



Foreign and Commonwealth Office

London SW1A 2AH

30 September 1983

Type letter p.

*WJG
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Dear Edm,

Mexico

I attach a letter from the President of Mexico which was delivered to the FCO by the Mexican Ambassador on 28 September. With it I also attach the Mexican Embassy's unofficial translation of the letter, together with copies of the Mexican National Development Plan for 1983/88 and an English summary of the plan.

As you will see, the Mexican President's letter merely sets out the objectives of the plan and concludes with warm wishes to the Prime Minister. It makes no requests of us. Nevertheless, we think the Prime Minister may wish to consider taking the opportunity in her reply of mentioning our concern to ensure that adequate provision is made for the funding of Sicartsa steel project. This is the major element of co-operation so far agreed under the Anglo/Mexican Memorandum of Understanding signed during the Prime Minister's visit to Mexico in 1981. The Prime Minister visited the site of the project while she was in Mexico at that time. Subsequently Davy won a contract worth £320 million, of which £200 million is UK content, as part of the project. This is partly financed by a grant of £35 million from the aid and trade provision and the balance of the UK cost has been financed under an ECGD supported loan agreement. Budgetary cut-backs caused by the Mexican financial crisis have already delayed work on the project and, until the detailed implementation of the National Plan has been made clear, there is some doubt whether the necessary Mexican funds will be forthcoming on time and whether the UK content of the contract will be preserved. We have therefore inserted suitable references in the attached draft reply.

/I am



I am copying this letter to Jonathan Spencer
(Department of Trade and Industry).

Yours ever

Jan Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

DRAFT: ~~minute~~/letter/teleletter/despatch/notes

TYPE: Draft/Final 1+

FROM:
Prime Minister

Reference

DEPARTMENT: TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

His Excellency
President Miguel de la Madrid
Hurtado
Constitutional President of the
United States of Mexico

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

Thank you for your letter of 18 August which awaited my return from my recent visit to Canada and the USA. I am most grateful to you for sending me a copy of your Development Plan for 1983 ^b _A 1988.

CAVEAT.....

I have been following closely the courageous steps which ¹ your Government ~~has been taking~~ since you took office to tackle Mexico's financial difficulties and to set the country on the right road for the future. I am glad to see that the same determination and breadth of vision is reflected in the statement of objectives set out in your letter and wish you and your colleagues every success in your efforts to achieve them.

You may be sure that ^{the} your efforts will be followed closely by all those in this country who have an interest in the future of Mexico. You know well the part which Britain has played in the development of your country over the years. I was privileged to take part in furthering this co-operation when I signed the Memorandum of Understanding between our countries during

Enclosures—flag(s).....

my visit to Mexico in 1981 and to see for myself an
outstanding example of it in the work being done
towards the Sicartsa steel project. In that
context, I am sure you are aware of our concern that
proper provision will be made for the Sicartsa
project as your National Plan is implemented.

With all best wishes.

NOV 3 1981

MIGUEL DE LA MADRID H.

PRESIDENTE CONSTITUCIONAL
DE LOS ESTADOS UNIDOS MEXICANOS

CC MASTER
OPS

Palacio Nacional, a 18 de agosto de 1983.

PRIME MINISTER'S

Muy distinguida señora Primera Ministro **PERSONAL MESSAGE**

SERIAL No. T 118^{AB} / 83

Me es muy grato acompañar el texto del Plan Nacional de Desarrollo 1983-1988, que contiene los objetivos y lineamientos de política que ha definido el Gobierno de México para impulsar y fortalecer el desarrollo integral del país.

El Plan se funda en los postulados de nuestro proyecto nacional, contenidos en la Constitución Política que nos rige desde 1917 y que recogió las aspiraciones del movimiento revolucionario mexicano. Al mismo tiempo, es producto de un amplio proceso de consulta popular que se inició con la campaña electoral para la Presidencia de la República y que durante los primeros meses del actual Gobierno hemos procurado convertir en un instrumento permanente de comunicación nacional y de planeación democrática.

El Plan Nacional de Desarrollo persigue el robustecimiento de la vida institucional del país, de su pluralismo político y cultural y de su economía mixta. La independencia y la identidad de nuestra nación constituyen un caro patrimonio para los mexicanos. Sabemos que conservarlo y enriquecerlo significa desarrollar una capacidad de renovación constante de las estructuras políticas, económicas y sociales, que cuente con el apoyo y la participación popular.

En este sentido, el Plan Nacional de Desarrollo impulsa tanto una reordenación económica como cambios estructurales para enfrentar las severas restricciones internas y externas a nuestro desarrollo. Se proponen medidas para abatir la inflación y la inestabilidad cambiaria y para proteger el empleo, el consumo básico y la planta productiva. Al propio tiempo, se formula una estrategia para superar las insuficiencias y los desequilibrios de la estructura económica, de manera que se logre un crecimiento consistente del mercado interno, la modernización y eficacia de los mecanismos de producción y distribución y el aprovechamiento del rico potencial de desarrollo autosostenido que posee México.

Excelentísima Señora
Margaret Thatcher,
Primera Ministro de la Gran Bretaña,
Londres.



MIGUEL DE LA MADRID H.

PRESIDENTE CONSTITUCIONAL
DE LOS ESTADOS UNIDOS MEXICANOS

En el campo político y social, el Plan se propone mejorar la distribución del ingreso y de los beneficios de la producción y la cultura, entre los individuos y las regiones del país. Ello corre paralelo a las medidas para fortalecer el Estado de Derecho y el régimen de libertades individuales y sociales que refleje la aspiración de democracia con justicia, tan propia de nuestra nación.

Notará usted, señora Primera Ministro, que en la definición de sus objetivos y acciones el Plan Nacional de Desarrollo concede especial atención a los vínculos con el quehacer internacional. La política exterior de México es parte integral del proyecto nacional: instrumento y reflejo de los anhelos históricos de nuestro pueblo y de su vocación de desarrollo y de solidaridad internacional.

Es por ello que la política exterior buscará fortalecer la soberanía del país y su independencia política y económica, y apoyará los esfuerzos internos de desarrollo mediante el aprovechamiento de las oportunidades que brinda la comunidad de naciones. Al unísono la acción internacional de México habrá de perseverar en su empeño activo por la paz regional y mundial, por el desarme universal y completo, por la cooperación internacional para el desarrollo y por el establecimiento de un nuevo orden económico y político mundial que se funde en la solidaridad, el respeto y la justicia. Dentro de este espíritu, el Plan Nacional de Desarrollo determina la necesidad de ensanchar el entendimiento político, la cooperación económica y el intercambio cultural con aquellos países, como el de Vuestra Excelencia, con los que México mantiene las mayores afinidades.

Reciba usted, señora Primera Ministro, el testimonio de mi más alta y distinguida consideración y los mejores votos que formulo por el bienestar de su país y el suyo personal.



EMBAJADA DE MEXICO

UNOFFICIAL TRANSLATION

A draft copy has been
submitted.
AD 3/10.

Palacio Nacional, 18th August, 1983

Dear Prime Minister,

I have great pleasure in enclosing the text of the National Development Plan for 1983-1984, which contains the political objectives and outlines which the Mexican Government has determined in order to boost and to strengthen the complete development of the country.

The Plan is based on the postulates of our project as a nation, contained in the Political Constitution which has ruled us since 1917 and which brought together the aspirations of the Mexican revolutionary movement. At the same time, the Plan is the product of a process of popular consultation which began with the electoral campaign for the Presidency of the Republic and which we have tried, during the first months of the present government, to convert into a permanent instrument of national communication and of democratic planning.

The National Development Plan seeks to fortify the institutional life of the country, its political and cultural pluralism and its mixed economy. The independence and the identity of our nation represent a cherished patrimony for Mexicans. We realise that its preservation and enrichment will demand a capacity for constant renewal of political economic and social structures, backed by popular participation and support.

The Rt. Hon. Margaret Thatcher, MP
Prime Minister of Great Britain,
London

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In this sense, the National Development Plan urges both an economic reordering and structural changes enabling us to meet the severe internal and external restructions on our development. Measures are proposed to defeat inflation and the instability of the currency, and to protect employment, basic consumption and the machinery of productivity. At the same time, a strategy is defined which will overcome the insufficiencies and imbalances of the economic structure, and achieve a consistent growth of the internal market, the modernisation and efficacy of production mechanisms and the distribution and utilization of self-sustaining development which Mexico possesses.

In the political and social field, the Plan proposes to improve the distribution of income, and of the benefits of production and culture, among individuals and regions of the country. This runs parallel to the measures taken to strengthen the State of Law and the recognition of individual and social freedoms which reflects the aspiration to democracy with justice, which is a characteristic of our nation.

You will note, Prime Minister, that in the definition of its objectives and actions, the National Plan pays special attention to links with the activities of the international community. The foreign policy of Mexico is an integral part of our project as a nation: both an instrument and a reflection of the historic longings of our people and of their vocation for development within international solidarity.

It is for this reason that our foreign policy will seek to strengthen the sovereignty of the country and its political and economic independence, and will support internal efforts

towards development by accepting the opportunities offered by the community of nations. The international action of Mexico will continue vigorously to promote regional and worldwide peace, universal and complete disarmament, international cooperation in development, and the establishment of a new order in the world which will be based on solidarity, respect and justice. In accordance with this ideal, the National Development Plan foresees the need to broaden political understanding, economic cooperation and cultural interchange with those countries which, like your own, have the greatest affinities with Mexico.

May I offer, Prime Minister, the expression of my profoundest respects and my best wishes for your personal well-being and that of your country.

Miguel de la Madrid H.
Presidente Constitucional
de los Estados Unidos Mexicanos

30 SEP 1983



COMISION

ESTADOS UNIDOS MEXICANOS

