

RESTRICTED

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(2)

FM F C O 071905Z FEB 80
TO IMMEDIATE SALISBURY
TELEGRAM NUMBER 407 OF 7 FEBRUARY

PRIME MINISTER

MA 11/2

RHODESIA: UK PARLIAMENTARY OBSERVER GROUP

1. IT HAS NOW BEEN DECIDED THAT THE BEST WAY TO ENSURE ADEQUATE GOVERNMENT REPRESENTATION IN THE GROUP WOULD BE TO CONFINE THE TOTAL TO 10, OF WHOM 5 WILL BE CONSERVATIVES.

2. THE GROUP WILL BE AS FOLLOWS:

- THREE CONSERVATIVE MPS: GEOFFREY RIPPON
IVOR STANBROOK
PETER EMERY
- THREE LABOUR MPS: TED ROWLANDS
JOHN CONCANNON
JOAN LESTOR
- ONE LIBERAL MP: RUSSEL JOHNSTON
- TWO CONSERVATIVE PEERS: LORD FORTESCUE
PLUS ONE
- ONE LABOUR PEER: LORD UNDERHILL.

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3. THE GROUP IS BOOKED TO DEPART ON THE BA FLIGHT ON 15 FEBRUARY, ARRIVING SALISBURY THE NEXT DAY, BUT THIS IS SUBJECT TO CONFIRMATION.

4. WE WILL LET YOU HAVE THE NAME OF THE SECOND CONSERVATIVE PEER AS SOON AS POSSIBLE.

CARRINGTON

FILES

- RHOD D
- OADS
- NAD
- PUSD
- PLANNING STAFF
- CCD
- FRD
- ECD (E)
- UND
- LEGAL ADVISERS (MR FREELAND)
- ECON D
- DEF D
- IPD

- OID
- NEWS D
- PS
- PS/SIR I GILMOUR
- PS/MR LUCE
- PS/MR RIDLEY
- PS/MR HURD
- PS/MR MARTEN
- PS/PUS
- SIR D MAITLAND
- SIR A ACLAND
- LORD N G LENNOX
- MR DAY
- MR FERGUSON
- MR ASPIN
- MR MILLS
- CPO

ADDITIONAL DISTRIBUTION
RHODESIA POLICY

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~~Mo'AA to see O/R~~

CR 475

CONFIDENTIAL

FM F C O 071615Z FEB 80

TO IMMEDIATE SALISBURY

TELEGRAM NUMBER 401 OF 7 FEBRUARY.

MA

YOUR TEL NOS 232 AND 233 : AID FOR ZIMBABWE AND RHODESIAN DEBT.

1. THANK YOU FOR YOUR RECOMMENDATIONS. I SHALL HAVE THEM CONSIDERED TOGETHER WITH KERBY'S REPORT ON HIS RECENT VISIT. THE TALKS HERE WITH RHODESIAN OFFICIALS LAST WEEK LAID SOME USEFUL GROUND WORK AND ENABLED US TO DISCUSS THE PROSPECTS WITH ELAM.
2. I RECOGNISE THE FORCE OF THE CASE YOU MAKE : WE SHALL CERTAINLY HAVE AN INTEREST IN SUPPORTING A MODERATE, DEMOCRATIC GOVERNMENT, IF THAT IS WHAT EMERGES FROM THE ELECTIONS. YOU WILL WELL UNDERSTAND, HOWEVER, THE DIFFICULTIES FACING US IN REGARD TO THE AID PROGRAMME AS A WHOLE. WE MUST NOT ENCOURAGE EXAGGERATED EXPECTATIONS ON THE PART OF RHODESIAN OFFICIALS. WE ARE ALREADY DOING A GREAT DEAL TO HELP. OUR MAJOR CONTRIBUTION TO ZIMBABWE'S FUTURE DEVELOPMENT IS TO HAVE ACHIEVED A POLITICAL SETTLEMENT LEADING TO THE LIFTING OF SANCTIONS AND THE PROSPECT OF INTERNATIONAL ACCEPTANCE WHICH WILL ENTITLE ZIMBABWE TO HELP FROM MULTI-NATIONAL ORGANISATIONS. WE ARE SPENDING A GREAT DEAL (£31 MILLION AT THE LAST COUNT) ON IMPLEMENTING THE SETTLEMENT. WE HAVE ALREADY NEGOTIATED A SPECIAL TRADE REGIME WITH THE E C.
3. YOU EXPRESS CONCERN LEST THE INDEPENDENCE GOVERNMENT SHOULD REPUDIATE SUBSTANTIAL ELEMENTS OF RHODESIA'S DEBT TO THE U K. I MADE CLEAR DURING THE CONFERENCE THAT HONOURING THE DEBT WOULD BE CRUCIAL TO ESTABLISHING ZIMBABWE'S INTERNATIONAL CREDIT-WORTHINESS. DAVID SMITH AND DAVID YOUNG BOTH EMPHASISED REPEATEDLY, DURING DISCUSSIONS HERE, RHODESIA'S DETERMINATION TO SERVICE DEBT. I WAS CAREFUL NEVER TO INDICATE THAT WE MIGHT WRITE OFF PART OF IT, THOUGH I CERTAINLY GAVE THEM GROUNDS TO THINK THAT WE WOULD BE SYMPATHETIC OVER ARRANGEMENTS FOR REPAYMENT. THIS IS SOMETHING WHICH WILL HAVE TO BE DISCUSSED AT A VERY EARLY DATE AFTER INDEPENDENCE.

/4. NO DECISIONS

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4. NO DECISIONS CAN BE TAKEN ON ANY OF THESE MATTERS BEFORE INDEPENDENCE THOUGH WE SHALL CONTINUE WITH PREPARATORY STUDIES, DRAWING ON YOUR TELEGRAMS AS APPROPRIATE. IT WOULD BE HELPFUL IN THE MEANTIME IF YOU COULD DO EVERYTHING POSSIBLE TO ENCOURAGE RHODESIAN OFFICIALS TO CONSIDER SEEKING AID FROM THE WIDEST VARIETY OF SOURCES. WE WERE ABLE TO ARRANGE USEFUL MEETINGS FOR THOSE WHO WERE HERE LAST WEEK WITH AMERICAN AID OFFICIALS AND AN E C OFFICIAL. WE URGED THEM TO CONSIDER THE POSSIBILITY OF A DONOR CONFERENCE TO BE CONVENED AS SOON AS POSSIBEL BY THE INDEPENDENCE GOVERNMENT. THEY SHOULD BE LOCKING IN PARTICULAR TO THE COMMUNITY - MEMBERSHIP OF LOME II WILL OPEIN UP THE PROSPECT OF HELP FROM THE E D F TO WHICH WE ARE A SUBSTANTIAL CONTRIBUTOR - AND THE I M F AND I B R D. THERE WILL ALSO BE A ROLE FOR THE VOLUNTARY AGENCIES. BUT WE MUST WEAN THE RHODESIANS AWAY FROM THE IDEA THAT WE HAVE A SPECIAL RESPONSIBILITY TO HELP THEM, NOT LEAST BECAUSE WE SHALL NOT HAVE THE MEANS TO DO SO ON THE SCALE WHICH WILL BE NECESSARY.

CARRINGTON

FILES

RHOD D
OADS
NAD
PUSD
PLANNING STAFF
CCD
FRD
ECD (E)
UND
LEGAL ADVISERS
(MR FREELAND)
ECON D
DEF D
IPD

OID
NEWS D
PS
PS/SIR I GILMOUR
PS/MR LUCE
PS/MR RIDLEY
PS/MR HURD
PS/MR MARTEN
PS/PUS
SIR D MAITLAND
SIR A ACLAND
LORD N G LENNOX
MR DAY
MR FERGUSSON
MR ASPIN
MR MILLS
CPO

ADDITIONAL DISTRIBUTION
RHODESIA POLICY

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MR R COLLINS CRES/DOT