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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T.14A/81



PRIME MINISTER

CC HMT

New Delhi,
January 27, 1981

Dear Prime Minister,

I am glad to have your letter of November 19, 1980. As you mentioned writing in detail later, I waited before replying.

We are disappointed at the lack of any positive movement in resolving international economic issues during the last year. There was a series of frustrating experiences - UNIDO III, the Committee of the Whole, the United Nations Special Session on Economic Development and the last UN General Assembly. The only silver lining has been the meeting of the 11 Foreign Ministers in Vienna which showed a refreshing identity of approach.

The President of Mexico is on a visit here and we have discussed the proposed Summit of selected countries which is to be held in Mexico City this June. There are many impediments but an effort must be made not only to evolve concrete proposals but to involve and carry along as many countries as possible for urgently needed reforms in the international economy. Almost all reports on the suggested reforms have stressed the importance of the transfer of technology. In our own way, we are updating our industrial policies by introducing innovations. In our circumstances and with the present financial stringencies, it is a gigantic task to fill the technology gap. I am glad that Dr. Charanjit Chana, our Minister for Industry will have the opportunity of calling on you. He will place our point of view before you.

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The growing tendency towards protectionism in many parts of the industrialised world is causing us immediate concern. It impedes our exports, thereby affecting our capacity to pay for necessary oil and capital goods imports. If our purchasing power is thus reduced, this will obviously have repercussions on the exports of the industrialised countries themselves. Thus positive cooperation between the developed and the developing countries is in the interest of both.

I hear that our delegation at the Indo-British Economic Committee suggested certain specific measures to correct the growing trade deficit between Britain and India. I hope these will be seriously considered. Such exchanges of ideas in various fields are essential to a better relationship.

We were glad to welcome the Prince of Wales. His brief tour of India was a success. I hope he found it interesting and that this glimpse has given him a first-hand understanding of the diversity of our country and the vast range of our problems.

I look forward to your visit in April. Our welcome will be as warm as our weather.

With regards,

Yours sincerely,

Indira Gandhi
(Indira Gandhi)

Rt. Hon. Mrs. Margaret Thatcher, M.P.
Prime Minister of United Kingdom of
Great Britain and Northern Ireland,
London