137AATTOPS Subject Sri daka- relations PRIME MINISTER'S PERSONAL MESSAGE SERIAL No. T37AA 79T

10 DOWNING STREET

THE PRIME MINISTER

3 July 1979

dias President-

Thank you for your letter of 21 May and for your good wishes.

I was glad to hear of the great progress that your country has made in the liberalisation and development of the economy. These achievements are already widely recognised. I am pleased that Britain has been able to share in them, and that the part which we have been able to play is so much appreciated.

The level of our future spending in our overseas aid programme is, as you know, at present under consideration as part of our overall review of public expenditure. But whatever the outcome (and we shall let your Government know as soon as possible), I do not think you will find us ungenerous or lacking in confidence in your country's future. We greatly value the long-standing friendship we enjoy with Sri Lanka, and the Commonwealth link between us.

I thank you for your courtesy and consideration in sending two of your most senior Ministers to explain your plans. I understand we may see Mr. Premadasa next month; I myself hope to meet him before the Lusaka meeting.

Your siwely. Nagant Ideta

Mr. J.R. Jayewardene, M.P.