

PRIME MINISTER'S

PERSONAL MESSAGE SERIAL No. 778/80

· 10 DOWNING STREET Original Afghanistan P74

8 April 1980

THE PRIME MINISTER

Near Oh. President.

I was grateful for your letter of 13 March giving views on our various post-Afghanistan problems. I warmly reciprocate your comments about the value of these exchanges. These times are so difficult that it is more than ever important that we should continue to consult closely together.

We will continue to work for strengthened relations with Pakistan. With this in mind, the Minister of Overseas Development visited Islamabad for two days at the end of last month, and we have recently invited the Foreign Affairs Adviser for discussions in London. As you indicated, the Pakistanis are working for the closest relations with other Islamic countries including Saudi Arabia and this is something to be encouraged. I hope that the Saudis will feel able to offer substantial assistance.

Clearly, we both agree about Turkey's importance and need for support. Demirel's economic programme is indeed courageous and sensible, and I was glad to learn your own intentions over aid.

I know you are aware of the overriding importance to us of keeping public expenditure down. Inevitably, this affects our aid programme, which is already heavily committed. Even so, we have decided, as you will by now have heard, to offer Turkey up to £28.5 million new money

spread among bilateral aid, new Community emergency aid and aid debt refinancing, in addition to the comparable sum committed but not spent last year; our total liability on aid to meet the current crisis thus already amounts to over \$100 million, even leaving aside our actual and potential commitments under Community finance protocols with Turkey amounting to a similar sum. I am sure you will recognise that, for us, this represents a major effort.

We are studying the comprehensive and detailed proposals on exports to the Soviet Union of goods and technology which your officials have recently submitted to C.O.C.O.M., and we have passed back some comments and questions on earlier American proposals. I note what you say about limiting credit facilities. The decision by the French to renew their credit agreement with the Soviet Union — and the Italians are likely to follow suit — will unfortunately limit greatly the scope for concerted Community action in this area. However, we shall continue to explore various aspects of the subject with our partners.

I have been glad to see recently that our views are now close on how to carry forward our initiative for a neutral and non-aligned Afghanistan. The Soviet response, while not encouraging, has carefully avoided stating that the concept is unacceptable. We do not delude ourselves that it will be easy to get the Russians to withdraw. We are well aware of the potential for Soviet procrastination and mischief making. But continued diplomatic pressure on the Russians will make it harder for them to avoid adopting a more definitive position. I believe, moreover, that we can win support for our ideas among the non-aligned and thus increase the political pressures on the Russians.

I too look forward to our meeting in Venice next
June and, in the meantime, wonder whether, amid your many
preoccupations, you have been able to give any thought to
my suggestion last December that you might pay a short
visit to London. Perhaps it would be possible on your
way back from Venice? Please let me know what you think.

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The President of the United States of America