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MRS THATCHER'S CALL ON THE INDIAN MINISTER OF EXTERNAL AFFAIRS

I accompanied Mrs Thatcher on her call on Mr Chavan on the afternoon of Wednesday, 22 September. Mr Chavan was accompanied by the Foreign Secretary, Mr Ashok Gokhale, Mrs Mathai, an Additional Secretary from the Home Ministry and one other junior official.

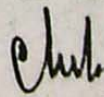
2. Mr Chavan opened the conversation by saying that he thought it was a very appropriate time for Mrs Thatcher to pay a visit to India so that she could see what the realities of the situation here now were. Mrs Thatcher said that she agreed with this. She was particularly glad to learn that just before her visit the censorship restrictions on the presence of foreign journalists in India had been removed. She would like to express her thanks to Mr Chavan for what she felt sure would be a very helpful gesture. Mr Chavan took appreciative note of this and said that he thought this decision should be regarded as a further relaxation in the Emergency restrictions and marked another step in the direction of a return to normal conditions. There followed a discussion between Mr Chavan and Mrs Thatcher on the background to the declaration of the Emergency in 1975 and the course of events since then. I do not think that any new factors emerged from this discussion which need to be recorded.

3. After this discussion on internal affairs Mrs Thatcher referred to the recent Non-Aligned Conference in Colombo. She said that she had read Mrs Gandhi's speech very carefully and had been particularly interested in its even-handed approach to world problems so that, for instance, no mention in it was made of the Diego Garcia problem. Mr Chavan said that he agreed that the speech itself had been very even-handed. However, not too much should be read into this as Diego Garcia had certainly come up in the Conference documents. The intention of Mrs Gandhi's speech had really been to present a philosophical exposition of the general non-aligned thesis so that it was not surprising that mention in it was not made of specific problems. Mr Chavan went on to say that he regarded the economic aspect of the Colombo Conference of particular importance and especially the stress which had been laid on co-operation between the developed and less-developed countries. What the latter were looking for from the developed countries was a "willingness to respond positively". Unfortunately in the various conferences which had recently been held they had felt that there was still very little sign of the developed countries being ready to show a constructive and co-operative attitude in their dealings with less-developed countries. Increased trade was a matter of particular importance to the latter, who felt that they were still being excluded from a fair share in the expansion of world trade which had taken place in recent years.

4. The conversation then moved on to the situation in the sub-continent. Mr Chavan confirmed, in answer to a question from Mrs Thatcher, that relations with Pakistan were developing satisfactorily and that he hoped this process would continue. On the other side of the continent, however, it was unfortunately the case that their relations with Bangladesh were "not so happy". It seemed that the leadership in Bangladesh had developed an anti-Indian bias and consequently it was proving particularly difficult to make any positive headway. Mr Chavan explained that one of the most difficult problems between the two countries was the question of the division of waters at the Farakka dam, and he and the Foreign Secretary proceeded to give Mrs Thatcher an exposition of the Indian case. They emphasised that although 90 per cent of the course of the river Ganges lay in India, and although 250 million Indians depended on the Ganges for their livelihood compared with only 25 million in Bangladesh, nevertheless India was prepared to work out an accommodation with Bangladesh based on the "equitable sharing" of the Farakka waters. The Bangladesh attitude on the other hand was that "the flow of the Ganges should not be disturbed", which was tantamount to saying that the Farakka dam should be rendered inoperable, and clearly this was quite unacceptable to India. This was a problem which could only be solved by bilateral negotiations between the two countries, and Bangladesh was only making a reasonable solution much more difficult by their current efforts to internationalise the problem at the UN.

5. The conversation then turned to South-East Asia and Mrs Thatcher asked Mr Chavan whether he was not worried that communism might spread from Viet Nam towards Thailand and that this would bring instability much nearer to the borders of India. Mr Chavan said that he thought that Viet Nam, having emerged from the "fire of war", was now totally taken up with re-building the nation and with questions of development. He did not think that they were interested in external adventures. In his view it was important to build up a strong and independent Viet Nam which he believed would provide a most helpful guarantee of stability in the South-East Asian area. Mr Chavan went on to say that for her part Viet Nam was taking steps to reassure the ASEAN nations about the future and that they need not fear that "the Viet Cong would be exported". Viet Nam had made it clear that she was anxious to establish reasonable relations with the ASEAN countries on a bilateral basis but she still maintained some reserve about dealing with them as a group.

6. Mr Chavan made a brief reference to Cambodia in which he stressed their determination to achieve self-reliance. As regards China, both Mrs Thatcher and Mr Chavan agreed that it was very difficult to make firm assessments at this stage of the likely future course of events, but it seemed to both of them that there were not likely to be any important changes in the near future.



Michael Walker

24 September 1976