

Zimbabwe



Civil Service Department
Whitehall London SW1A 2AZ
01-273 4400

kg. Nmt 3/6

3 June 1980

mt

The Rt Hon Sir Geoffrey Howe, QC, MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
LONDON SW1P 3AG

Prime Minister

(2)

Sir G. Howe + Lord Carrington have
now reached agreement on the
handling of the debt issue as
well as the financing of the military
assistance programme.

Dear Geoffrey,

ZIMBABWE: DEBT AND MILITARY ASSISTANCE

Thank you for sending me a copy of your letter of 27 May to Peter Carrington about the next round of debt negotiations with Zimbabwe. I have also seen copies of his minute to you of 29 May, and of his letter of 27 May about military assistance.

During the last few weeks before Independence in Zimbabwe, I had many hours of discussion with Mugabe. I am convinced that he is genuinely committed to moderate policies. He has seen the chaos which resulted in Mozambique from wholesale adoption of radical policies and from over-dependence on the USSR and her allies. He wants Zimbabwe to be genuinely non-aligned, to foster links with the West and to preserve a mixed economy in which the whites will have their part to play. These policies are as much in our interests as Zimbabwe's.

But Mugabe cannot yet rely on the united support of his Cabinet let alone of his party. Among both I found plenty of radicals keen to push ahead immediately with more revolutionary policies, who would be quite prepared to break completely with us if they thought that this would advance their cause. They are looking for an opportunity to show that Mugabe's present policies are not bringing Zimbabwe much return.

It is up to us to deny them that opportunity. Mugabe is already having to explain to them the disappointing lack of response from the West to his appeal for aid, and it is being suggested to him that if he had flirted with the Russians, the West would have been more generous.

In these circumstances, I firmly believe that it is not in our interests to try to drive too hard a bargain in the next round of debt negotiations. I therefore strongly support the recommendations in paragraph 6 of Peter Carrington's minute.

CONFIDENTIAL
CONFIDENTIAL

Having said this, the immediate military aid proposed by Peter Carrington in his letter to you of 27 May is of prime importance for helping Mugabe keep on course. I am glad to see from your letter of 3 June that you will be able to provide the necessary funds from the Contingency Reserve to cover the additional military assistance which Mugabe is seeking.

I am copying this letter to the Prime Minister, other members of OD Committee and to Sir Robert Armstrong.

Yours ever

Christopher

SOAMES

CONFIDENTIAL
CONFIDENTIAL