

CONFIDENTIAL



10 DOWNING STREET

*From the Private Secretary*

7 September, 1982.

Call by Senor Tello

Thank you for your letter of 6 September. Senor Tello duly called on me this morning. I do not propose to record the conversation in detail since he had just come from an hour's discussion in the Foreign and Commonwealth Office, and assured me that all the points which he proposed to put to me had already been made in his earlier discussions.

His main message was that the President of Mexico had decided, as a political gesture, to send special emissaries to Britain, France, Germany, Switzerland, the United States, and Canada, to explain the significance of the measures recently adopted by the Mexican Government. These measures had no ideological motivation. It had been essential to take steps to protect the massive flight of capital from Mexico. He hoped that we would help to convince British bankers, if necessary, that too gloomy a view should not be taken of the current financial situation.

He handed me a copy of a "communique" (enclosed) which he hoped the Government would agree to issue. In reply to my question he confirmed that he had left a copy with the Foreign and Commonwealth Office - I said that I had no doubt that you would let him know your decision on a possible press release in due course.

I am sending copies of this letter and enclosure to John Kerr (HM Treasury), and Tim Allen (Bank of England).

A. J. COLES

J.E. Holmes, Esq.,  
Foreign and Commonwealth Office.

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*Her Majesty's Government received Ambassador Manuel Tello, designated by the President of Mexico, Señor José López Portillo, to inform of the implications and significance of the measures adopted by the Mexican Government on the 1st September, 1982, regarding the nationalization of the country's private banks, and the establishment of a foreign currency exchange control system generalized in the country.*

*The British Government who, at the same time appreciated President López Portillo's gesture, which reflects the close relationship and friendship existing between the two countries, declared to the Special Envoy its understanding for the measures accorded.*

*London, 7th September, 1982.*