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NOTE OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF UGANDA,
HIS EXCELLENCY MR. GODFREY BINAISA, AT THE UGANDAN VILLA IN MULUNGUSHI VILLAGE,
LUSAKA, ON 3 AUGUST, 1979 AT 1945 HOURS

Present: Prime Minister President Binaisa
Foreign and Commonwealth Secretary The Hon. Otema Allimadi -
Minister of Foreign Affairs
Mr. B. G. Cartledge Other Ugandan officials

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The Prime Minister asked President Binaisa about the present situation in Uganda. President Binaisa said that the country was in bad shape and that the infrastructure of the economy had been virtually destroyed. Uganda had abundant manpower but virtually no tools or materials. There were 22 rural hospitals, of 100 beds each, all of which were in desperate need of drugs and medical equipment. Uganda's major teaching hospital, of 1200 beds, also needed complete re-equipment. In the health field as a whole, Uganda's immediate needs were enormous. The country's manufacturing plants, especially those processing sugar and producing simple agricultural implements, also needed overhaul and new machinery.

President Binaisa went on to say that Uganda's road system had been completely neglected: Amin had spent nothing on roads, except for the highway between Kampala and Entebbe. The disrepair into which the main international highway running into Ruanda had^{fallen} caused great hardship to the Ruandans, who were dependent on it for their links with the outside world. President Binaisa expressed appreciation of the help which the UK had given in training the Ugandan police force.

Turning, at the Prime Minister's request, to the political situation in Uganda, President Binaisa said that the National Liberation Front consisted of a Consultative Council of 30 members, together with a number of Executive Committees - a political and diplomatic committee, headed by the Minister for Communal Development and Rehabilitation; a military committee, headed by the Minister for Internal Affairs; and a finance and administration committee. The Front had been formed by 28 separate groups, including the old political parties, in order to get rid of Amin. The Front had elected Mr. Lule to be President and he had taken office under the 1967 constitution established by Mr. Obote. It had, however, been agreed that Lule would observe the Moshi Agreements. Lule had in practice ignored these, claiming that he could act by virtue of the constitution alone. Although he had not been elected, Lule had

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behaved as if he had a full popular mandate under the constitution. He had, for example, appointed senior officials without seeking the approval of the Consultative Council.

President Binaisa said that before elections could be held, it would first be necessary to conduct a census prior to the preparation of electoral rolls, registers and constituency boundaries: nothing had been done on this since 1961 and existing records were both out of date and incomplete.

The Prime Minister asked what Amin was up to at present. President Binaisa said that he was in Sudan and was massing troops on Sudan's border with Uganda. Lord Carrington asked whether Amin was expected to launch an attack on Uganda. President Binaisa replied that this was very probable; now that President Nimeiri had relinquished the Chairmanship of the OAU, he would feel under less constraint. The Prime Minister asked whether, in that event, Uganda would be wholly dependent on President Nyerere's troops. President Binaisa said that Uganda had no other defence forces, only bands of guerrillas. His policy was to recruit into the armed forces only those with a minimum of seven years education; and to require education up to and including 'O' level standard for officer cadets. He was determined that the re-structuring of Uganda's army would be undertaken on a rational basis. Lord Carrington asked whether the Ugandan civil service had continued to operate during the period of turmoil. President Binaisa said that it had but that the service was riddled with personal rivalries and there had been much feathering of nests. One civil servant had arranged for his retirement at the age of 38 on full pension. Amin's regime had been financed partly by President Quadafi of Libya; Kuwait and Saudi Arabia had also assisted Amin as a fellow Muslim. Amin had supplemented this income by killing all the elephants in Uganda and exporting the ivory.

Returning to the possibility of a renewed war, President Binaisa said that this caused him great concern. President Nimeiri had broken his promise not to raise the issue of relations between Uganda and Tanzania at the OAU meeting in Monrovia. He had made a highly tendentious speech and when President Binaisa had endeavoured to speak in rebuttal, General Obasanjo, who was in the Chair, had prevented him from doing so. President Binaisa said that General Obasanjo had behaved in this way despite the fact that he had previously sent a Ugandan goodwill mission to Nigeria. He thought that the explanation for Obasanjo's behaviour lay in the fact that he had never forgiven President Nyerere for backing Biafra in the Nigerian civil war; Uganda was being made the scapegoat for this.

/ Lord Carrington

Lord Carrington asked what part Milton Obote was likely to play. President Binaisa replied that Obote was at present in Dar es Salaam. He urged the Prime Minister and Lord Carrington not to be taken in by the current scare about Obote's activities. Obote would not play any role in Uganda and would not return to the country. It would be at least two years before elections could be held and the NLF would govern the country in the meantime. There would be no role for Obote in this. Lord Carrington asked whether it would be possible for political parties to be formed freely. President Binaisa said that this would depend on the arrangements for the elections. In the process of enlarging the Consultative Council, to which he intended to add a further 60 members, a general debate on the constitution would be opened up. He recalled that the one party system had been introduced by Obote in 1969. He himself intended to follow British constitutional practice so far as possible.

The discussion ended at 2020.

Bin.

4 August 1979

UK AID TO UGANDAPoints to Make

1. Recognise extreme seriousness of Ugandan economic situation. President Binaisa brought out clearly yesterday the things that need to be done most urgently. We will continue to do our best to help, both financially and with technical assistance.
2. In April and May we made a contribution of £2 million to help ease the immediately bottle necks in the Ugandan economy. We have also agreed, last month, to restore short term credit facilities for British exports to Uganda. This should help meet the essential needs of Uganda's consumers, without the need to remit foreign exchange in advance. The EEC has also recently agreed to a £12 million emergency package to which we contributed.
3. For longer term problems, we want further British aid to be based on a considered assessment of Uganda's needs. And we want it to be coordinated with the programmes of others.
4. We recognise that the first meeting of Donors (Kampala 25/26 July) was disappointing. We will ourselves be able to decide how best to contribute to a further effort when our own review of public expenditure is completed. [If President Binaisa presses for an immediate increase, and if the Prime Minister judges it politically necessary, in the context of this Conference, to be more forthcoming.]
5. Explain difficulty. At home we are telling ordinary people that they must take a cut in their standard of living and in Government spending in order to accommodate the oil price increase and squeeze inflation out of the economy. Nevertheless, we understand Uganda's special difficulties. Not able to enter into any commitment now. But will undertake to have the problem looked at again at home.

/Background

Background

6. The Seers report (a Commonwealth initiative) concluded that Uganda needed immediately £130 million and a further £130 million over six months if the problems of food shortage, transport, cooking fuel etc were to be sufficiently overcome to get the economy back to 1970 levels. About half these sums can be obtained, over time, from the IMF and from bank lending. 1)
7. The UK has given a total of £2 million in April and May. ECGD have since agreed to restore short term cover and dispense with the confirmation requirement for Letters of Credit. The EEC has also agreed a 12 months emergency package for Uganda.
8. Further UK aid in the current year is not entirely ruled out, despite cuts in the aid budgets. But it would be at someone else's expense. This would shift the problem to other shoulders. Substantial commitments must in any case wait until the public expenditure review is completed and we know the size of the future aid programme.
9. If the Prime Minister decides to undertake to have a further look at Uganda's problems on return to London, it would be essential that this should result in some further immediate response. The difficulties of finding even a small amount of additional aid, given the existing danger of over spending the aid budget in the present financial year, should not be underestimated. It would only be worth playing this card if a substantial dividend in terms of Rhodesia could be obtained in return.