

Mauritius



Foreign and Commonwealth Office

London SW1A 2AH

10 February 1981

Dear Michael,

Official Visit of the Prime Minister of Mauritius: 10 - 13 February

✓ I enclose briefs for the Prime Minister's talks with Sir Seewoosagur Ramgoolam on Thursday 12 February. Dr Ramgoolam will be accompanied by his Finance Minister, Sir V Ringadoo, and his Foreign Minister, Sir H Walter.

/ I also enclose a short draft speech for the Prime Minister's use at the dinner for Sir Seewoosagur that evening.

The Secretary of State will hold talks with Sir Seewoosagur and his colleagues on Wednesday 11 February. If the Mauritians raise any additional topics of significance on that occasion, supplementary briefing will be provided.

Yours ever
Roderic Lyne

(R M J Lyne)
Private Secretary

M O'D B Alexander Esq
10 Downing Street
LONDON

ADDITIONS/AMENDMENTS TO PROGRAMME FOR
PRIME MINISTER OF MAURITIUS

Wednesday 11 February

Please add the following appointments for Sir Veerasamy Ringadoo.

1600 Signing of Double Taxation Agreement
Mr R Luce, Parliamentary Under-Secretary
for Foreign and Commonwealth Affairs,
India Office Council Chamber, Foreign and
Commonwealth Office.

Friday 13 February

The Prime Minister's appointments during the afternoon are:-

1600 Press briefing at Hyde Park Hotel

1800 OAU group will call on Prime Minister,
Mauritius High Commission, 32/33 Elvaston
Place, SW7.

Saturday 14 February

1100 The Prime Minister and Lady Ramgoolam will
move to the Waldorf Hotel.
end of official visit.

To Private Secretary to Prime Minister
Legend re: Limoges Dinner Service gift
from Prime Minister
of Mauritius



of
Feb. 1981

With the Compliments
of the

Mauritius High Commission

copied to
Gifts file
received

01-581 0294/5

32/33 ELVASTON PLACE
LONDON SW7 5NW

R18/3. ef. 19/3
① Prime Minister
② File. ef. 18/3

There were several East India Companies. For example, the English "Company of Merchants of London trading to the East Indies" which received its Charter from Queen Elizabeth in 1600; the Dutch East India Company formed in 1802; the Danish one formed in 1729.

But when we in Mauritius speak of the East India Company, we refer to the French "Compagnie des Indes Orientales" and more particularly to the second or Nouvelle Compagnie des Indes, established by an Edict of May 1719, and to which Louis XV gave the ownership of Isle de France (as Mauritius was then called) on 2 April 1721.

The island remained in the ownership of this Company for the next 50 years during which time it was turned into a strategic shipping station primarily because of its natural harbours.

The porcelain imported by this Company is still highly prized as a model of artistic taste and workmanship.



OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

LIST OF BRIEFS

1. Steering Brief.
2. Anglo/Mauritian Relations.
3. Diego Garcia.
4. Vencatessen Case/Ilois.
5. Aid/Balance of Payments Support.
6. Indian Ocean.
7. Internal Political.
8. Personality Notes.



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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10 - 13 FEBRUARY

BRIEF NO 1: STEERING BRIEF

British Objectives

1. To consolidate present close Anglo-Mauritian relations and to reassure Mauritians of our understanding of their interests and problems.
2. To show recognition of Sir Seewoosagur's distinguished record as Prime Minister of Mauritius, senior Commonwealth statesman and practitioner of Parliamentary democracy.
3. To seek maximum Mauritian support for and acquiescence in Western measures to counter the Soviet threat in the Indian Ocean area.
4. To secure Mauritian Government participation in negotiations for the settlement of the Ilois problem.

Mauritian Objectives

5. To seek reassurance about continued close relations with Britain (they believe our interest in them is diminishing).
6. To ensure continued British development assistance in the longer term and some short term balance of payments support.
7. To stress the importance they attach to HMG remaining committed to the Community arrangements for Mauritian exports (sugar and textiles).
8. To defend their belief that Mauritius has a legitimate interest in the developments on Diego Garcia, _____

_____ /9. To


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9. To stress the particularly adverse affect on Mauritius of the increase in fees for overseas students in Britain.

Background and Tactics

10. The interests of the Mauritians are basically parochial apart from Southern Africa (Mauritius has important commercial links with South Africa and is a lukewarm member of the OAU), and developments in the Indian Ocean area. Discussion on the Mauritian side is likely to focus on economic and commercial problems including the need for capital aid and balance of payments assistance, protection of sugar quotas and textile exports to the community. We can offer little new on capital aid and can make few concessions on a number of technical questions (sugar, civil aviation, closure of the British Council Office) on which we have been pressed by the Mauritians. They will however be pleasantly surprised by our ability to confirm that we can offer £1m in programme aid as the UK's contribution to Mauritius appeal to the international community for balance of payments support (Brief no 5). We should make the most of this. Our offer should also answer Dr Ramgoolam's periodic complaint that we are less solicitous of our friends than of those less well disposed (eg Seychelles).

11. It will be a domestic political requirement for the Mauritians to raise their 'claim' to Diego Garcia. Discussion on this is unlikely to be productive. Dr Ramgoolam knows this; his objective (more modest but still unrealistic) is that some financial benefit should accrue to Mauritius from the development of the US defence facility on the island. However, the prospect of employing skilled labour from Mauritius in the big construction projects on Diego Garcia will be welcome and Dr Ramgoolam will know how to make local political capital out of this.

12. The strong reaction in Mauritius to increased fees for overseas students stems from the fact that an exceptionally high proportion of self-financed students come to Britain for higher education.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

VITAL STATISTICS

1. Population and Land Area

(a) Land Area	2045	km ²
(b) Population (1978)	0.924	million
(c) Population Growth rate (1970-77)	1.3	%pa

2. Economic

(i) Gross National Product

	<u>1978</u>	
(a) Total	760	US\$m
(b) Growth Rate (1970-77)	8.3	%pa
(c) Position in Total GNP League Table	129	(of 176)
(d) Per Capita	830	US\$
(e) Position in Per Capita League Table	99	(of 176)

(ii) Balance of Payments

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	US\$m
Exports	264.6	307.6	325.8	373.1	
Imports (fob)	-307.4	-368.0	-424.0	-452.3	
Invisibles and Transfers (net)	6.7	-17.1	-20.3	-47.5	

Current Account	-36.1	-77.5	-118.5	-126.7
Capital Account	-44.8	29.7	85.4	88.3
Balancing Item	5.2	9.7	11.8	-14.5

Overall Balance	-75.7	-38.1	-21.3	-52.9
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(iii) International Reserves

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>
Total	89.5	66.7	45.8	29.2
Months of Imports covered	2.6	1.6	0.9	0.5



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-2-

3. Foreign Trade

(a) <u>Main Export Markets</u>	<u>1973</u>	<u>1978</u>	<u>1979</u>	%
UK	44.9	62.3	63.3	
France	1.6	8.5	11.1	
USA	8.0	7.2	13.1	
Belgium/Luxembourg	0.6	4.8	11.9	

(b) <u>Major Sources of Imports</u>	<u>1973</u>	<u>1978</u>	<u>1979</u>	%
UK	21.6	14.8	13.5	
France	6.8	11.9	9.2	
South Africa	8.5	11.8	13.7	
Japan	6.6	6.8	4.9	
Australia	5.4	5.5	5.0	

(c) <u>UK Trade with Mauritius</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	£m
Total value of exports	31.7	30.4	24.7	
Real growth of exports (five years ending)	na	4.2	na	%pa
Position in UK's Export League Table	81(of 85)	na	na	

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS :
10 - 13 FEBRUARY

BRIEF NO 2 : ANGLO /MAURITIAN RELATIONS

POINTS TO MAKE

Bilateral

1. Value close and warm relations. Attach importance to Mauritius role in Indian Ocean affairs. Need to keep in close touch in view of Soviet threat.
2. Admire Sir S Ramgoolam's achievement since independence in maintaining a stable and Westminster model democracy.

Sugar

- ANNEX A
3. Hope letter from Prime Minister has allayed Mauritian concerns.
 4. UK is and will remain committed to Lomé Sugar Protocol. Community's commitment to purchase and import specific quantities at guaranteed prices not subject to any conditions or qualifications. No time limit to Protocol, apart from provision for limited re-examination by end of February 1982.
 5. But emphasise Lomé commitment undertaken by whole Community not solely UK.
 6. Closure of Tate and Lyle refinery does not affect Lomé commitment. Tate and Lyle have said they will continue to buy as much ACP sugar as hitherto.

/Overseas

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Overseas Students Fees (if raised)

7. Regret that the fees for entrants in 1980 had to be raised to a realistic level, and also that fees for the next year are going to be somewhat higher.

8. The number of scholarships available through the British Council, ODA and the Department of Education and Science, will be maintained as far as possible to offset the effects of the student fee increases. Mauritius has been considered as one of the special cases because of its higher educational structure, but the decision to cut the subsidy had to be a global one.

British Council (if raised)

9. Regret that it was necessary for the British Council to withdraw the Representative from Mauritius. This should not be seen as a lessening of British interest in Mauritius. British Council could not be exempt from cuts as a result of HMG's need to reduce public expenditure to get the economy right.

10. Hope it will be possible to retain British Council library beyond March 1982. No commitment possible at present. Views of Mauritians will be taken into account.

EC/Mauritius Textiles (if raised)

11. Glad that Voluntary Restraint Arrangement (VRA) working well so far.

12. Recognise importance of textile industry to Mauritius.

13. But UK textile industry remains very sensitive area. Hope that any further problems can be settled amicably as in the past.

14. We are concerned about great increase in Mauritian exports

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of woven shirts to the UK, and are discussing this with the European Commission,

Air Services (if raised)

15. We have proposed full air services talks in early March. This will be the opportunity to clear up all outstanding points,

16. Pleased to hear that Air Mauritius no longer propose operating on same day as British Airways,

17. The questions of routes to Hong Kong and rebated fares for Mauritian civil servants give us problems of policy and precedent. Detailed discussion best left to the forthcoming talks,

18. (If Sir S Ramgoolam adopts an accusing tone). British Airways have a genuine operational need to route via Zurich and this can do no possible harm to Air Mauritius.

New British Nationality Law (if raised)

19. The Bill closely follows the proposals contained in the White Paper on Nationality Law published in July 1980.

20. The new law is needed to provide a distinctive citizenship for those who have a close connection with the United Kingdom,

21. Commonwealth citizens who have the right of abode in the United Kingdom will not be affected in any way. Their rights will be preserved,

22. There is nothing in the Bill which need disturb in any way our friends in Commonwealth countries.

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The Republic Question (if raised)

23. Mauritian constitutional development is for Mauritius to decide. Assume The Queen would be advised in advance of any change.

24. Would not wish close relations to be affected.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 2: ANGLO/MAURITIAN RELATIONS

ESSENTIAL FACTS

Bilateral

1. Relations are warm and close. Mauritian Ministers, and in particular the Prime Minister, are frequent visitors to Britain. All Sir S Ramgoolam's political inspiration and ideas flow from his British experience - moderate socialism, Westminster style of democracy and the welfare state. Our interests in Mauritius are principally political and strategic. We want to limit opportunities for Soviet influence in the area, and to encourage Mauritian cooperation over Western defence measures. Also we recognise the significant role he plays in support of the Commonwealth.

2. The Mauritians are deeply conscious of their physical and political isolation. The coup in Seychelles in 1977 which brought to power the present radical government, came as a great shock. The Mauritians feel that Britain has lost interest in them, and see evidence of this in the termination on our initiative in 1976 of the 1968 Defence Agreement between UK and Mauritius, our withdrawal of the British Council (see para 11 below), our reticence over a new aid loan (see Brief No 5), and the increases in student fees (see para 7 below).

3. The main irritant in our relations is Diego Garcia (see Brief No 3). As long as a moderate Government basically well disposed towards the West such as Sir S Ramgoolam's remains in power the issue should remain under control.

/Sugar

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CONFIDENTIAL

-2-

Sugar

4. The announced closure of the Tate and Lyle cane sugar refinery has aroused concern among the Commonwealth ACP that the access for their sugar exports to the UK may be in jeopardy. Mauritius is heavily dependent on sugar exports and has the largest quota (487,200 tonnes) under the Lomé Convention. On 22 January, Sir S Ramgoolam wrote to the Prime Minister about this on behalf of all the ACP producers. A reply was sent on 5 February.

5. The line to take makes clear that the Lomé Convention is not qualified in any way, eg by beet sugar production levels or refining capacity in the Community. If necessary ACP sugar which cannot find a market must be bought into intervention, although this has never yet happened. It also makes clear that there is no separate commitment by the UK to take the ACP sugar: the commitment is one by the Community as a whole.

6. The closure of the refinery will reduce Tate and Lyle's total cane refining capacity to some 1.1m tonnes, some 60,000 tonnes less than the 1.16m tonnes of ACP sugar they refined in 1979/80. The company have said publicly that they are prepared to buy in the future the same amount of ACP raw sugar as hitherto and try to find a market elsewhere in the Community for the sugar they cannot refine themselves. Indeed the company have told MAFF that they are about to conclude the necessary contracts with two French cane refineries. (This should not be revealed to the Mauritians). This offer seems to offer the same commercial security as the ACP have enjoyed up to now.

Overseas Students' Fees

7. Overseas students entering courses in UK universities and polytechnics for first time in the academic year beginning in September 1980 were required to pay realistic rate of fees, not

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CONFIDENTIAL

-3-

'Home Student' rates, which are heavily subsidised. This decision came as a blow to Mauritius, whose educational system has developed on the assumption that students would be able to continue their higher education in this country. Many of them are self-financing and, if the fees are beyond them, may have to go elsewhere for further education. We now know that the full rate for new entrants in academic year 1981 will be higher.

8. The full rates of enhanced fees do not apply to students already enrolled in past years. But otherwise they do apply to all Commonwealth and non-EC foreign countries. The teacher/student ratio in the British system is much higher than in most overseas countries which means that in some cases the realistic fees now requested are higher than those in universities in the USA, Germany, France and other countries. But often our courses are shorter.

9. Decision to charge students from EC countries the same fees as home students from September 1980 was taken in anticipation of a Community Resolution which, when implemented, will oblige us to follow that course. The decision also brought us in line with the majority of European partners. This apart, it is difficult to make exceptions in present economic circumstances. Will however remain Government policy to do what we can for deserving cases. DES maintaining their rate of post-graduate scholarships for outstanding overseas students. This in addition to special arrangements mentioned above under Commonwealth Scholarship and Fellowship Plan. British Council scholars and especially those supported by grants from ODA, being considered on merits for continued support, even at higher rates. ODA funds for this allocated on basis of needs of country concerned; but funds available to ODA have themselves been cut.

10. Whole question is being monitored in London and will be discussed by committees of officials and by Ministers.

/British Council

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CONFIDENTIAL

-4-

British Council

11. The British Council was established in Mauritius in 1950 with a Representative's office and a library. Public expenditure cuts necessitated the closure of the Representative's office in March 1980.

12. It was originally also intended to close the Library but following strong protests from the Governor General and others, including an appeal to the Secretary of State by Sir Seewoosagur Ramgoolam, the British Council agreed to maintain the Library until March 1981. The British Council have since given a further commitment to retain the Library until at least March 1982.

13. The future of the Library beyond March 1982 is under consideration in the current joint British Council/ODA/FCO discussions on the Council's priorities in the light of budget reductions. It is expected that the Library will be maintained beyond March 1982.

14. Cultural and educational activities are now handled by the High Commission in consultation as necessary with the British Council in London, which helps whenever possible but its ability to do so is limited by the lack of a specific budget for Mauritius.

Textiles

15. The Lomé agreements provide for free and unlimited entry to the Community for ACP industrial products subject only to safeguard measures. The latter have never been used against an ACP State.

16. The Community has however drawn the attention of the ACP to the sensitivity of the European textile industry and the need for both sides to be mindful of each other's interests. It has also explained its policy on global ceilings and the creation of a fixed

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-5-

quantity within those ceilings for the ACP States - known as the ACP Line. The ACP States do not recognise any of these internal ceilings but have acknowledged the need for early consultations when problems arise.

17. Mauritius is the most significant ACP textile exporter and the only ACP country with which the Community has had to negotiate a Voluntary Restraint Agreement (VRA). This was in 1979; the Mauritians were no doubt influenced by the fear that in the absence of an agreement the Community might impose unilateral restraints. The VRA applies only to the UK and Ireland and sets limits for jerseys, blouses and T-shirts, all of which are in the most sensitive categories. There is also a less formal arrangement with France covering six products.

18. We now have another potential problem over woven shirts (also very sensitive and already covered in the French agreement). The Mauritians have increased their exports to the UK from 134,847 to 480,640 during the period January 1979 to December 1980 (an increase of well over 200%). We are trying to persuade the Commission to request early warning consultations with the Mauritians and have told them that we may mention our concern to the Mauritians during Sir S Ramgoolam's visit. This is a matter which it would be most appropriate for the Minister of Trade to mention briefly when he sees the Mauritian party for lunch on 13 February, and DOT are providing a separate brief for Mr Parkinson. The attached points to make are for defensive use only by the Prime Minister and other Ministers who will be seeing members of the Mauritian party.

Air Services

19. Air Mauritius is the creation of Sir S Ramgoolam (who is also Minister of Civil Aviation) and exists primarily for prestige
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-6-

reasons. It is far too small to operate economically especially on long-haul routes (it is entitled to operate 2 Boeing 707 services per week to London) and cannot compete properly with larger modern airlines. This has placed a continuing strain on air services relations with the UK.

20. British Airways currently operate twice weekly to the Indian Ocean as follows;

1 London-Zurich-Bahrain-Seychelles

2 London-Bahrain-Seychelles-Mauritius

Owing to falling demand, and their general need to cut costs, BA need to amalgamate these two services into one. The Mauritians, however, have refused permission for British Airways to route via Zurich even though their proposal poses no threat whatsoever to Air Mauritius' interests. British Airways have rejected a Mauritian proposal that they should pay Air Mauritius £300,000 per annum cash in return for the facility to operate via Zurich.

21. If British Airways are not allowed to stop at Zurich they will seriously consider dropping services to Mauritius altogether. This is likely to have some adverse effect on Mauritius' tourist trade. Above all BA wish to preserve their valuable Zurich-Seychelles traffic (luxury holidays).

22. We have proposed air services talks between officials in early March to discuss this and other matters, including a route for Air Mauritius to Hong Kong and rebated fares for Mauritian civil servants. Lord Trefgarne has already confirmed in a personal letter to Sir S Ramgoolam that these matters should be covered at the next air services talks. (This followed a brief private visit to London by the latter in January).

23. In view of this, Ministers should avoid any detailed discussion of these matters during the visit, (although the Minister for Trade

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-7-

will be asked to raise the problem of same-day scheduling with Sir S Ramgoolam).

UK/Mauritius Trade

24.	£m		
	1978	1979	1980
UK exports to Mauritius	31.7	30.4	24.7
UK imports from Mauritius	122.8	116.0	145.2

UK's exports to Mauritius in 1980 consisted mainly of machinery and transport equipment £7.9m. In return the main Mauritian exports to UK was sugar £123.2m.

25. The UK's level of exports to Mauritius have been declining and the UK's share of the market in 1979, the latest date for which statistics are available, has fallen to 13.5%. South Africa has now overtaken UK as the leading supplier to the market with 13.7%.

26. All normal ECGD services are available for exports to Mauritius and there are no payment problems. UK companies are, however, pursuing a number of contracts which if successful would cause problems for the ECGD market limit. ECGD have indicated to the Mauritians that they would have difficulty in wholly covering the £30m airport contract which Plessey are pursuing. ECGD have suggested that the Mauritians consider splitting the project among credit insurers.

27. Plessey Airports Ltd have been facing strong competition from the French in trying to sell an airport system to Mauritius.

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-8-

Lummus Ltd are pursuing an order for an oil refinery. British Shipbuilders are hoping to win a contract for a ro-ro vessel. British Aerospace are seeking to sell an HS748 to Mauritius Airways.

New British Nationality Law

28. The Nationality Bill received Second Reading on 28 January. The present law on which British nationality is based dates from 1948. It is now out of date.

29. It has been one of the objectives of successive governments clearly to identify in terms of citizenship those persons who have the right of abode in the United Kingdom. The Bill proposes a scheme of three citizenships:

British citizenship for those citizens of the United Kingdom and Colonies (CUKC) who have close links with the United Kingdom, citizenship of the British Dependent Territories for those CUKCs who have corresponding links with a dependency and British Overseas citizenship for those CUKCs whose ancestral or residential connections with the United Kingdom or an existing British dependency are not sufficiently close to qualify them for British citizenships or citizenship of the British Dependent Territories.

30. The Home Secretary has given assurances that the new nationality law will in no way affect the rights of anyone lawfully settled in the United Kingdom.

The Republic Question

31. From time to time over the last few years, the question of a Mauritius republic has become an active issue in Mauritius politics. It has been dormant since March 1979, but there are signs that Ramgoolam is once more giving the subject some thought, and he may raise it during the visit. Two considerations may be in

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-9-

his mind:

- (a) a safeguard which would make it less easy for the opposition party to take Mauritius out of the Commonwealth if they were to come to power;
- (b) a wish to secure special powers for himself as Executive President

East African Department
Foreign and Commonwealth Office
February 1981

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5496 - 2

OO PORT LOUIS

GRS 615

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FRAME DEVELOPMENT

FM FCO 051208Z FEB 81

TO IMMEDIATE PORT LOUIS

TELEGRAM NUMBER 22 OF 5 FEB

INFO SAVING UKREP BRUSSELS

YOUR TELNO.26 : CLOSURE OF TATE AND LYLE SUGAR REFINERY

1. FOLLOWING IS TEXT OF PRIME MINISTER'S REPLY TO RAMGOOLAM'S LETTER OF 22 JANUARY (ALREADY COPIED TO YOU):

MY DEAR PRIME MINISTER,

THANK YOU FOR YOUR LETTER OF 22 JANUARY ABOUT THE CLOSURE OF THE TATE AND LYLE CANE SUGAR REFINERY AT LIVERPOOL.

I AM SURE YOU WILL UNDERSTAND THAT THIS DECISION WAS A COMMERCIAL ONE FOR THE COMPANY TO TAKE. IT WOULD NOT BE APPROPRIATE FOR THE GOVERNMENT TO SEEK TO PERSUADE THEM TO ALTER THEIR DECISION. BUT I CAN ASSURE YOU THAT THE CLOSURE OF THE REFINERY WILL HAVE NO EFFECT ON THE COMMUNITY COMMITMENT TO ACCESS FOR ACP SUGAR TO THE COMMUNITY MARKET.

THE COMMITMENT UNDER THE SUGAR PROTOCOL TO THE LOME CONVENTION IS THAT THE COMMUNITY AS A WHOLE WILL PURCHASE AND IMPORT SPECIFIC QUANTITIES OF SUGAR FROM THE ACP PRODUCERS AT GUARANTEED PRICES. THERE ARE NO CONDITIONS OR QUALIFICATIONS ATTACHED TO THAT COMMITMENT. THE COMMITMENT IS FOR AN INDEFINITE PERIOD, SUBJECT ONLY TO THE PROVISIO THAT THE CONDITIONS FOR IMPLEMENTING THE GUARANTEE 'SHALL BE RE-EXAMINED BEFORE THE END OF THE SEVENTH YEAR OF THEIR APPLICATION', THAT IS BEFORE THE END OF FEBRUARY 1982. AND IF ANY ACP SUGAR CANNOT BE MARKETED IN THE COMMUNITY, THE PROTOCOL EFFECTIVELY REQUIRES THE COMMUNITY TO BUY IT INTO INTERVENTION AT AT LEAST THE GUARANTEED PRICE. AS MR WALKER AND HIS PREDECESSORS HAVE REPEATEDLY MADE CLEAR TO THE COMMONWEALTH ACP PRODUCERS, THEIR EXPORTS TO THE COMMUNITY CANNOT BE AFFECTED BY THE LEVEL OF BEET SUGAR PRODUCTION IN THE COMMUNITY.

THE SUGAR PROTOCOL IS AN OBLIGATION TO WHICH THE UNITED KINGDOM IS AND WILL REMAIN FULLY COMMITTED. WE ARE FULLY AWARE OF

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5496 - 2

THE IMPORTANCE OF THE PROTOCOL FOR THE COMMONWEALTH ACP PRODUCERS. BUT I WOULD POINT OUT THAT THAT OBLIGATION DOES NOT REST SOLELY UPON THE UNITED KINGDOM. THE COMMITMENT WAS UNDERTAKEN BY THE EUROPEAN COMMUNITY IN 1975 WHEN THE FIRST LOME CONVENTION WAS NEGOTIATED. IT IS TRUE THAT THE UNITED KINGDOM MADE SATISFACTORY ACCESS FOR SUGAR FROM THOSE COMMONWEALTH SUGAR PRODUCERS WHO SUBSEQUENTLY BECAME ASSOCIATED WITH THE COMMUNITY THROUGH THE LOME CONVENTION ONE CONDITION OF OUR ACCESSION TO THE COMMUNITY. BUT UNDER THE LOME SUGAR PROTOCOL WHICH PUT THAT COMMITMENT INTO PRACTICE, ACCESS IS GUARANTEED TO THE COMMUNITY AS A WHOLE, AND NOT SOLELY TO THE UNITED KINGDOM.

IN PRACTICE THE UNITED KINGDOM HAS UP TO NOW TAKEN MOST (BUT NOT ALL) OF THE ACP SUGAR EXPORTED TO THE COMMUNITY. I SEE NO REASON WHY THIS SHOULD NOT CONTINUE. IT IS TRUE THAT ONE OF THE PROBLEMS WHICH TATE AND LYLE HAVE HAD TO FACE IS THE CONTRACTION OF THE UNITED KINGDOM MARKET FROM 2.6 TO 2.3 MILLION TONNES OVER THE PAST SEVEN YEARS. BUT MR WALKER HAS MADE IT CLEAR THAT HE IS PREPARED TO ACCEPT A REDUCTION IN THE UK PRODUCTION QUOTA UNDER EUROPEAN COMMUNITY ARRANGEMENTS TO 1.15 MILLION TONNES. IF THIS SUBSTANTIAL REDUCTION IS AGREED, SUGAR SURPLUSES IN THE UNITED KINGDOM WILL OCCUR ONLY OCCASIONALLY, AND ARE NOT LIKELY TO EXCEED 100,000 TONNES. SMALL AMOUNTS OF THIS SORT CAN BE STORED AND CARRIED OVER TO THE FOLLOWING YEAR UNDER COMMUNITY ARRANGEMENTS.

YOU MAY HAVE NOTED THAT TATE AND LYLE HAVE SAID THAT THEY ARE PREPARED TO CONTINUE TO BUY THE SAME AMOUNT OF ACP RAW SUGAR AS HITHERTO, AND THAT THEY WILL TRY TO FIND A MARKET ELSEWHERE IN THE COMMUNITY FOR THE SUGAR THAT THEY CANNOT REFINER THEMSELVES. THE DETAILED ARRANGEMENTS ARE OF COURSE FOR THE COMPANY AND THE SUGAR EXPORTERS TO NEGOTIATE. BUT IT SEEMS TO ME A HELPFUL OFFER.

YOURS SINCERELY
MARGARET THATCHER

2. ORIGINAL WILL BE HANDED TO RAMGOOLAM'S PARTY ON ARRIVAL IN LONDON. PLEASE DELIVER TEXT TO HIS OFFICE BEFORE HIS DEPARTURE.
CARRINGTON

DIST:

COPY TO:

FRAME DEVELOPMENT
ECD(E)
EAD

MR ROBERTS SUGAR DIV, MAFF.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 3: DIEGO GARCIA

POINTS TO MAKE

1. Disappointed over some references to Diego Garcia made in India in October. We should try not to make difficulties for each other over Diego Garcia. Only the Soviet Union benefits. True position is well known both sides.

Visit to Diego Garcia [if raised]

2. Access is governed by Agreements with the United States. There are real practical difficulties but of course we would consider a request.

Mauritian Labour on Diego Garcia [if raised]

3. Raised this with the Americans. Understand that American authorities are encouraging contractors to employ Mauritians. But decision rests with contractors.

Fishing Rights [if raised]

4. Mauritian fishermen have traditional fishing rights within the 12-mile zone.

Mineral and Oil Rights [if raised]

5. 1965 Agreement reserves mineral rights on Chagos Islands for Mauritius. Agreement also states that no prospecting/exploitation may take place while Islands required for defence purposes.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 3: DIEGO GARCIA

ESSENTIAL FACTS

1. In 1965, Mauritian Ministers, led by the present Prime Minister Sir Seewoosagur Ramgoolam, agreed to the detachment of the Chagos Islands (including Diego Garcia) to form part of the British Indian Ocean Territory and to the Islands being made available for the construction of defence facilities. It was also agreed that if the Islands were no longer for defence purposes, the United Kingdom would cede them to Mauritius. The Prime Minister repeated this undertaking in answer to a question in the House on 11 July 1980.

Annex A

2. During the course of 1980, Mauritian Ministers made public statements, sometimes contradictory, laying claim to Mauritian sovereignty over Diego Garcia. Some of Sir S Ramgoolam's references to Diego Garcia while in India last October were particularly unhelpful. The Mauritian attitude may be explained by:-

Annex B

- (a) A political need not to be outflanked by the radical MMM opposition party which has made a domestic issue of Diego Garcia. General elections are due within the next 12 months.
- (b) A belief that past Mauritian acquiescence over Diego Garcia has not paid off, given our termination of the Defence Agreement in 1976, closure of British Council, student fees, no offer of new bilateral capital aid loan.
- (c) The success of Somali, Oman and Egypt in extracting financial benefit from the Americans in return for defence facilities.

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CONFIDENTIAL



CONFIDENTIAL

-2-

(d) A reaction to criticism by other Indian Ocean states over the 1965 Agreement, and a genuine concern at the military build-up in the Indian Ocean area.

3. We have made it clear to the Mauritians that we do not accept their claim to sovereignty and that it is in the interests of both governments to avoid a public wrangle. In private, the Mauritians assure us that we have no cause to be worried at their public statements and to ask for our understanding of their political problems: they accept the need for a defence facility on Diego Garcia and share our view of the Soviet threat. Consequently we play down the issue in public.

4. Nevertheless, Mauritian attitudes on Diego Garcia give the Soviet Union an opportunity to make difficulties for us in the Indian Ocean.

Mauritian Delegation to Diego Garcia

5. The question of a Mauritian parliamentary delegation to Diego Garcia was raised in the Mauritian Legislative Assembly in November. Ramgoolam replied that the possibility could be considered after consultation with Britain and America. As far as we know, the matter rests, but it is possible Ramgoolam may raise it with us. A visit would not be in our interests because

- (i) it would provide a platform for Mauritian Opposition members to strengthen criticism and
- (ii) it would cut across the UK/US low profile policy of keeping close control on visits to Diego Garcia.

Mauritian Labour, Supplies and Materials on Diego Garcia

6. On learning of the American expansion programme, the Mauritians reminded us of our undertaking in the 1965 Agreement to encourage the Americans to use whenever possible Mauritian labour, supplies and materials on Diego Garcia. There would be

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CONFIDENTIAL



CONFIDENTIAL

-3-

no difficulty for us over materials and supplies from Mauritius but there may be problems in the use of Mauritian labour. Labour sponsored by the opposition party could be introduced onto the Island and would be well placed to make trouble for us and to strengthen the Ilois claim of the right to return [see Brief No 4]. Nevertheless, we have kept our promise with the Mauritians to take the matter up with the Americans, who have agreed to encourage their contractors to use Mauritian labour; there have been discussions between American and Mauritian authorities but we do not yet know the outcome. In any case, the final decision to use Mauritian labour must rest with individual contractors.

Fishing Rights: Chagos Islands

7. The 1965 Agreement provided for Mauritian fishermen to continue to exercise traditional fishing rights in the Chagos area. This is academic at present because the Mauritians are not adequately equipped for long distance fishing (the Chagos Islands are 2,700 miles round trip with no prospect of refuelling). However, if they were to ask for the use of one of the islands as a fishing base, there would be difficulties since the 1966 Exchange of Notes with the Americans reserves all the Islands for defence purposes.

Mineral and Oil Rights: Chagos Islands

8. The 1965 Agreement states that the benefit of any minerals or oil discovery goes to Mauritius. There is no question of our allowing exploration or exploitation as long as the islands are used for defence purposes. Sir S Ramgoolam is well aware of the position which was made clear to him in 1970 by the then Parliamentary Under Secretary, Maurice Foley.

East African Department
Foreign and Commonwealth Office
February 1981

CONFIDENTIAL

Annex B. A

Friday 11 July 1980

INSURANCE COSTS

Mr. Michael McNair-Wilson asked the Attorney-General how much in total his Department and the Lord Chancellor's Department will pay in insurance during the current financial year; and if he will publish a functional breakdown of the total amount.

The Attorney-General: No insurance costs are incurred by the Attorney-General's Department and those by the Lord Chancellor's Department are negligible, save for some £15,000 for insuring premises used by the Law Society in the operation of the legal aid scheme. This is included in the grant to the legal aid fund.

BRITISH BROADCASTING CORPORATION

Mr. Stanbrook asked the Attorney-General if he will now prosecute the BBC under the Prevention of Terrorism Act in respect of its actions in interviewing the killer of Mr. Airey Neave, and co-operation with the IRA in setting up and filming a roadblock in Carrickmore.

The Attorney-General: I have considered the police reports on these two incidents and have consulted leading counsel, and I have decided against instituting any criminal proceedings against any members of the staff of the BBC in respect of either incident. I have, however, written to the chairman of the BBC to express my views about the conduct of those involved and to give my understanding of the effect of section 11 of the Prevention of Terrorism (Temporary Provisions) Act 1976. It is this section which places on the citizen a legal, as opposed to a moral, duty to report to the police information relating to terrorists and acts of terrorism.

HOUSE OF COMMONS

Sir Robert Cooke

Mr. Harold Walker asked the Chancellor of the Duchy of Lancaster to what facilities in the House of Commons Sir Robert Cooke has been given access, and by whose authority.

Mr. St. John-Stevas: As an ex-Member of the House of Commons, Sir Robert Cooke may go to the Members' Lobby.

As a holder of a Palace of Westminster photo-identity pass, which is issued to certain civil servants who attend the House of Commons regularly on duty, Sir Robert may use the Strangers' Cafeteria. This pass was issued on the authority of the Serjeant at Arms.

Diego Garcia

Mr. Newens asked the Prime Minister if she will make a statement on the talks she has had with the Prime Minister of Mauritius, and what references were made to the future of Diego Garcia during the course of these.

The Prime Minister: I had a useful exchange of views on 7 July with the Prime Minister of Mauritius on political, economic and cultural matters. Diego Garcia was one of the subjects discussed. When the Mauritius Council of Ministers agreed in 1965 to the detachment of the Chagos Islands to form part of British Indian Ocean territory, it was announced that these would be available for the construction of defence facilities and that, in the event of the islands no longer being required for defence purposes, they should revert to Mauritius. This remains the policy of Her Majesty's Government.

EMPLOYMENT

Earnings Statistics

Mr. Austin Mitchell asked the Secretary of State for Employment if he will publish in the *Official Report* a table showing for each of the years 1973 and 1977 to 1979 the percentage increase in average wages and salaries on the previous year and cumulatively since 1970 and 1973, respectively, together with the increase in wages and salaries per unit of output for: (a) manufacturing industry, (b) the whole economy less production industries and (c) gas, electricity and water.

Mr. Jim Lester: The following table sets out the available information in respect of each of the years 1973 and 1977 to 1979.

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M. Hewitt
EAD.

Annex B

NEW DELHI, OCT 30, REUTER -- MAURITIUS PRIME MINISTER SIR SEEWOSAGUR RAMGOOLAN SAID HERE TODAY +IMPERIALIST+ BRITAIN WAS BEING UNREASONABLE ABOUT THE DISPUTED INDIAN OCEAN ISLAND OF DIEGO GARCIA.

MAURITIUS, WHICH CEDED THE ISLAND TO BRITAIN BEFORE IT ACHIEVED INDEPENDENCE IN 1968, HAS ASKED FOR THE RETURN OF THE STRATEGIC ATOLL, NOW BEING USED BY THE UNITED STATES AS A MILITARY BASE.

SIR SEEWOSAGUR WAS ASKED TO COMMENT ON PRESS REPORTS FROM LONDON QUOTING A BRITISH FOREIGN OFFICE SPOKESMAN AS SAYING THAT DIEGO GARCIA WAS DETACHED FROM MAURITIUS IN 1965 WITH THE AGREEMENT OF THE MAURITIUS COUNCIL OF MINISTERS.

+PART OF THE AGREEMENT LAID DOWN THAT IF THE ISLAND WERE NO LONGER NEEDED FOR DEFENCE PURPOSES, IT WOULD BE CEDED TO MAURITIUS, + THE SPOKESMAN WAS QUOTED AS SAYING.

BUT SIR SEEWOSAGUR TOLD NEWSMEN AT DELHI AIRPORT AT THE END OF A FOUR-DAY OFFICIAL VISIT TO INDIA: +THERE IS NO WRITTEN AGREEMENT. THERE WAS ONLY A STATEMENT IN PARLIAMENT IN 1965+.

ASKED WHETHER BRITAIN WAS UNREASONABLE, HE SAID: +THEY ARE UNREASONABLE. ALL IMPERIALIST COUNTRIES ARE UNREASONABLE. THEY WANT TO KEEP COLONIES SOMEWHERE. +

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ASKED WHAT HIS COUNTRY WOULD DO TO SECURE THE RETURN OF THE ISLAND, SIR SEEWOSAGUR REPLIED: +WE WILL SEE WHAT IS TO BE DONE. I WILL CONSULT MY COLLEAGUES IN THE GOVERNMENT. +

HE SAID BRITAIN HAD RECOGNISED MAURITIUS' SOVEREIGNTY OVER DIEGO GARCIA. +THAT AT LEAST IS ACCEPTED, + HE ADDED.

THE MAURITIUS LEADER, WHO DISCUSSED DIEGO GARCIA WITH INDIAN PRIME MINISTER INDIRA GANDHI, SAID: +SHE IS IN AGREEMENT WITH US. +

+WE HAVE THE SAME OBJECTIVES OF PEACE AND DETENTE AND OF ECONOMIC AND SOCIAL DEVELOPMENT, + HE SAID.

IN AN INTERVIEW YESTERDAY, SIR SEEWOSAGUR TOLD REUTERS HE WANTED BRITAIN TO RETURN DIEGO GARCIA TO ENABLE MAURITIUS TO DEAL DIRECTLY WITH THE UNITED STATES.

+TERMS AND CONDITIONS WOULD BE DISCUSSED WITH THE UNITED STATES. WE ARE NOT ASKING THE UNITED STATES TO GO AWAY, + HE SAID.

THE UNITED STATES RECENTLY STEPPED UP DEVELOPMENT OF ITS MILITARY BASE ON THE ISLAND AS PART OF THE AMERICAN RESPONSE TO THE SOVIET INTERVENTION IN AFGHANISTAN.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 4: VENCATESSEN CASE AND THE ILOIS

POINTS TO MAKE

1. Wish to reach a settlement as soon as possible. Our offer is final. Will not be increased. Devaluation of the Mauritius rupee in October 1979 has made it considerably larger in rupee terms.
2. We look to the Mauritian Government for their active support. How does Mauritian Government see developments? What is the new Ad Hoc Committee's plan of action?
3. If necessary, HMG willing to negotiate directly with the Government of Mauritius.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:

10-13 FEBRUARY

BRIEF NO 4: VENCATESSEN CASE AND THE ILOIS

ESSENTIAL FACTS

1. Following the setting up of the British Indian Ocean Territory (BIOT), the copra plantations were run down and the inhabitants (the 'Ilois'), most of whom were contract labourers, were persuaded to leave. They had close ties with Mauritius and the great majority (about 1,151 people) settled there, final arrivals taking place in 1973. The Mauritian Government drew up a resettlement plan, costed at £650,000 and in 1972 Her Majesty's Government paid this sum to the Mauritian Government. In 1973 the Mauritius Prime Minister acknowledged its receipt in full and final settlement of any claim upon us by the Mauritius Government in respect of resettlement. The Mauritius Government was unable to secure agreement from the Ilois on a resettlement programme, and in 1977 they decided to distribute the grant in cash in accordance with the wishes of the majority. The money was disbursed in 1978 by which time accrued interest had raised its value to £936,000.

2. In 1975 a former inhabitant of the BIOT, Mr Michael Vencatessen, took an action against HMG in the UK courts for wrongful removal from the Territory and for deprivation of rights of residence in the Territory. It was decided to offer £1.25m to the Ilois as a whole as an out-of-court settlement in order to avoid the following possible consequences:-

(a) moral censure by the Judge ruling on the case, on the lines of judicial comment in the Banaban case;

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CONFIDENTIAL



CONFIDENTIAL

-2-

(b) being compelled by the court to release official papers which might be the source of serious embarrassment to HMG (eg showing that we prevaricated with the UN when BIOT was set up);

(c) an adverse judgement, which the Attorney General made clear could not be wholly excluded;

(d) the likelihood, in such an event, of other members of the Ilois community in Mauritius bringing similar actions.

Our offer envisages Vencatessen agreeing to discontinue his action, and the Ilois giving legal assurances that they recognise they have no claim on HMG.

3. The offer was made to the Ilois in May 1979 by their legal representative, Bernard Sheridan, a London solicitor. A settlement has not yet been reached because of disunity among the Ilois, and pressure by the Mauritian Opposition for them to refuse. Opposition has centred on a clause in the deed of acceptance which requires the Ilois to renounce their rights (if any) to ever return to the Chagos Islands. Negotiations are under way with Sheridan on a revised deed of acceptance. We have agreed with him an amended clause which requires the Ilois not to return until such time as the islands are ceded to Mauritius. Sheridan is seeking Ilois agreement to the new wording, but as a result of internal squabbles among them, he is no longer certain who are his principals. He has had no effective instructions for months. Thus there is stalemate.

4. As a result of opposition pressure, the Government has had to drop its neutral stance over the issue, and is participating in a new Ad Hoc Committee responsible for promotion of the Ilois' welfare. Its terms of reference include negotiating with HMG on our offer. This provides a fresh opportunity for bringing an end to this problem which can only complicate our relations with Mauritius. Ramgoolam's visit enables us to assure the Mauritians

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CONFIDENTIAL



CONFIDENTIAL

-3-

of our wish to reach a speedy settlement, and to seek their active support. There are advantages in dealing direct with the Government of Mauritius rather than Sheridan and we should indicate our willingness to do so.

East African Department
Foreign and Commonwealth Office
February 1981

CONFIDENTIAL

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 5: AID/BALANCE OF PAYMENTS SUPPORT

POINTS TO MAKE

1. We very much sympathise with Mauritius's present economic difficulties, and fully support the policies adopted which we hope will soon bring a rapid recovery.
2. Happy to be able to offer additional £1m for programme aid - to finance essential spare parts and maintenance equipment from UK.
3. In addition as we said at the IMF meeting, we can make available credit cover to facilitate the purchase of UK imports.
4. We will be happy to consider any proposals for any projects under the current loan, of which around £2m still remains uncommitted.

Seychelles Aid Agreement [if raised]

5. The agreement on a new aid package for Seychelles met a legal obligation which was part of the Independence settlement.

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 5: AID/BALANCE OF PAYMENTS SUPPORT

ESSENTIAL FACTS

Mauritius Economy

1. Since 1979 Mauritius has had serious balance of payments problems, stemming from high public expenditure and adverse terms of trade (decline in sugar prices and rising oil prices). Although sugar prices have risen again, cyclones significantly reduced last year's yield. The IMF agreed to a stand-by arrangement and subsequent modification, and a waiver in the performance criteria.
2. A Consultative Group Meeting, chaired by the IBRD, was held last October to seek assistance from donors. Apart from the UK and the international organisations, only France, India, Japan and the USA were represented, although Australia, Canada and Germany sent observers. Nothing very substantial emerged: the UK could only offer availability of ECGD cover; and only France offered financial assistance, the amount and terms of which were undecided. Since then however, the Mauritians have raised a \$30m loan organised by Citibank (London), which, with a stand-by loan of \$50m and the availability of an additional \$30m, should cover their 1980/81 deficit.

Future Aid

3. The extra £1m (£0.5m to be spent in 1981/82, £0.5m in 1982/83) for programme aid was included in the allocation of 1981/82 Contingencies, at present under discussion with DOT Ministers. The DOT have agreed that this commitment should proceed in advance of overall agreement on the Contingencies allocation.

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CONFIDENTIAL



CONFIDENTIAL

-2-

4. The Aid Framework provides for full disbursement of the current project loans by 1983/84: there is therefore scope for reasonably early progress in allocating the uncommitted balances of current loans. There is no room for disbursement under any new loan within that period.

Comparison with our Aid to Seychelles

5. The Mauritians may make unfavourable comparisons between our reticence over a new aid loan for them and the aid package of £3.5m negotiated last year with Seychelles. The background to the Seychelles agreement is that at Independence we undertook as part of the settlement to provide special financial assistance until 1979, after which we would assist in the creation of a budgetary reserve if none existed, and also to discuss a further development loan. These undertakings were embodied in a legally-enforceable document which the Seychellois activated in 1979. We finally decided on the package in November 1980.

East African Department
Foreign and Commonwealth Office
February 1981

CONFIDENTIAL

CONFIDENTIAL

OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 6: INDIAN OCEAN PEACE ZONE (IOPZ)

POINTS TO MAKE

1. View with sympathy the security concerns of the littoral states. But invasion of Afghanistan demonstrates that threat to security of region comes from the land, not the sea.
2. Encouraging that at the recent UN General Assembly it proved possible to adopt a consensus resolution. Nevertheless clear that views on several fundamental aspects of IOPZ are far apart.
3. Bound to question whether sensible to hold Conference this year in Colombo. Could be counter-productive: expose antagonistic positions. A public display of the issues on which we are divided would make progress on IOPZ more difficult, rather than less. What do you think?
4. If Conference is held in Colombo, do you have any ideas on agenda or ways to avoid confrontation? Might some suggest a less contentious form - eg a meeting of the Ad Hoc Committee in Colombo?

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:

10-13 FEBRUARY, 1981

BRIEF NO 6: INDIAN OCEAN

ESSENTIAL FACTS

The Island States

1. Super-power rivalry in the area is not welcome to Mauritius which has a growing sense of isolation. Relations are cool with the other Indian Ocean island states (Seychelles, Madagascar and Comoros). Seychelles and Madagascar follow radical policies, are open to Soviet influence and are proponents of the concept of an Indian Ocean Peace Zone (see below). The Mauritius opposition party has established close links with them. The Government of Mauritius view all this with unease.
2. The American build-up on Diego Garcia, part of a chain of facilities around the Indian Ocean (see brief No.3) has put Sir S Ramgoolam in a difficult position vis-à-vis the other Indian Ocean island states, since it was he who agreed to release Diego Garcia for US/UK defence purposes. Ramgoolam's recent public statements on the issue are an attempt to allay criticism, particularly by India. Mauritius' commercial relations with South Africa are another source of difficulty.

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3. The Government of Mauritius looks to France for military support following our termination of the 1968 Defence Agreement in 1976. The French maintain a sizeable naval force on the nearby island of Réunion (a Département of Metropolitan France). A defence agreement is reported to have been signed with France in 1980.

Western Policy and Interests

4. It would be a serious reverse for the West if the Russians were to be granted naval facilities or some other form of military access on one of the island states. They could thereby control sea-lanes vital to the West. They have been pressing Seychelles and Madagascar but so far without success. Seychelles is most at risk; although President Rene has so far kept the Russians at arms length, some of his ministers are pro-Soviet. Madagascar has also resisted the Russians but the economy is becoming increasingly shaky. Western policy is to encourage the island states to resist Soviet pressures and to follow a genuinely non-aligned policy. In this regard Mauritius is basically pro-Western, shares the West's view of the Soviet threat and thus merits Western support.

Indian Ocean Peace Zone (IOPZ)

5. The 1971 UN General Assembly adopted a Resolution declaring the Indian Ocean a Zone of Peace. The UK and most of the West abstained on this resolution.

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6. A UN Ad Hoc Committee comprised of littoral states was set up in 1972 to carry the proposal forward. Mauritius is a member. The UK, together with other Security Council members and major maritime nations joined the Committee in 1980.

7. British interests are that nothing should be done to interfere with freedom of navigation and overflight and that UK/US use of Diego Garcia should not be impaired. It is difficult to conceive of any Zone of Peace acceptable to the non-aligned which would meet these requirements but we have avoided outright opposition because of the strong attachment of many non-aligned leaders to the proposal. Instead, we take a line of 'constructive questioning' which so far has sufficed to ensure that no progress is made. Mauritius does not take an active role in pressing for an IOPZ but is obliged to support it in general terms, particularly because of the complication over Diego Garcia which is an emotive issue in Mauritian politics (see Brief No.3).

8. A 1979 UNGA Resolution, on which we abstained, decided to convene a conference at Colombo in 1981 to implement the IOPZ proposal. The non-aligned, led by India, insist that our joining the Committee implied a commitment to the proposed Conference. The West argues that the expansion of the Committee must affect its mandate and that the invasion of Afghanistan has altered the situation in the region, making it premature to schedule a conference.

/9. Nevertheless,

CONFIDENTIAL



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9. Nevertheless, we cannot be sure that a Western boycott of a Colombo Conference would be agreed. We would have no problem with a decision to hold a meeting of the Ad Hoc Committee in Colombo but that might not be enough to satisfy Sri Lanka. A compromise may be needed. It would be helpful to know the extent of common ground between us and more moderate non-aligned members of the Committee.

EAST AFRICAN DEPARTMENT

FOREIGN & COMMONWEALTH OFFICE

6 February, 1981

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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 7: MAURITIUS INTERNAL POLITICS

ESSENTIAL FACTS

1. The Government coalition (Sir S Ramgoolam's Labour Party and the right wing Parti Mauricien Social Democrate (PMSD) under Sir Gaetan Duval) has an overall Parliamentary majority of four. The radical - though not extreme - opposition, the Mouvement Militant Mauricien (MMM), is the largest single party and is directed by the energetic and purposeful Paul Berenger.

2. The constitution requires a General Election by the end of March 1982. Electioneering is under way although Ramgoolam is not expected to call the election until the last moment in the hope that:

- i) measures taken in 1980 to strengthen the economy will be showing results, and
- ii) there will be a good sugar harvest this year.

He will again lead his party into the elections, but this time in alliance with the PMSD; the MMM are negotiating an alliance with the Parti Socialiste Mauricien (PSM), a breakaway group of the Labour Party.

3. The election could be close fought. The Government appears to have recovered from setbacks over ministerial corruption and internal feuding. However the MMM is adopting a moderate stance and may win over disenchanted Labour Party supporters. Ramgoolam has been in power for many years. He

/has

CONFIDENTIAL



CONFIDENTIAL

-2-

has shown no signs of retiring nor has he nominated a successor. Consequently, the feeling that the time has come for a change may prove to be a significant factor.

East African Department
Foreign and Commonwealth Office
February 1981

CONFIDENTIAL



CONFIDENTIAL

OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 8: PERSONALITY NOTES

RAMGOOLAM, DR THE RT HON SIR SEEWOOSAGUR GCMG MLA

Prime Minister, Minister of Defence and Internal Security, Minister of Reform Institutions, Minister of Information and Broadcasting, and Minister of Communications.

MLA for Pamplemousses/Triolet (Labour); Leader of the House since 1960.

Born 1900, Belle Rive. Educated Royal College, Curepipe; University College, London (Honorary fellowship conferred in 1971). Elected Municipal Councillor 1940-53; re-elected 1956; Deputy Major, Port Louis, 1956; Mayor 1958; entered Legislative Council for Pamplemousses-Riviere du Rempart, 1948; Member Executive Council, 1948; Liaison Officer for Education 1951-56; Ministerial Secretary to Treasury 1958; Chief Minister and Minister of Finance, 1961; Premier, 1965; Prime Minister since 1967.

Sir Seewoosagur, a diabetic, is remarkably fit and active for his age. He needs little sleep, and has surprising stamina. No gathering is too small for him to attend. A short, stocky man, with only one good eye, he can on occasions be almost inaudible.

He was born of humble, but not very poor, parents. His political philosophy derives from his days as a journalist and medical student in England in the twenties and thirties. He has dominated the Mauritian political scene for 30 years, and led his country to

/independence

CONFIDENTIAL



CONFIDENTIAL

-2-

independence. A shrewd political tactician, an eminent 'wheeler and dealer'. Over-loyal to his old friends, and out of touch with the younger generation. Exercises tight personal control over all government business but age and innate reluctance to take decisions have a paralysing effect. Seems determined to stay in office at least until the next elections. Though many people feel it is high time he went, he is still widely respected. Can be harsh with his subordinates.

Believes in a mixed economy, opposes further nationalisation and strongly anti-communist. Essentially non-violent. Pro-Commonwealth, and well disposed to Britain. An indefatigable traveller.

Lady Ramgoolam is shy and does not share her husband's obvious enjoyment of social life. But has a poise and quiet charm of her own. Lengthy illness April 1980 to date. They have two children.

CONFIDENTIAL



CONFIDENTIAL

OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 8: PERSONALITY NOTES

RINGADOO, THE HON SIR VEERASAMY, Kt MLA

Minister of Finance since 1968, and Deputy Prime Minister

MLA for Quartier Militaire and Moka (Labour).

Born 1920, Port Louis. Educated Port Louis Grammar School; London School of Economics; LLB 1948; called to the Bar 1949; elected Municipal Councillor, 1956; elected Member Legislative Council for Moka-Flacq 1951-67; Minister of Labour and Social Security 1959-64; Minister of Education 1964 to July 1967; Minister of Agriculture and Natural Resources August 1967 to June 1968.

One of the best departmental Ministers. Intelligent and hard-working.

Acts as Prime Minister when Sir Seewoosagur is away, and is a possible successor to the latter.

Physically, Sir Veerasamy is very short and dark, his forebears being low caste Tamil from the south of India. He has no ready-made political base and has had to create a following by ability. He underwent a serious cardiac operation a few years ago, and, although he appears to have made a good recovery, it is not certain that he has the stamina for the responsibilities of a Prime Minister. Well disposed towards Britain.

He has a quiet manner socially. A vivacious wife; two children.



CONFIDENTIAL

OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 8: PERSONALITY NOTES

WALTER, THE HON SIR HAROLD EDWARD, Kt MLA

Minister of External Affairs, Tourism and Emigration since May 1976.

MLA for Mahebourg-Plaine Magnien (Labour).

Born 1920, Quartier Militaire. Educated Royal College Curepipe. Enlisted 1940 and on demobilisation was Staff Officer, GHQ MELF: served in Madagascar and East Africa and Middle East; Commissioned 1946; called to the Bar Lincoln's Inn, 1951; Member of Legislative Council for Mahebourg, 1959; re-elected 1963; defeated December 1976 but came back as a best loser; Minister of Works and Internal Communications 1959-65; Minister of Health 1965-67, 1971-76, and of Labour 1967-71. Knighted 1972.

A Creole of mixed Anglo/Indian and African descent. An extrovert he talks non-stop, both in private and public (a brilliant orator). Devious and untrustworthy; one of the most disliked men in Mauritius. He sees himself as a future Prime Minister, a view shared by very few.

A keen shot and bon viveur. Makes a great show of friendliness towards Britain, but not to be relied upon.

Married, no children.

CONFIDENTIAL



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OFFICIAL VISIT OF THE PRIME MINISTER OF MAURITIUS:
10-13 FEBRUARY

BRIEF NO 8: PERSONALITY NOTES

SIR LECKRAZ TEELock CBE

Appointed 12 March 1968.

Born 1909. After completing his secondard ecuation at the Royal College of Curepipe went to the United Kingdom for medical studies and qualified at Edinburgh University. Returned to Mauritius in 1930 and set up a flourishing medical practice which he gave up when he was appointed Mauritius Commissioner in London in April 1964. Elected member for Brisee Verdiere in 1959 and represented that constituency until 1963. One of the founders of the Mauritius Family Planning Association and of the Hindu Girls' College, a secondard school open to girls of all races and creeds.

Intelligent but not a forceful personality. Quite conscientious as the Doyen ofthe Diplomatic Corps and Senior High Commissioner. His health has given cause for concern of late.

He and his wife are both very friendly and sociable. She is a Barrister-at-Law (Middle Temple), daughter of the late Vice-Chancellor of Nagpur University, India, and a woman of some energy. They have a married daughter now living in Germany and a son at school in London.

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10 DOWNING STREET

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JEM

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THE PRIME MINISTER

4 February 1981

My dear Prime Minister,

Overseas Aid, May 79
Renegotiation of
the Lome Convention
Closure of Tate & Lyle

Thank you for your letter of 22 January about the closure of the Tate & Lyle cane sugar refinery at Liverpool.

I am sure you will understand that this decision was a commercial one for the company to take. It would not be appropriate for the Government to seek to persuade them to alter their decision. But I can assure you that the closure of the refinery will have no effect on the Community commitment to access for ACP sugar to the Community market.

The commitment under the Sugar Protocol to the Lome Convention is that the Community as a whole will purchase and import specific quantities of sugar from the ACP producers at guaranteed prices. There are no conditions or qualifications attached to that commitment. The commitment is for an indefinite period, subject only to the proviso that the conditions for implementing the guarantee "shall be re-examined before the end of the seventh year of their application", that is before the end of February 1982. And if any ACP sugar cannot be marketed in the Community, the Protocol effectively requires the Community to buy it into intervention at at least the guaranteed price. As Mr Walker and his predecessors have repeatedly made clear to the Commonwealth ACP producers, their exports to the Community cannot be affected by the level of beet sugar production in the Community.

The Sugar Protocol is an obligation to which the United Kingdom is and will remain fully committed. We are fully aware of the importance of the Protocol for the Commonwealth ACP producers.

/But

But I would point out that that obligation does not rest solely upon the United Kingdom. The commitment was undertaken by the European Community in 1975 when the first Lome Convention was negotiated. It is true that the United Kingdom made satisfactory access for sugar from those Commonwealth sugar producers who subsequently became associated with the Community through the Lome Convention on condition of our accession to the Community. But under the Lome Sugar Protocol which put that commitment into practice, access is guaranteed to the Community as a whole, and not solely to the United Kingdom.

In practice the United Kingdom has up to now taken most (but not all) of the ACP sugar exported to the Community. I see no reason why this should not continue. It is true that one of the problems which Tate and Lyle have had to face is the contraction of the United Kingdom market from 2.6 to 2.3 million tonnes over the past seven years. But Mr Walker has made it clear that he is prepared to accept a reduction in the UK production quota under European Community arrangements to 1.15 million tonnes. If this substantial reduction is agreed, sugar surpluses in the United Kingdom will occur only occasionally, and are not likely to exceed 100,000 tonnes. Small amounts of this sort can be stored and carried over to the following year under Community arrangements.

You may have noted that Tate and Lyle have said that they are prepared to continue to buy the same amount of ACP raw sugar as hitherto, and that they will try to find a market elsewhere in the Community for the sugar that they cannot refine themselves. The detailed arrangements are of course for the company and the sugar exporters to negotiate. But it seems to me a helpful offer.

Yours sincerely
Raymond De la Haye

Dr The Rt Hon Sir Seewoosagur Ramgoolam, GCMG MLA

Handwritten signature

VISIT OF THE PRIME MINISTER OF MAURITIUS AND LADY RAMGOOLAM

10-13 FEBRUARY 1981

ADMINISTRATIVE ARRANGEMENTS

Cars are provided for the official suite and seating arrangements are described at Annex 1.

Wednesday 11 February

Talks with the Secretary of State for Foreign and Commonwealth Affairs

The following will also be present:

Mauritius

Sir Veerasamy Ringadoo
Sir Harold Walter
Sir Leckraz Teelock

United Kingdom

Mr R Luce
Mr D M Day or Sir Leonard Allinson
Mr J Allan
Mr J A Robson

Thursday 12 February

Talks with the Prime Minister

The following will also be present:

Mauritius

Sir Veerasamy Ringadoo
Sir Harold Walter
Sir Leckraz Teelock

United Kingdom

PS/Prime Minister
Mr R Luce
Mr D M Day or Sir Leonard Allinson
Mr J Allan

Protocol and Conference Department
Visits Section
Foreign and Commonwealth Office
233 3261

4 February 1981

DISTRIBUTION (programme & Administrative Arrangements).

PS to Her Majesty The Queen (2)

PS to H R H Princess Alexandra (2)

10 Downing Street

PS to the Prime Minister (2)
Press Office (1)

Mauritius High Commission (6)

FOREIGN AND COMMONWEALTH OFFICE

Private Secretary (2)

PS/LPS (2)

PS/Mr Luce (2)

PS/PUS (1)

Mr D M Day (1)

Sir L Allinson (1)

Mr J A Robson (1)

Mr S Innes EAD (6)

News Dept (3)

Commonwealth Coordination Department (1)

Security Dept (2)

Resident Clerk (1)

Protocol and Conference Department (6)

Dr A Semmence, Treasury Medical Adviser's Office

FILE

Rd

PRIME MINISTER

The dinner for the
Prime Minister of Mauritius
on Thursday, 12 February
is informal i.e. lounge suite
as he does not wish to bring
a dinner jacket.

CAROLINE STEPHENS

4 February, 1981

RESTRICTED



10/18
to Mrs Goodland
Mauritius

10 DOWNING STREET

From the Private Secretary

9 January 1981

RF 1) 18-1-81

Dear Rudine, 2) 10-2-81

Visit of the Prime Minister of Mauritius

As you know, the Prime Minister of Mauritius, Sir Seewoosagur Ramgoolam, is calling on the Prime Minister on the afternoon of Thursday 12 February and dining with her that evening.

2 | I should be grateful if you could ensure
1 | that we receive the briefs for the talks by
close of play on Tuesday 10 February. It would
be helpful if we could have the guest list for
the dinner, which as you know will be for 60
or so guests, as soon as possible.

Yours ever

Richard Alexander

R.M.J. Lyne, Esq.,
Foreign and Commonwealth Office.

RESTRICTED