



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

5 July 1990

BH I enclose a copy of a letter the Prime Minister has received from the Egyptian Ambassador. I should be grateful for a suitable draft reply after the Economic Summit in Houston.

I am sending a copy of this letter and enclosure to John Gieve (HM Treasury).

(C. D. POWELL)

Simon Gass, Esq.,
Foreign and Commonwealth Office.



EMBASSY
OF THE ARAB REPUBLIC OF
EGYPT
26, SOUTH STREET, LONDON, W.1.
TELEPHONE: 01-499 2401

5th July , 1990

Dear Charles

On the occasion of the forthcoming Annual Economic Summit , I have the honour to enclose herewith a message received by FAX from His Excellency President Mohamed Hosni Mubarak , to the Prime Minister , The Rt. Hon. Margaret Thatcher , QC , MP.

Best regards,

Mohamed Shaker
Ambassador.

Mr. Charles Powell
10 Downing St.
London W1

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. 151D/90. الرئيس

His Excellency

H.E. Prime Minister Thatcher

As the Sixteenth Annual Economic Summit of Heads of State and Government is underway, I deemed it appropriate to write to you in order to share with you some thoughts on a matter of great importance to the African peoples, namely the debt problem. What prompted me to do so is the fact that previous summits of your group have dealt with several issues of impact on the world economy. On the other hand, I believe that the problem of African debt has become a most serious impediment to development in Africa and to the promotion of trade between Third World Countries and the industrialized nations. The last decade of the Twentieth Century is certain to be a crucial period in our history.

My predecessors have contacted you about the need for finding a solution without delay to this problem. Certain useful ideas were proposed and we feel that you are interested in following up these ideas until tangible progress is made in this direction.

The President



Africa remains a net transferer of resources because of its commitment to honor international financial obligations. However, it is becoming increasingly difficult for many African countries to meet their obligations. Last year alone, the total external debt of African States has increased from 249 billion dollars to 256 billion . Relative to the GNP , the debt ratio for Africa is nearly twice as large as the debt for the world's most heavily indebted state .

Among the world developing regions, Africa continues to be the most dependent upon exports of a few primary commodities! Nineteen Sub-Saharan countries obtain 80% or more of their export earnings from three or less commodities .

I am certain that you realize the seriousness of this problem and its awesome consequences for all of us . Most African nations are exerting strenuous efforts in order to create the conditions which are conducive to economic recovery and reform . Nonetheless, these efforts are not likely to succeed unless an equitable solution is reached to

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The President



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that basic problem . Therefore , I appeal to you to give this matter top priority in your forthcoming meeting in Houston and pursue it until a solution is found . I am addressing you on this matter in the spirit of mutual confidence and universal brotherhood that must prevail in our relations . We would like to solve this problem through dialogue and accommodation rather than confrontation. I have no doubt that you share with me this inclination and that you will do all what you can with a view to reaching an imaginative solution .

Sincerely

Mohamed Hosny Mubarak

Chairman of the Organization of African Unity

The Right Hon. Margaret Thatcher

Prime Minister of the United Kingdom.

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