerakoon. The Foreign and Commonwealth Secretary and Mr. Cortazzi were present. The following is a summary of the main points which arose during an hour's discussion.

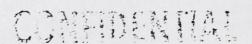
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Noting that both she and Mr. Premadasa would be attending their first Commonwealth Heads of Government meeting, the Prime Minister said that she expected the main value of the meeting at Lusaka to lie in the opportunities which it provided for personal contact between the Heads of Government taking part; an atmosphere of warmth and understanding could be helpful in resolving problems after the meeting was over. The Prime Minister said that although Southern African issues would clearly be high on the agenda at Lusaka, they should not dominate it: there were major problems in other parts of the world which needed to be discussed. Prime Minister asked Mr. Premadasa if he planned to make a major intervention himself. Mr. Premadasa told the Prime Minister that he had already circulated a position paper on the question of Commonwealth co-operation in the field of urban development. There was in South Asia a serious shortage of architects, urban planners and also of building materials. He hoped that it would be possible to achieve some pooling of the Commonwealth's resources in this field.

Rhodesia

The Prime Minister asked Mr. Premadasa how his Government viewed the problem of Rhodesia. Mr. Premadasa recalled that Rhodesia had been discussed at the last meeting of the Non-Aligned in Colombo. The Sri Lankan Government wanted democracy to prevail and for the rights of minorities, as well as those of the majority,

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to be protected. Sri Lanka wished to see fair play. Mr. Premadasa then read out, from a typed card, the full text of the relevant decision of the Co-ordinating Bureau of the Non-Aligned, which denounced Bishop Muzorewa's "illegal" regime and expressed full support for the Patriotic Front. The Prime Minister commented that this resolution would seem to indicate more interest in supporting terrorism than in democracy.

Non-Aligned Movement

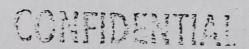
The Foreign and Commonwealth Secretary said that the UK and other western Governments were deeply concerned by the implications of the inclusion of Cuba and Vietnam in the Non-Aligned Movement. It was important that democratic countries, such as Sri Lanka, should keep a very sharp eye on the activities of these countries and on the future course of events in the Movement. The Cuban claim that non-alignment could be equated with support for the Soviet Union was a dangerous concept. The Prime Minister agreed and said that this position was unhelpful to the genuinely non-aligned countries. The fact was that the Cubans were very much aligned and acted as proxies for the Russians.

Sri Lankan Affairs

Mr. Premadasa told the Prime Minister that, despite continuing propaganda about Sri Lanka's community problems, these problems had in fact ceased to exist as a result of measures which the Government had taken. The Tamil language was now embodied in the constitution and there was only one class of citizen in Sri Lanka. A small section of the Tamil community nevertheless continued to demand a separate state, despite the fact that this idea was unpopular even within the Tamil community as a whole. The terrorist activities of the Naxalites continued to be troublesome and the Sri Lankan Government were preparing anti-terrorist legislation which had been virtually copied from the UK's Prevention of Terrorism Act.

Mr. Premadasa told the Prime Minister that the Sri Lankan economy was on the up-turn, following the Government's relaxation of the rigid state controls imposed by the previous administration; these had simply bred corruption. The construction industry and agriculture were now booming. Sri Lanka was keen to attract investment from the UK and could offer foreign investors very attractive conditions. The Sri Lankan Government was grateful for the assistance which the UK, the FRG and Sweden had provided for the Mahaweli power and irrigation project: if this project succeeded, it would constitute a major breakthrough for the economy of Sri Lanka. The Prime Minister made it clear to Mr. Premadasa that the Government were having to take a very hard look at UK aid programmes as part of their drive to reduce public expenditure. Mr. Premadasa referred to delays in the provision of UK assistance for the Victoria Dam scheme and expressed the strong hope that this would not fall victim to any cuts which the British Government were making in their aid programme.

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At the end of the discussion Mr. Premadasa invited the Prime Minister to pay a visit to Sri Lanka as soon as possible. The Prime Minister thanked him and said that this was a tempting offer which she would bear in mind.

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I am sending copies of this letter to Martin Hall (HM Treasury), Tom Harris (Department of Trade) and Martin Vile (Cabinet Office).

Yours ever, Byan Carreda.

Stephen Wall, Esq., Foreign and Commonwealth Office.

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