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From the Private Secretary

12 October 1987

Dow Tony.

## Prime Minister's Meeting with President Kaunda

The Prime Minister had a talk this afternoon, on the eve of the Commonwealth Heads of Government Meeting, with President Kaunda. The President was accompanied by his Ministers for Foreign Affairs and Finance and a number of officials.

The Prime Minister expressed condolences on the recent bomb explosion in Lusaka, congratulated President Kaunda on his accession as President of the OAU and thanked him for sending his Prime Minister to London to discuss Zambia's economic problems. Britain would be able to do more to help on this last point if Zambia wee to reach an agreement with the IMF. President Kaunda made a number of rather random comments about the Zambian economy, none of which suggested that he was reconciled to reaching an agreement with the IMF.

The Prime Minister said that the press were trying to build up South Africa as the main issue on the forthcoming meeting. She would take the line that she had nothing to add to what had been said at Nassau and in London. The United Kingdom was doing as much, if not more than, anyone else to help black people in South Africa and the Front Line She hoped it would not be necessary to go through the arguments again. We had done what we had undertaken to do. But she was more than ever convinced that sanctions werre counter-productive. The members of the Commonwealth were all sovereign states and each could do as it thought best. President Kaunda said that he had no problems with that. His task was to tell the international community how he saw the situation in South Africa. If they chose not to respond that was their affair. He would have done his part. Each country was independent and could put its views on

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CONFIDENTIAL record. History would be the judge. His only comment was CHOGM should not take much time on the issue.

that he would not accept the argument that African countries should stop pressing for sanctions because the developed countries were giving them aid. The Prime Minister pointed out that she was not saying that. But it would be a pity if CHOGM were to waste its time on pointless argument. President Kaunda said that every participant would be free to state his case or keep quiet as the case might be.

The Prime Minister said that she hoped Fiji would not be an issue. Developments there had been unexpected and rather sad. But the Commonwealth tradition was to tolerate a wide range of regimes. President Kaunda said that if Fiji became a republic and then applied to join the Commonwealth there would have to be a decision. There seemed to be a "tinge of racism" to the new government. But he agreed that

The Prime Minister said that she regretted that she had not yet been able to visit Africa. President Kaunda said that Africa was not the Prime Minister's area. The Prime Minister rather bridled at this and pointed out that it was hard to reconcile such a comment with the substantial aid which Britain gave to Africa. Of course she was interested in it. President Kaunda said that that was not the impression that Africans got. He hoped that the Prime Minister would pay more attention to Africa. He was not criticising her, only saying that it was important to go and see and hear for herself. The Prime Minister said that she would do so.

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