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10 DOWNING STREET

From the Private Secretary

JT  
File Kenya  
Copied to:  
Kenya: June 79  
UK/Kenya relations  
13 June 1979 for BF

Dear Stephen,

The Prime Minister's discussions with President Moi  
of Kenya at 10 Downing Street on 13 June 1979

The Prime Minister's talks with President Moi of Kenya today fell into two parts: a tête-à-tête discussion at 1045, which lasted for 40 minutes and at which Mr. Philip Ndegwa was present on the Kenyan side, and a plenary session which began at 1130 and lasted for just over an hour.

I enclose a copy of my note of the Prime Minister's tête-à-tête discussion with President Moi. I should be grateful if you would ensure that it is given a suitably restricted distribution.

The Prime Minister commented, after President Moi's departure from No. 10 that the President clearly faced very real political problems. He was being faced by a challenge from his Foreign Minister, Dr. Waiyaki, and if he was to survive politically he would have to be able to point to economic success. Kenya's earnings from coffee and tea were clearly insufficient to meet the Government's recent expenditure on defence and the President's difficulties were compounded by the rise in the price of oil. The Prime Minister said that she thought that the British Government should do what it could to help President Moi and, in particular, to find a way of easing the immediate pressure of the payments falling due for the purchase of defence equipment. The Prime Minister suggested that, if necessary, the financial help which we are giving to less friendly countries in Africa should be diverted in order to enable Kenya to overcome her problems. The

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The possibility of securing a helpful Kenyan attitude on the Zimbabwe/Rhodesia question should also be explored.

I should be grateful for early advice on possible means of easing Kenya's immediate difficulties so far as defence payments are concerned; on the possibility of using additional UK assistance of this kind as a means of encouraging Kenya to be helpful over Rhodesia; and on the possible diversion of financial assistance to Kenya from other less well disposed recipients of UK aid. It would also be useful to know how the United States, France and the FRG are likely to respond to the requests which President Moi will be making to them for the rescheduling of payments for arms purchases.

I am sending copies of this letter and enclosure to Martin Hall (H.M. Treasury), Roger Facer (Ministry of Defence) and Martin Vile (Cabinet Office).

*Yours ever,  
Roger Facer*

J.S. Wall, Esq.,  
Foreign and Commonwealth Office.

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