



10 DOWNING STREET

THE PRIME MINISTER

21 June 1985

Dear Secretary-General.

I was most grateful for your timely letter of 12 June outlining your preliminary ideas on the agenda for the Nassau Commonwealth Heads of Government Meeting in October.

We are studying carefully your suggestions and I shall let you have my considered views as soon as possible.

I am much looking forward to what I am sure will be a most useful and constructive meeting.

Yours sincerely
Raymond Thatcher

His Excellency Mr. Shridath Ramphal, A.C., Kt., C.M.G., Q.C.

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Foreign and Commonwealth Office

London SW1A 2AH

18 June 1985

Dear Charles,

Commonwealth Heads of Government Meeting, Nassau, October 1985:
Agenda

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The Commonwealth Secretary General has forwarded the enclosed envelope for the Prime Minister's attention. It contains Mr Ramphal's circular letter addressed to Heads of Governments about the agenda for CHOGM. This follows the normal practice.

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I also enclose a draft interim reply for the Prime Minister to send to the Commonwealth Secretary General. A considered draft will be forwarded later when we have received the comments of Whitehall departments to Mr Ramphal's proposals.

Yours ever,

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

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DRAFT: minute/letter/teleletter/despach/note

TYPE: Draft/Final 1+

FROM:
Prime Minister

Reference

DEPARTMENT: **TEL. NO:**

SECURITY CLASSIFICATION

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

TO:
 His Excellency
 Mr Shridath S Ramphal (AC) Kt, CMG, QC
 Commonwealth Secretary-General
 Commonwealth Secretariat
 Pall Mall
 LONDON SW1

Your Reference

Copies to:

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.....In Confidence

CAVEAT.....

SUBJECT:

I was most grateful for your timely letter of 12 June outlining your preliminary ideas on the agenda for the Nassau Commonwealth Heads of Government Meeting in October.

We are studying carefully your suggestions and I shall let you have my considered views as soon as possible.

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CDP

Enclosures—flag(s).....

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C.152/13/3

12 June, 1985

Dear Mrs Thatcher,

With the next Heads of Government Meeting in the Bahamas just four months away, I am writing to share with you some preliminary thoughts about the form discussions might take. In my letter of 4 January I confirmed that there was general agreement about the suitability of the dates - 16 to 22 October, 1985, and I know that Prime Minister Pindling has since written expressing the firm hope that you personally will be able to come to Nassau.

The Nassau Meeting will take place in a global setting as challenging as any in the post-war era. The period since New Delhi has seen a continuation of the dangerous trends which your Goa Declaration on International Security and New Delhi Statement on Economic Action identified. Despite some gains for security, development and recovery, these trends continue to cast a shadow between hope and reality at both the national and international levels. As serious as any has been the contraction of international dialogue and the drift from multilateral to unilateral action. You will, therefore, be as conscious as I am (and as I believe the wider international community is) that your forthcoming Meeting will be the only one since New Delhi in which leaders with diverse perspectives from all continents and many regions will meet together in a spirit of friendship and candour to exchange views on the international situation and explore ways for improving co-operation. We are rightly always modest about expectations; we cannot, however, be unmindful of the opportunities that the Nassau Meeting of more than a quarter of the world's leaders offers.

The Rt Hon Margaret Thatcher MP
Prime Minister of Great Britain & Northern Ireland

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As to the format of the Agenda, I am assuming that it will be your wish that the customary structure which has served well in the past, with its broad flexible headings covering international political and economic issues and Commonwealth functional co-operation, should be maintained. This distinction is, of course, arbitrary and is designed to assist with the organisation of the Meeting rather than to inhibit Heads of Government in conducting a free and wide-ranging discussion.

Political Issues

In focusing on political developments, the Meeting will provide an opportunity for a review of some of the most pressing international issues, particularly those that bear on Commonwealth countries most acutely. The Goa Declaration on International Security was widely welcomed as indicative of the positive resolve and readiness of a significant body of world leaders to work together to overcome the dangers that threaten the world. Since then, Commonwealth leaders have played prominent roles internationally, regionally and bilaterally in responding to shared concerns. You will wish to consider what more can be done. A particular challenge will be to ask in what ways Nassau could advance thinking on some of the central elements of concern in the Declaration.

Since the Nassau Meeting falls on the eve of the 40th Anniversary Celebrations of the United Nations, it would be timely for the Commonwealth to inspire a new determination in advancing the vision and goals of the Charter. Some Heads of Government will go directly from Nassau to the 40th Anniversary Session in New York. Can they take with them the collective resolve of 49 of its member states to strengthen the United Nations system and improve its capacity to fulfil the objectives of the Charter?

The overall situation in Southern Africa has seriously deteriorated since New Delhi. Any hope that may have been raised by South African 'accords' with neighbouring states have been dashed by a continuing experience of destabilisation. Overwhelming Commonwealth sentiment has viewed 'changes' in South Africa as essentially cosmetic - more a process of refining than of reforming apartheid. Meanwhile, increased repression with accompanying loss of

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life within South Africa itself has led to world-wide condemnation. In Namibia, South Africa's unilateral action in sponsoring an "interim settlement" recalls to mind UDI in pre-independent Zimbabwe and the clear warning issued by Commonwealth leaders in their New Delhi Communique that: "if South Africa continues to obstruct the implementation of Resolution 435 the adoption of appropriate measures under the Charter of the United Nations will have to be considered". With the greater public awareness of and aversion to apartheid, the calls for effective responsive action have reached unprecedented levels. As I write, the US Congress is finalising legislation for selective economic sanctions. Never were circumstances more urgent or demanding for the Commonwealth to play a practical role in forcing the dismantling of apartheid and securing the independence of Namibia. The Commonwealth took the lead when excluding South Africa from membership in 1961. The Commonwealth, and Britain in particular, made a massive contribution to Zimbabwe's freedom, which the South African connection had for long frustrated. At Gleneagles eight years ago the Commonwealth pointed the way forward in sanctions in sport, in a positive manner and to good effect. Can the same commitment and resolve that produced this outstanding Commonwealth record against a monstrous evil not inspire your collective purpose in Nassau?

There are two other matters of central concern which you will want to address. The situation in Cyprus invites urgent attention. In this context you may wish to review the activities of the Commonwealth Action Group established in New Delhi designed to effect a Commonwealth contribution to a lasting settlement in support of the efforts of the United Nations Secretary-General.

In both the Goa Declaration and the New Delhi Communique prominence was given to the special needs of small states, particularly, but not exclusively, in respect of security. Pursuing your mandate at New Delhi, I constituted a Consultative Group of distinguished Commonwealth personalities to undertake an authoritative study of this subject. They plan to finalise their report in good time before Nassau. It is clear from their deliberations so far that the issue is one of global relevance over a wide range of interrelated issues - in the political, strategic and economic sectors. Since their conclusions could well occasion a major discussion in Nassau, there may be merit in inscribing the subject as a separate sub-item.

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Additionally, of course, there will be a number of other political issues of importance from national and regional perspectives. Among these will be the decolonisation problem of New Caledonia and nuclear testing in the South Pacific; Belize and the on-going threats to its territorial integrity; and the situation in the Middle East, Afghanistan, Kampuchea and Central America, with their implications for regional and international security.

Economic Issues

On the economic front, while there has been some improvement in the world economy since the New Delhi Meeting, the overall situation remains fragile. Growth is slowing in the industrial countries and unemployment remains high. Large parts of the Third World have not shared in recovery and remain in deep recession. The continuation of high interest rates and volatile exchange rates, and a rising trend of protectionism prolong uncertainty. Several years of drought have compounded problems for many sub-Saharan African countries.

On the positive side, inflation remains under control in the industrial countries. The challenge is how international action can support domestic efforts to secure a reinforcement and widening of the recovery. Now that the Bonn Summit is over, the Nassau Meeting provides a chance to discuss these matters on a more global basis taking into account the elements of interdependence and interaction between developed and developing countries. To assist these discussions, you will have before you a Report on the work of the Consultative Group of eight member countries established at New Delhi with the intent of promoting consensus on the issues covered in the New Delhi Statement on Economic Action.

Two years ago, the debt servicing difficulties of developing countries threatened the stability of the international financial system and the growth prospects of the highly indebted countries. Although the debt situation has improved, the problem is far from resolved. For the poorer countries with high official debt it remains as serious as ever. The problem could worsen if recovery falters. The Nassau Meeting will also have the benefit of a special report on developing country debt problems, 'The Debt Crisis and the World Economy', by a group of Commonwealth experts under the Chairmanship of Lord Lever of Manchester, commissioned at the New Delhi Meeting. The

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Report, first submitted to Commonwealth Finance Ministers in Toronto in September 1984, is one of the few reports on debt which has given major attention to the problems of indebtedness of the poorer countries - many of them Commonwealth countries.

A major difficulty which is emerging is the overall adverse trend in financial flows to developing countries. This bears on the need for a General Capital Increase for the World Bank and supplementary resources for IDA VII; both of these issues will be under active consideration at the time of the Nassau Meeting. Private flows can also play a part in ensuring adequate capital availability; the Secretariat has been giving assistance to member countries in this area and examining ways in which the international regime for foreign direct investment can be improved. The Meeting affords an opportunity to consider what further the Commonwealth might do in this area.

An issue which has now become prominent is the proposal for a new round of multilateral trade negotiations. The round could be of considerable value in averting the threatened escalation of protectionism; but for a variety of reasons it has not found general agreement. Commonwealth leaders may wish to explore ways of resolving the present difficulties.

A development of dire proportions is the economic crisis in sub-Saharan Africa. There has been a most gratifying international response to the immediate problem of famine, especially from the people of industrialised countries, and some relief now from improved weather; but the need for much larger international assistance remains - especially in relation to the longer-term problem. A recommendation by Senior Officials at their meeting in Barbados in December 1984 endorsed by Commonwealth governments has led to the establishment of a Commonwealth Action Group to monitor the situation, assist affected countries in securing improved access to international resources, and examine the longer-term problems. A progress report on the Group's work will be available to you at Nassau.

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Functional Co-operation

Maintaining a Commonwealth capability to assist the development efforts of member countries remains a central objective. A practical expression of this is the work of the Commonwealth Fund for Technical Co-operation through the many technical assistance programmes it supports. It is a testimony to the importance governments attach to the Fund that, at a time of overall retrenchment in the aid field, it has been able to respond and even modestly enhance its ability to meet the pressing requirements of Commonwealth governments. However, with activity levels again being threatened by inflation, I hope the Nassau Meeting will give priority to ensuring that the Fund's real resources are capable of meeting at least a modicum of Commonwealth expectations and needs.

An issue of increasing concern is the management of technological change and you will have before you at Nassau the Report of the Commonwealth Working Group set up in 1983 at the request of Commonwealth Employment and Labour Ministers, endorsed in New Delhi. The Group is addressing the rapidly changing environment in which governments now have to function, and how they could improve their capacity to deal with technological change. Not unrelated is the Report - Science for Technology for Development - of an Expert Group established by the Commonwealth Science Council. In an increasingly sophisticated and interdependent world the need for intensifying Commonwealth co-operation in science and technology is a challenge which I am sure you will agree deserves a significant focus.

Two areas of functional co-operation have been highlighted this year at the global level - Women and Development; and Youth. In the light of the Nairobi World Conference to Review and Appraise the Achievements of the United Nations Decade for Women, Commonwealth leaders might wish to review how women's multifaceted contribution to the developmental process can be enhanced within the Commonwealth. And, in the context of International Youth Year, with its emphasis on continued attention to the needs and aspirations of young people beyond the year itself, you will wish to consider how the Commonwealth Youth Programme can further complement national efforts in the light of the recent Commonwealth Conference of Young People.

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Governments continue to attach great importance to the issues of student mobility and educational interchange within the Commonwealth. The fourth report of the Commonwealth Standing Committee on Student Mobility, and the observations of Commonwealth Education Ministers thereon, will be before the Nassau Meeting.

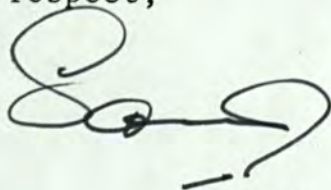
There will be need, too, to review the work of the Commonwealth Foundation and to reiterate support for it.

At last December's Meeting of Senior Officials in Barbados certain other matters were signalled as possible subjects for discussion. Among these were international co-operation on environmental problems and the prospects for a review of the consular arrangements between Commonwealth countries which have now been in operation for the past decade. A Working Group has been set up on the latter and it is intended that its Report be submitted to Senior Officials in Nassau. One member government has indicated its wish to inscribe on the Agenda the issue of the International Year of Shelter for the Homeless.

In planning the Nassau Meeting I have had very much in mind the discussion of Senior Officials in Barbados on the style and format of Heads of Government Meetings. I propose in advance of Nassau to circulate for your consideration a note updating the 'conventions' which imbue these Commonwealth occasions with their unique character.

I would greatly welcome your views both on the Agenda issues I have raised and, of course, on any others which you may think pertinent, along with an indication of whether it will be your Government's intention to present papers to the Meeting. In the light of the comments I receive I hope to be in a position to issue an annotated draft Agenda in the second half of August. Even at this early stage I am glad to be able to say that you can be assured that excellent facilities await you in Nassau. I myself have had a first-hand look at them recently and my colleagues who have just returned from a planning visit were greatly impressed by the care which is being taken to ensure a most successful Meeting.

With deep respect,



Shridath S. Ramphal