PP LISBON GRS 500 CONFIDENTIAL

FM FCO 171700Z AUGUST 81
TO PRIORITY LISBON
TELEGRAM NUMBER 075 OF 17 AUGUST 1981
INFO PRIORITY WASHINGTON, LUANDA, CAPETOWN, BONN,
PARIS, OTTAWA, UKMIS NEW YORK

FROM CAFD

- 1. PORTUGUESE CHARGE (MACEDO) CALLED ON THE DEPARTMENT ON INSTRUCTIONS THIS MORNING.
- 2. MACEDO SAID THAT HIS GOVERNMENT HAD BECOME INCREASINGLY CONCERNED BY THE IMPASSE OVER NAMIBIA. THIS WAS THE RESULT OF SOUTH AFRICAN INTRANSIGENCE AND HAD NOT BEEN ASSISTED BY CERTAIN AMBIGUITIES IN THE US POSITION. THE SITUATION IN THE REGION WAS DETERIORATING WITH THE INCREASE IN FIGHTING OVER THE NAMIBIA/ ANGOLA BORDER. UNITA REMAINED EFFECTIVE ALTHOUGH NOT A THREAT TO THE GOVERNMENT'S SURVIVAL. ESCALATION OF HOSTILITIES IN THE REGION WAS NOT IN WESTERN INTERESTS AND WOULD SERVE ONLY TO REINFORCE CUBAN/SOVIET INFLUENCE. THE PORTUGUESE STILL BELIEVED THAT A QUICK SETTLEMENT OF THE NAMIBIAN PROBLEM WOULD LEAD TO THE SOLUTION OF OTHER DIFFICULTIES IN THE REGION.
- 3. THE PORTUGUESE GOVERNMENT BELIEVED THATTHEY NOW HAD SOME ROLE TO PLAY GIVEN ITS CLOSE RELATIONS WITH SOUTH AFRICA, THE UNITED STATES AND ANGOLA. THEY WISHED TO USE THEIR INFLUENCE TO BUILD ON THE COMMON GROUND THAT EXISTED BETWEEN THE PARTIES RATHER THAN TO ACT AS A CHANNEL FOR TRANSMITTING IRRECONCILABLE VIEWS.

 NEGOTIATIONS MIGHT PROCEED ONFOLLOWING BASIS:
- (A) A COMMON REAFFIRMATION OF SUPPORT FOR SCR 435:
- (B) RESPECT FOR ANGOLA'S SOVEREIGN RIGHTS TO SETTLE THEIR OWN

INTERNAL PROBLEMS:

- (C) RECIPROCAL GUARANTEES, WHEREBY THE SOUTH
 AFRICANS WOULD LIMIT MILITARY ACTIVITIES IN ANGOLA AND REDUCE
 SUPPORT FOR UNITA AND THE ANGOLANS WOULD GIVE A COMMITMENT FOR THE
 GRADUAL WITHDRAWAL OF CUBANS AS IMPROVEMENTS IN THEIR SECURITY
 SITUATION PERMITTED, AND WOULD PROMISE TO REDUCE SUPPORT FOR SWAPO.
- 4. IT WAS CLEAR THAT VARIOUS MEMBERS OF THE ANGOLAN GOVERNMENT RECOGNISED THAT THEY NOW NEEDED URGENT ECONOMIC ASSISTANCE FROM THE WEST. THE PORTUGUESE GOVERNMENT WERE PREPARED TO DISCUSS PROVIDING TECHNICAL ASSISTANCE AND PROFESSIONAL HELP TO ANGOLA.
- 5. MACEDO SAID THAT HIS GOVERNMENT HAD ALREADY OUTLINED THEIR PROPOSAL TO THE SOUTH AFRICANS, THE ANGOLAN FOREIGN MINISTER AND THE US AND WERE IN THE PROCESS OF INFORMING OTHER MEMBERS OF THE FIVE.
- 6. WE UNDERTOOK TO REPORT THIS APPROACH TO MINISTERS.
 WE SAID THAT WE AGREED WITH THE PORTUGUESE
 ASSESSMENT OF THE SITUATION IN ANGOLA AND OF THE RISKS TO WESTERN
 INTERESTS IN THE REGION ARISING FROM THE CONTINUED LACK OF
 PROGRESS ON NAMIBIA. WE ASKED TO BE KEPT INFORMED OF THE SOUTH
 AFRICANS' AND THE ANGOLANS' REACTIONS TO THE PORTUGUESE APPROACH.
 WE EXPRESSED INTEREST IN THE FACT THAT THE PORTUGUESE HAD SELECTED
 PAULO JORGE AS INTERLOCUTOR (HE HAD ALWAYS APPEARED TO US TO BE ONE
 OF THE MORE DOCTRINAIRE MARXIST MEMBERS OF THE PORTUGUESE
 GOVERNMENT AND DIFFICULT TO DEAL WITH.)
- 7. PLEASE SEE COMMENTS IN MIFT.

NATIONA STANDARD [COPIES SENT TO NO 10 DOWNING STREET]
C.A.D
S AF D
OADS
UND

NAD ECD ERD

CABINET OFFICE

C TIAL