

Subject
Cluster Set

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cc So C Tickall JP
1th Ambassador
(Lisbon)



10 DOWNING STREET

(FROM LISBON)

From the Private Secretary

17 April 1984

Dear Roger,

The Prime Minister had a private lunch today in Lisbon with the Prime Minister of Portugal. The Deputy Prime Minister, Sr. Barata and I were present, together with an interpreter.

The Prime Minister described the latest situation at the Libyan Embassy in London. This led on to a general discussion of international terrorism and the Iran/Iraq situation. Nothing worth recording was said on either side.

There followed a brief discussion of Portuguese economic policy. Dr. Soares stressed that Portugal had opened up the banking system to private enterprise and he hoped that some British banks would establish offices in the country.

The bulk of the conversation was concerned with Central America and Southern Africa. On Central America, Dr. Soares said that he had given up the Nicaraguan regime as a lost cause. It was hopelessly Marxist Leninist. In his view the most promising point of support was Sr. Pastora who had been forced by the Sandinistas to leave Nicaragua but who was fighting his cause from outside. Portugal was giving him political but not military help and he was also receiving help from the French, Italian and other socialist parties. His headquarters were in Costa Rica and he had a good deal of support from moderate groupings in Latin America, especially Venezuela. He doubtless received American finance. Pastora had a chance of achieving popularity in Nicaragua since he "came from the revolution". The Contras had no such chance.

Western countries should not accept the validity of the Nicaraguan elections. Principal political leaders like Pastora were unable to participate. Some ten days ago he had been shown a "declaration of hope" in the Nicaraguan elections which a number of European socialist leaders, including Mr. Kinnock, had signed. But he himself regarded the declaration as a farce and he would have nothing to do with it.

Portugal had sent observers to the first round of the El Salvador elections. It was perfectly possible to maintain a distinction between the electoral process in El Salvador, which was genuine, and that in Nicaragua.

/ In a comment

In a comment on French policy, he said that France pursued a perfect anti-Soviet course except in Latin America - and also in Africa where it practised double standards.

The Prime Minister then invited Dr. Soares to comment on Angola. In her view Savimbi was a force to be reckoned with. Dr. Soares agreed but said that Portugal would have to be the last country to say so in public. He recalled organising a conference in Lisbon in 1975 which was attended by the three main political movements in Angola. After they had reached agreement on Angolan independence, the Portuguese officers had opted for the MPLA and this had given them victory. Civil war had followed. South Africa helped UNITA and reached the gates of Luanda. This had brought the Cubans into Africa. With Soviet and Cuban help, the MPLA had pushed UNITA back. Now UNITA as a movement controlled one third of Angola. The MPLA controlled another third in the north. And the remaining third was a no-man's land.

Recently the MPLA had reached agreement with South Africa. So the south of Angola which had been in South African hands since independence would now be evacuated by South African troops. SWAPO remained very active in this area.

He was not convinced that UNITA would come to share power in Angola. If the Cubans left, most of the MPLA would collapse and the rump would be obliged to share power. He could not say any of this publicly.

In response to a question he said that he was not worried about the safety of the Portuguese community in Angola. They numbered only about 30,000 and were scattered and well integrated.

South African policy had been very clever. They had linked their own withdrawal to Cuban withdrawal. But if the Cubans left, the MPLA would dissolve.

The Prime Minister then gave a brief account of the negotiations leading to the independence of Zimbabwe. Mugabe was an honest man, not interested in the lush life. Muzorewa, on the other hand, would have accepted offers from all quarters. President Machel of Mozambique had been instrumental at a crucial stage in persuading Mugabe to accept the Lancaster House agreement. Machel had visited London last year and had been a great success. He had a strong personality and little love for the Soviet Union. He had been received as a helpful head of government and friend and this had rather surprised him. He had returned to Africa a different man. It was worth helping him to free himself from the Soviet Union, though that was a difficult process.

Later in the year she had had a long talk with Mugabe about the fate of the British air force officers in Zimbabwe. It had been agreed that she would not criticise Mugabe in public and that he would accept the recommendations of an independent tribunal in respect of the officers. All this had been implemented. In sum she felt that in Africa there were two people - Mugabe and Machel - to whom she could talk. Since then Machel had reached a remarkable agreement with South Africa.

/All this

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All this left Angola. If we could get the Cubans out in a reasonable way we should have solved a long-term strategic problem for the West. But there was a lot to lose from one false step.

Dr. Soares said that Machel had deeply appreciated his visit to the United Kingdom and his talk with the Prime Minister. He was getting a crash course in evolution. The Prime Minister said that he was a promising pupil. Dr. Soares cautioned that perhaps the evolution process was too speedy. Machel had received David Rockefeller in Maputu yesterday and had sung praises of Reagan in a public speech. He feared that Machel might come to be killed by the Russians. There was a great deal at stake. We must realise how important Machel was. If he did not receive outside help he could be submerged by events in Mozambique. He badly needed food, drugs, and technical assistance. Portugal had provided \$2,800,000 last year.

Portugal would receive the South African Prime Minister on 30 and 31 May. A stable relationship with South Africa was important. There were 600,000 Portuguese living there.

The Prime Minister agreed that the West must help Machel. Dr. Soares said that so far the Russians had not taken particularly aggressive action against him. They were tending to chide him with the thought that despite his volte-face he would receive no help from the West.

Yours ever
Bob Colson.

Roger Bone, Esq.,
Foreign and Commonwealth Office.

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Subject
on MOZAMBIQUE
Int. Sit.
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10 DOWNING STREET

From the Private Secretary

3 May 1984

Mozambique

In my letter of 17 April describing the discussion which took place at the Prime Minister's private lunch in Lisbon that day with the Prime Minister of Portugal, I recorded Dr. Soares' view that President Machel was in dire need of outside help, particularly food, drugs and technical assistance.

The Prime Minister asked me yesterday whether it would be possible for us to help meet Machel's needs. I should be grateful for your early comments.

A. J. COLES

R.B. Bone, Esq.,
Foreign and Commonwealth Office,

CST