

SUBJECT

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10 DOWNING STREET

THE PRIME MINISTER

14 March 1983

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 30/83

Dear Mr. President,

I have read with much attention Your Excellency's letter of 26 January, in which you set out, on the eve of the recent meeting in Paris of the International Development Association, your deep anxiety over the economic problems faced both by your country and by other countries in Sub-Saharan Africa. I fully share your concern.

The United Kingdom has been a staunch supporter of the International Development Association since its inception in 1960. We much regret the present shortage of resources and have done our utmost to help overcome this by allowing International Development Association management to commit in full the £555m grant that the United Kingdom pledged under IDA VI. In addition to this we have joined other donors in making a special contribution to IDA for the fiscal year 1984. The United Kingdom will provide a further grant of £105m for that period.

As you know, the Association is currently paying particular attention to Sub-Saharan Africa, and I understand that the recent meeting of IDA donors' representatives in Paris considered concentration on the countries most in need to be of paramount importance. Sub-Saharan Africa was, of course, uppermost in mind.

/ Looking

[Handwritten signature]

Looking beyond the fiscal year 1984, while we realise the scale of needs we cannot yet be certain what volume of resources IDA VII will have. Many donor countries, like the United Kingdom, are having to implement stringent economic measures of their own. I can assure Your Excellency, however, of my Government's continuing determination to play its part in the negotiations leading to the seventh replenishment (IDA VII) which we hope will be a fully collaborative donor countries' effort.

I should like to take this opportunity to assure Your Excellency of my Government's continuing determination to assist in international endeavours in this field.

Yours sincerely
Raymond Dhalwa

His Excellency President Mobutu Sese Seko Kuku Ngbendu Wa Za Banga



Foreign and Commonwealth Office

London SW1A 2AH

8 March 1983

Type letter pl.

Jew John.

MR 9/3 .

We have received a letter from President Mobutu to the Prime Minister, in which President Mobutu asks for British support at the IDA meeting which took place on 1 - 2 February in Paris and outlines the major economic problems now facing Third World countries and in particular those African countries south of the Sahara. I attach the letter and translation. Although it is dated 26 January, bags from Kinshasa are infrequent and the letter did not arrive here until well after the IDA meeting had taken place.

The letter needs to be read against the background of Zaire's current efforts to persuade the IMF to grant Zaire a new programme of credit. President Mobutu seems to be trying to polish his country's image as a responsible member of the international financial community.

The IDA meeting in Paris to which President Mobutu refers was one of a series arranged to discuss the seventh replenishment of IDA's funds. The meeting was inconclusive on how the funds should be allocated but confirmed that sub-Saharan Africa is to receive particular attention in the financial years 1983 - 1987.

I enclose a draft reply.

(R B Bone)
Private Secretary

A J Coles Esq
10 Downing Street

DRAFT: ~~XXXX~~/letter/~~XXXX~~/despatch/~~XXXX~~

TYPE: Draft/Final 1+

FROM:

Reference

Prime Minister

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

Top Secret

Secret

Confidential

Restricted

Unclassified

HE President Mobutu Sese Seko
Kuku Ngbendu Wa Za
Banga of the Republic of Zaire

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

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Enclosures—flag(s).....

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AM $\frac{r}{3}$

SUBJECT

République du Zaïre



Le Président



ce message
ops
T 6A/83

Kinshasa, le 26 janvier 1983.

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 6A/83**

A Son Excellence
Madame Margaret THATCHER
Premier Ministre du Royaume-Uni

L O N D R E S

Madame le Premier Ministre,

A la veille de la rencontre qui va réunir prochainement à Paris tous les pays industrialisés de l'O.C.D.E., les pays de l'O.P.E.P. ainsi que d'autres pays tels que l'Inde et la Chine, dans le cadre de l'I.D.A. VII, j'ai cru opportun, en raison de l'importance de la matière qui y sera débattue, de vous exprimer quelques considérations et les souhaits de mon gouvernement que partagent du reste bon nombre de pays d'Afrique au Sud du Sahara.

L'avènement de la crise internationale, perçue dès 1973 par bien des pays, tant industrialisés qu'en développement, a entraîné dans la plupart des pays du Tiers Monde :

- de graves déséquilibres économiques et financiers;
- la dégradation de la capacité de production et de l'infrastructure;
- l'affaiblissement des institutions;
- l'érosion de la confiance à l'intérieur comme à l'extérieur de nos pays.

.../...

Depuis 1975, alors qu'une lueur d'espoir semblait poindre à l'horizon pour sortir de la crise qui devenait mondiale, celle-ci a vu son ampleur s'aggraver.

Il est établi de nos jours que le modèle bipolaire Nord-Sud, ou pays développés/pays en développement, qui a dominé l'organisation de l'économie mondiale, est dépassé au point d'engendrer une approche de stratégies économiques pragmatiques qui devraient être avantageuses pour tous les pays du monde devenu multipolaire.

L'Afrique au Sud du Sahara reste le plus pauvre des huit pôles répertoriés par la Banque Mondiale. Dix-huit pays de cette région ont même enregistré une baisse très sensible de leur revenu par tête au cours de la dernière décennie. Et c'est à juste titre que la Banque Mondiale, qui doit continuer à agir avec prudence comme un "catalyseur" pour mobiliser des ressources au bénéfice des pays en développement, s'est penchée sur l'importante question de l'accélération du développement de l'Afrique Sub-saharienne.

L'aide publique annuelle à cette région devrait, selon le programme recommandé par la Banque Mondiale, passer en termes réels de 4,9 milliards de dollars en 1980 (dont 2 milliards pour la seule Banque Mondiale) à 9,1 milliards en 1990, soit près de 18 milliards compte tenu de l'inflation.

Car la partie de l'Afrique concernée, et qui compte vingt des trente pays les moins développés du Monde, est celle qui a le plus subi la crise économique et pétrolière à laquelle s'est ajoutée une réduction de 20% des recettes d'exportation, accentuant ainsi les déséquilibres fondamentaux de nos économies caractérisés par :

- la détérioration des termes de l'échange;
- l'aggravation des déficits de la balance des paiements et du montant de la dette extérieure;
- le déclin du produit national brut per capita dont le taux d'accroissement est devenu négatif depuis 1980, contre des taux de + 5% dans les pays d'Asie du Sud-Est;
- les taux encore élevés de mortalité infantile et d'analphabètes et l'espérance de vie à la naissance la plus basse au monde, contrairement à la situation en forte amélioration en Asie du Sud-Est et en Amérique Latine.

C'est dans ce cadre particulier que nous nous permettons de solliciter votre particulier engagement au soutien des propositions de la Banque Mondiale qui ont été unanimement acceptées par tous les gouvernements africains, représentés par leurs gouverneurs à la Banque Mondiale, réunis à Dakar en mars 1982.

La contribution de votre pays à l'augmentation de la part de l'Afrique au Sud du Sahara dans l'IDA à 34%, tel que présenté au Conseil d'Administration dans le programme quinquennal de la Banque Mondiale 1982-1987, est capitale. Et le pourcentage de 34% visé ne revêt sa pleine signification pour les pays d'Afrique que dans la mesure où les ressources de l'Association Internationale de Développement continuent de croître en termes réels d'une reconstitution à l'autre. C'est à cette cause à laquelle la survie d'un monde équilibré est liée que nous invitons la participation de votre pays.

Notre présent appel est en outre lancé à votre gouvernement afin qu'il puisse respecter ses engagements pour l'exécution de l'I.D.A. VI et adopter des dispositions précises pour que les pays africains Sub-sahariens en particulier se sécurisent sur le volume et la mise en place des allocations de l'I.D.A. VII et des autres aides concessionnelles.

Enfin, je m'en voudrais de terminer sans rappeler à votre particulière et bienveillante attention la série de tous ces facteurs extérieurs qui ont un effet négatif sur la croissance des économies africaines en particulier et qui ne peuvent être renversés sans le concours attendu de la communauté internationale. Il s'agit de :

- la dégradation de l'économie mondiale;
- la détérioration des termes de l'échange;
- la stagnation des exportations;
- les fluctuations des prix des produits de base;
- l'inflation généralisée.

Tout en vous remerciant pour l'attention que vous aurez à accorder à nos préoccupations exprimées dans la présente, je vous prie de croire, Madame le Premier Ministre, à l'expression de ma très haute considération.

LE PRESIDENT-FONDATEUR DU MOUVEMENT POPULAIRE
DE LA REVOLUTION, PRESIDENT DE LA REPUBLIQUE,

MOBUTU SESE SEKO KUKU NGBENDU WA ZA BANGA

M a r é c h a l.

Republic of Zaire

Kinshasa, 26 January 1983

The President

Her Excellency

Mr.^S Margaret Thatcher

Prime Minister of the United Kingdom

London

Madam

On the eve of the forthcoming Paris meeting between all the industrialized OECD countries and the OPEC countries as well as others such as India and China, in the context of IDA VII, I felt it desirable, given the importance of the subject-matter to be discussed there, to convey to you a number of reflections together with the wishes of my Government, which are shared, moreover, by many African countries situated south of the Sahara.

The advent of the international crisis, the effects of which were felt from 1973 onwards by many countries, both industrialized and developing, resulted in the majority of Third World countries in:

- serious economic and financial imbalances;
- a deterioration of production capacity and infrastructures;
- a weakening of institutions;
- erosion of confidence at home and abroad.

Since 1975, when there seemed to be a glimmer of hope on the horizon to indicate that a way out of the crisis, which was by then becoming world-wide, was in sight, it has increased in scope.

It has nowadays become accepted that the bipolar North/South or developed/developing countries' formula which has prevailed in the organization of the world economy has become outmoded to the point of engendering an approach based on pragmatic economic strategies which should be of benefit to all countries in what has become a multi-polar world.

Africa south of the Sahara remains the poorest of the eight poles listed by the World Bank. Eighteen countries in the region have in fact recorded an appreciable fall in their per capita income over the past ten years. The World Bank, which must continue to move cautiously, like a "catalyst", to mobilize resources for the benefit of the developing countries, has properly turned its attention to the important matter of accelerating the development of Africa south of the Sahara.

Annual official aid to that region should, according to the programme recommended by the World Bank, increase in real terms, from 4.9 thousand million dollars in 1980 (two thousand million from the World Bank alone) to 9.1 thousand million in 1990, that is nearly 18 thousand million taking account of inflation.

The part of Africa in question, which includes twenty of the thirty least developed countries in the world, has suffered most from the economic crisis and the oil crisis, added to which there has been a 20% reduction in export revenue, thus accentuating the fundamental imbalances in our economies characterized by:

- a deterioration in the terms of trade;
- a worsening of balance of payments deficits and the external debt level;
- a fall in per capita GNP which has experienced a negative growth rate since 1980, as compared to rates of \pm 5% in the countries of South-East Asia;

- the continuing high levels of infant mortality and illiteracy and the world's lowest life expectancy at birth, in contrast to the much improving situation in South-East Asia and Latin America.

It is therefore against this particular background that we would seek your specific commitment in support of the World Bank proposals which were unanimously accepted by all the African governments represented by their World Bank Governors, meeting in Dakar in March 1982.

Your country's contribution to increasing to 34% the share of Africa south of the Sahara in the IDA, as submitted to the Administrative Council /Conseil d'Administration/ in the World Bank five year programme 1982-87, is vital. And the target figure of 34% assumes its full significance for the countries of Africa only provided the resources of the International Development Association continue to grow in real terms from one replenishment to the

next. We invite your country to participate in that cause upon which hinges the survival of a well-balanced world.

This appeal is further directed to your government so that it may respect its commitments in relation to the implementation of IDA VI and adopt specific provisions so that the countries south of the Sahara in particular can feel confident where the scale and setting-up of the IDA VII grants and other concessionary aid is concerned.

Finally, I would be failing in my duty were I to end without drawing to your particular and kind attention all the external factors which have a negative effect on the growth of the African economies in particular and which cannot be reversed without the help we expect from the International community. These are:

- the deterioration of the world economy;
- the worsening of terms of trade;
- the stagnation of exports;
- commodity price fluctuations;
- generalized inflation.

/Expression of gratitude and complimentary close/

The President-Founder of the Popular Revolutionary Movement,
President of the Republic,

Mobutu Sese Seko Kuku Ngbendu Wa Za Banga

Marshal.