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GRS 800 CONFIDENTIAL FM DELHI 280422Z JUL 80 TO PRIORITY FCO TELEGRAM NUMBER 585 OF 25 JULY. Fr. And

INDO-BRITISH RELATIONS

- 1. I WAS SUMMONED THIS MORNING BY THE INDIAN FOREIGN SECRETARY, WHO TOLD ME THAT HE HAD BEEN INSTRUCTED TO CONVEY TO ME MRS GANDHI'S CONCERN AT RECENT REPORTS IN THE BRITISH PRESS WHICH HAD SUGGESTED THAT SHE WAS ADOPTING "'HAWKISH'' POLICIES, PARTICULARLY IN NUCLEAR MATTERS.
- 2. SATHE GAVE ME TO UNDERSTAND THAT THE REPORTS IN QUESTION HAD CENTRED ROUND INDIA'S RECENT SUCCESSFUL LAUNCHING OF AN EARTH SATELLITE AND THAT THE ALLEGATION HAD BEEN MADE THAT THIS WAS A STEP TOWARDS THE DEVELOPMENT OF A NUCLEAR WEAPON DELIVERY SYSTEM. HE SAID THAT ON THE CONTRARY, AS MRS GANDHI HAD RECENTLY REAFFIRMED IN PARLIAMENT, INDIA'S NUCLEAR PROGRAMME WAS DESIGNED EXCLUSIVELY FOR PEACEFUL PURPOSES. IT WAS TRUE THAT INDIA WOULD NEVER SIGN THE NPT AND THAT SHE WAS KEEPING HER OPTIONS OPEN. IF PAKISTAN WERE TO DEVELOP A NUCLEAR WEAPON, THEN THE INDIAN GOVERNMENT WOULD HAVE TO THINK AGAIN. BUT SUCH REPORTS OF INDIA'S PRESENT POLICY WERE BOTH INACCURATE AND UNFORTUNATE.
- 3. I ASSURED SATHE THAT HIS ACCOUNT OF INDIAN NUCLEAR POLICY ACCORDED FULLY WITH WHAT HAD BEEN REPORTED BY THIS HIGH COMMISSION AND THAT, WHATEVER MAY HAVE BEEN SAID IN THE BRITISH PRESS, I WAS CONFIDENT THAT HMG TOOK A BALANCED AND ACCURATE VIEW.
- 4. SATHE THEN RAISED, RATHER DISJOINTEDLY, THE SUBJECT OF DIEGO GARCIA. WE SHOULD UNDERSTAND THAT THE VIEW WAS HELD STRONGLY IN INDIA THAT THE INDIAN OCEAN SHOULD BE A ZONE OF PEACE AND FREE FROM BASES AND MILITARY PRESENCES FROM OUTSIDE. INDIA HAD ALSO SPOKEN FIRMLY TO THE RUSSIANS IN THIS SENSE. IN REPLY, I TOLD SATHE THAT IT WAS NOT CORRECT TO REFER TO DIEGO GARCIA AS A BASE: RATHER IT WAS A FACILITY DESIGNED TO SUPPORT THE DEPLOYMENT OF FORCES IN THE INDIAN OCEAN AREA, SHOULD THE NEED ARISE. HE SHOULD UNDERSTAND THAT, FOR BETTER OR FOR WORSE, THE WEST HAD VITAL INTERESTS IN THE AREA OF THE PERSIAN GULF. WHILE BRITAIN AND THE US HAD NO WISH TO HAVE MILITARY FACILITIES IN THE INDIAN OCEAN, THE EXISTENCE OF A POTENTIAL THREAT TO THEIR VITAL INTERESTS, WHICH THE EVENTS IN AFGHANISTAN UNDERLINED, LEFT THEM WITH LITTLE OPTION.

CONFIDENTIAL

- 5. SATHE WENT ON TO ASK WHAT ATTITUDE WE TOOK TOWARDS
 PARTICIPATION IN THE PROPOSED CONFERENCE ON THE IOPZ. I SAID I
 WAS WITHOUT INSTRUCTIONS, ALTHOUGH MY IMPRESSION WAS THAT WE SAW
 SOME DIFFICULTIES IN THE IOPZ PROPOSAL ITSELF, FOR EXAMPLE IN
 DETERMINING THE BOUNDARIES OF THE ZONE. I UNDERTOOK TO TRY TO
 LET HIM HAVE SOMETHING MORE AUTHORITATIVE ABOUT OUR POLICY. HE
 REMARKED THAT HE UNDERSTOOD THAT THE RUSSIANS AND THE FRENCH WOULD
 BE ATTENDING, THE LATTER WITH SOME RESERVATIONS. HE DID NOT KNOW
 WHERE THE AMERICANS STOOD.
- 6. SATHE THEN TREATED ME TO A TOUR D'HORIZON OF INDIA'S RELATIONS WITH HER NEIGHBOURS. SHE WAS TRYING ACTIVELY TO IMPROVE HER RELATIONSHIPS BOTH WITH PAKISTAN AND WITH CHINA. HE REALISED THAT INDIA'S OTHER NEIGHBOURS, PARTICULARLY NEPAL, SRI LANKA AND BANGLADESH, WERE A LITTLE DUBIOUS ABOUT INDIA'S INTENTIONS. IT WAS TRUE THAT THE PRESENT INDIAN GOVERNMENT DID NOT INTEND TO CONTINUE THE DAMAGINGLY SOFT POLICIES PURSUED TOWARDS THEIR NEIGHBOURS BY THE PREVIOUS GOVERNMENT, AND THAT THE PENDULUM WAS SWING BACK. BUT IT WAS NOT INDIA'S DESIRE TO CREATE OR PROLONG ANY STRAINS IN HER RELATIONS WITH HER NEIGHBOURS: ON THE CONTRARY, SHE WISHED TO REMEDY THEM. IT WAS ALSO TRUE THAT THE DECISION TO RECOGNISE HENG SAMRIN HAD MADE THE ASEAN COUNTRIES ANGRY, BUT HE HAD THE FEELING THAT THEIR PROTESTS WERE (NEXT TWO WORDS UNDERLINED) PRO FORMA AND THAT THEY WOULD SIMMER DOWN. OVER THIS WHOLE FIELD TOO, THE BRITISH PRESS WAS THEREFORE NOT JUSTIFIED IN DESCRIBING MRS GANDHI'S ATTITUDE AS HAWKISH.
 - 7. I TOLD SATHE THAT I WOULD OF COURSE REPORT OUR CONVERSATION BUT THAT I HOPED THERE WAS NO CONFUSION WITHIN THE INDIAN GOVERNMENT BETWEEN WHAT WAS SAID IN THE BRITISH PRESS AND THE VIEWS OF HMG. HAVING SERVED IN A NUMBER OF COMMONWEALTH COUNTRIES, I WAS CONSCIOUS THAT THERE OFTEN TENDED TO BE A PROBLEM, ON THE ONE HAND BECAUSE CERTAIN SECTIONS OF THE BRITISH PRESS WERE INCLINED TO BE CRITICAL OF COMMONWEALTH COUNTRIES AND WERE IN ANY CASE LOOKING FOR SENSATIONAL NEWS SEMICOLON AND ON THE OTHER, BECAUSE MORE ATTENTION TENDED TO BE PAID IN COMMONWEALTH COUNTRIES TO THE BRITISH PRESS THAN TO THE PRESS OF OTHER NATIONS. IT WAS IMPORTANT THAT THIS SOULD NOT GIVE RISE TO MISUNDERSTANDINGS.
 - 8. I THEN WENT ON TO SAY THAT IN THIS SITUATION, IT SEEMED TO ME MORE THAN EVER DESIRABLE THAT HIGH-LEVEL CONTACT SHOULD BE MAINTAINED BETWEEN OUR TWO GOVERNMENTS. I REFERRED TO THE MESSAGE RECENTLY CONVEYED BY MRS GANDHI TO THE PRIME MINISTER AND TO THE LATTER'S RESPONSE, AND SAID THAT IT SEEMED TO ME VERY IMPORTANT THAT WE SHOULD CONTINUE TO KEEP IN CLOSE TOUCH. WE WERE LOOKING FORWARD TO HIS OWN VISIT IN SEPTEMBER AND TO A VISIT BY HIS MINISTER LATER IN THE YEAR. WAS THERE ANYTHING HE COULD TELL ME ABOUT THE DATES FOR THE LATTER (MY TEL NO 567)? HE SAID THAT HE HAD SPOKEN TO HIS MINISTER AND HOPED TO LET ME HAVE A RESPONSE AS SOON AS THE LATTER WAS BACK IN DELHI.

9. SEE MY IFT FOR COMMENT.
EWANS [COPIES SENT TO NO 10 DOWNING STREET]
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SAD

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