

Zim babwe



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

6 June, 1980

The Rt. Hon. Francis Pym, MP.,
Secretary of State for Defence

NBPN

Dear Francis

Phd 6/6

ZIMBABWE DEBT

Thank you for your letter of 30th May.

The arguments against pressing the Hunter aircraft claim apply equally to your proposal. A payment from FCO Votes to your Votes, using part of our aid commitment to Zimbabwe, would be seen by them as a device to secure recovery of the debt against their express wishes.

In any case, this seems an unnecessarily cumbersome procedure to accomplish a simple waiver. The rules of Government Accounting provides that "Inter-departmental transactions should be avoided unless they serve important purposes of presentation or financial control". Neither of those purposes would be served in this case.

There are instances in the past where departments, including your own, have waived claims for political reasons. I hope you will agree that, in this case too, you should follow the established accounting rules by simply noting your Appropriation Account to the effect that this claim has been waived.

I am sending copies of this letter to the Prime Minister, Peter Carrington and Sir Robert Armstrong.

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Just

GEOFFREY HOWE