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Foreign and Commonwealth Office

London SW1A 2AH

19 May 1981

*Dear Muke,*

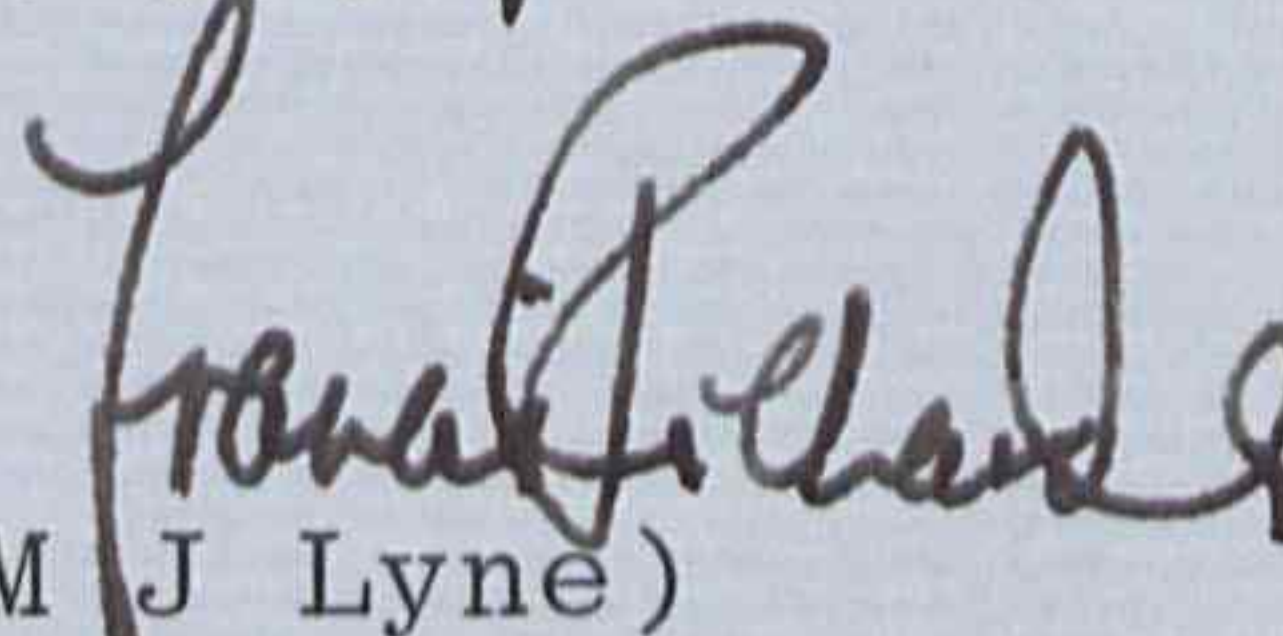
Kenyan Foreign Minister

/ I attach briefing for Dr Ouko's courtesy call on the Prime Minister on Thursday, 21 May at 4.00 pm.

/ The background to the visit and our main objectives are set out in the Steering Brief. Background briefs on the political and economic situation in Kenya, and on bilateral relations, are also enclosed. Dr Robert Ouko will have separate talks with Lord Carrington and Mr Luce on the previous day, which should provide an opportunity to cover the main points. But the Kenyans are of additional importance to us over the coming year because of the Chairmanship of the OAU which they are about to take over from Sierra Leone. Apart from expressing satisfaction that our bilateral relations are in good heart, the Prime Minister may, therefore, wish to discuss general African questions, including Namibia. As Chairman of the Committee of Foreign Ministers, Dr Ouko will have to lead for the OAU on the various regional disputes with which the Organisation is concerned including Chad, the Western Sahara and The Horn. We shall also be seeking Kenyan views on ways in which the divisions between the parties in Uganda might be bridged.

Mr Luce will attend the call.

*Yours ever,*

*for*   
(R M J Lyne)  
Private Secretary

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10 Downing St

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VISIT OF DR OUKO, KENYAN FOREIGN MINISTER: 19-22 MAY, 1981

STEERING BRIEF

BRIEF NO 1

PROGRAMME

1. When Dr Ouko saw the Secretary of State in December (in the course of a short visit occasioned by the sudden death of the Kenyan High Commissioner) Lord Carrington invited him to make an early official visit for a fuller exchange of views. Dr Ouko will be heavily engaged from mid-June, when Kenya takes over the Chairmanship of the OAU, and our Presidency of the Community prevents the Secretary of State from taking up President's Moi's outstanding invitation to make an unofficial visit to Kenya, at least until the end of the year. The timing of the visit is, therefore, convenient for both parties and enables us to discuss general African questions at a moment when Kenya is taking on additional responsibilities.

--- 2. The programme (attached) includes calls on the Prime Minister, the Secretary of State for Foreign and Commonwealth Affairs, Mr Luce, Parliamentary Under-Secretary of State in the Foreign and Commonwealth Office, and Mr Parkinson, Minister of State in the Department of Trade. Dr Ouko will be accompanied by Mr Isaac Salat, Assistant Minister in the President's Office, and two officials.

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3. The main talks with Mr Luce and the Secretary of State follow successively on the morning of Wednesday, 20 May. Our relations with Kenya are good and there are no serious disagreements between us. Mr Luce will no doubt wish to discuss regional matters, especially Uganda (Brief No. 23) The Horn (Brief No. 18) and Kenya's relations with Tanzania and Somalia (Brief No. 3). There are also a number of bilateral matters which Mr Luce (or the Kenyans) may wish to raise, including aid (Brief No. 8) and related matters such as the British Council and student fees (Briefs Nos. 10 and 11). Mr Marten will be out of the country, but Mr Lynch from the ODA will be in attendance. Dr Ouko will probably raise the Nationality Bill (Brief No. 13). When the High Commissioner in Nairobi raised the question of defence cooperation, Dr Ouko said that he would prefer not to call on a Defence Minister but would be ready to talk about this in the FCO. We have substantial defence sales and training interests in Kenya, which have produced some problems (Brief No. 9). Mr Jeffs of MOD Sales will attend. We have a minor problem over certain visa services we provide for Kenya (Brief No. 12).

4. The one current bilateral difference of substance concerns air services (Brief No. 14). This will be covered with other general commercial matters by Mr Parkinson.

5. If Mr Luce covers bilateral and the more detailed regional questions, the Secretary of State would be free for a more general exchange on African problems, including Namibia and Southern Africa, Chad and Western Sahara (which will preoccupy Dr Ouko in his OAU capacity), and East-West relations. But

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the Secretary of State will no doubt also wish to discuss Uganda. In a very difficult situation, Kenya seems to be one of the few parties who could help to restrain both Obote's militants and the dissident opposition, and we should urge them to more positive action.

OBJECTIVES

6. The main UK objectives are:

- (a) to strengthen the existing friendly relationship in Kenya as a force for moderation in Africa;
- (b) to seek support for British policies in Africa and elsewhere, particularly in view of Kenya's forthcoming Chairmanship of the OAU;
- (c) to protect British trading and other interests in Kenya and to seek to maintain the UK's share of the Kenyan market by encouraging her to take a more favourable attitude to British exporters, particularly in the granting of import licences;
- (d) to encourage an improvement in Kenya's relations with her neighbouring countries, particularly Tanzania and Somalia and to seek Kenyan views on ways of restoring a measure of stability in Uganda.

7. Dr Ouko is more likely to have concerns and interests rather than specific objectives; and these related to the problems which will confront Kenya in the OAU. He will therefore also wish to discuss Southern Africa/Namibia and the African regional disputes. But he may also wish to explore our views on wider international issues, particularly the rapid deployment force (Brief No. 21) and the Indian Ocean Peace Zone (Brief No. 19).

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Bi-lateral concerns are the effect of the Nationality Bill (Brief No. 13), the decline in our supplementation programme (Brief No. 8) and possibly the current disagreement over air services (Brief No. 14). At the back of his mind, though not necessarily for discussion, will be Kenya's economic and budgetary difficulties.

BACKGROUND

8. Kenya remains a relatively stable and prosperous country in an area of political and economic instability. Her healthy economic growth rate throughout the last two decades and her basically pro-Western outlook has created a favourable climate for UK commercial and other interests. Kenya is the second largest market for UK goods in black Africa - UK exports in 1980 amounted to £259 m. or a 22.8% share of the market.

9. But Kenya's economy is under increasing signs of strain. Primarily agricultural, with few mineral resources, Kenya has been seriously affected by rising oil costs, the fall in world coffee and tea prices, and drought. Her economic difficulties have been exacerbated by one of the highest population growth rates in the world (nearly 4%). Her attempts to rectify her balance of payments problems have led to the imposition of import restrictions, a small devaluation of the Kenyan Shilling and a drawing on IMF funds. Food queues are now a common sight. All this has affected the British share of the market, which has in any case been coming under increasing attack from other Western countries (West Germany, Japan and France).

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10. These signs of strain have also been reflected in the political arena. Whilst still comparatively stable and politically mature, Kenya has begun to suffer from the traditional African problems of corruption, inefficiency and political in-fighting. The Presidential and Parliamentary elections in 1984 may provide a focus for discontent. There could be a serious challenge to a second term for President Moi.

11. Externally, Kenya has always pursued moderate, generally pro-Western policies. She supported the Western position on Afghanistan and the Moscow Olympics; she has granted the US military facilities at Mombasa and supports the concept of a rapid deployment force; she provided a contingent for the Commonwealth monitoring force in Zimbabwe. Kenya is, therefore, our best, though not most influential, ally in Africa. But she is not a Western puppet and as the next Chairman of the OAU, she may be forced to adopt a more non-aligned posture. Her Chairmanship may also force her out of the introspective attitude which has characterised Kenyan foreign policy in the past (notwithstanding President Moi's active programme of foreign visits).

EAST AFRICAN DEPARTMENT  
FOREIGN AND COMMONWEALTH OFFICE

15 May, 1981

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