SUBJECT

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84

RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE PRIME MINISTER OF MAURITIUS AT NO. 10 DOWNING STREET ON THURSDAY 12 FEBRUARY 1981 AT 1630 HOURS

Present:-

The Prime Minister
Mr. Richard Luce, MP
Sir L. Allinson
Mr. J.N. Allan
Mr. J.A. Robson
Mr. M.O'D.B. Alexander

Dr. The Rt. Hon. Sir Seewoosagur Ramgoolam, Prime Minister of Mauritius
The Hon. Sir Veerasamy Ringadoo, Deputy Prime Minister and Minister of Finance
The Hon. Sir Harold Walker, Foreign Minister
Mr. B. Ghoorah, Cabinet Secretary

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Welcoming Sir S. Ramgoolam, the Prime Minister said that she understood that bilateral matters had been discussed earlier with Lord Carrington. She would be interested to hear Mauritius views on regional issues. Sir S. Ramgoolam said that Mauritius was fortunate in having no frontiers. Britain had withdrawn from the Indian Ocean area to a certain extent, though France had been able to give Mauritius some help. His main problems, however, were internal. The Opposition Mouvement Militent Mauritien (MMM), which was Communist inspired, had given his Government a rough time. He had been able to contain this on the political front but the MMM continued to stir up trouble in the industrial field. His major problem remained the state of the economy and the prospects for sugar. He wished to express his gratitude for HMG's offer of a £1 million programme aid loan which would help the balance of payments position. Sir V. Ringadoo said that he had now been briefed on the terms proposed for the loan which were acceptable to Mauritius.

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/Sir S. Ramgoolam

Sir S. Ramgoolam said that HMG had made an original commitment to the Commonwealth Sugar Producers but prospects in the UK and Community market were threatened by the increase in beet sugar production. Any way in which the Tate & Lyle Liverpool Refinery could continue to operate would be helpful to the ACP countries. The Prime Minister said that we would certainly honour the commitment to Mauritius. Tate & Lyle had said that they were ready to export any surplus which they could not themselves refine. Sir H. Walter argued that the real commitment to Mauritius was that by the United Kingdom under the Commonwealth Sugar Agreement; there was also the Community Agreement but Mauritius was not a party to UK arrangements with the Community, although Mauritius participated in Lomé II. Sir S. Ramgoolam added that Mauritius was concerned because the closure of the Liverpool refinery reduced UK capacity for refining cane below the level which Britain was pledged to import. He handed over a piece of paper seeking further assurances which Mauritius hoped HMG could give (text at Annex). The Prime Minister said that the matter would best be pursued with a Minister in the MAFF and arrangements would be made for this.

The Prime Minister asked how Mauritius saw developments in the Indian Ocean area. Sir S. Ramgoolam said that both Britain and Mauritius were concerned about the defence of the Indian Ocean. The only immediate problem he faced arose from the settlement of the former inhabitants of Diego Garcia in Mauritius. The Government had under-estimated the numbers, which they now assessed at 6,000. Sir V. Ringadoo said that there was a political dimension because the Opposition had now chosen to make an issue of the treatment of the Ilois and of the use made of Diego Garcia by the UK and the United States. Sir H. Walter said that Mauritius and Britain disagreed as to whether developments on Diego Garcia were in accord with the 1965 agreement. This was now past history and Mauritius did not wish to reopen the matter. But it had been agreed that labour and materials for the defence facility should be supplied by Mauritius and this had not been done. This was partly the fault of Mauritius which had not pressed the matter; but now that the Opposition had taken up the cudgels the Government needed some further element of compensation for the Ilois. Mr. Luce said that in addition to the original resettlement grant by HMG

/there was

there was the further offer of £1.25 million to compensate the Ilois for removal. Little progress had been made in obtaining its acceptance and for this we needed the co-operation of Mauritius Ministers. We supported the use of labour and materials from Mauritius for the new expansion programme and he was confident that business would come to Mauritius for this. Sir S. Ramgoolam said that his Government had had to disburse further sums to the Ilois from their own resources. He proposed further talks with Britain, and possibly with the United States, on compensation and on the future of Diego Garcia. The Mauritian Parliament would be dissolved not later than 20 December and these matters would be an issue in the subsequent General Election.

The Prime Minister said that following her talks with Sir S. Ramgoolam last June, she had repeated in the House explicit assurances about the future of Diego Garcia. She was sure that it was best not to reopen these now but rather to pursue the separate enquiry about sugar.

The Prime Minister enquiried about the political situation. Sir H. Walter said that there had been a shift of opinion within the Opposition towards more moderate policies. Sir S. Ramgoolam said that the Government's position would be strengthened if HMG could offer more aid for retraining and to help meet the consequences of a deliberate shift in the economic activity from the south of the Island to the north. France had given some help but they needed more. The Prime Minister said that we had already acted through the offer of the £1 million loan for balance of payments support. The High Commissioner would explore whether we could assist further in retraining within the limits of our existing technical assistance programme. Sir S. Ramgoolam said that Mauritius was the only free democracy in the Indian Ocean; he hoped that Britain would help where it could.

The meeting ended at 1730 hours.

17 February 1981

Annex A

Aide memoire handed to the Prime Minister by the PM of Mauritius at Downing Street on 12 February. Copy sent to the MAFF

Copies ECD (E)
PS/Mr Luce
Sir A Allinson
Mr Lewis

ASSURANCES SOUGHT FROM HM GOVERNMENT

a) that the expansion of U.K. beet sugar which has taken place over the past five years will be restrained so as not further to erode the outlet for ACP sugar in the U.K;

b) that ACP interests within the Community will continue to be protected by HMG;

c) that HMG will ensure, in the event of the Liverpool refinery being closed, that the U.K. will be able, without term, to import and refine in the traditional way not less than 1.1 m tonnes of ACP sugar.

11.2.81

12/2/81

Government of Mauritius
Handed to PM & Mauritius

FILE

VLS

Mauritius

cc MAFF
CO

17 February 1981

Call by the Prime Minister of Mauritius

As you know, the Prime Minister of Mauritius called on the Prime Minister here on Thursday, 12 February. I enclose a copy of the record of their discussion.

I am sending copies of this letter, together with its enclosure, to Kate Timms (Ministry of Agriculture, Fisheries and Food) and David Wright (Cabinet Office).

M. O'D. B. ALEXANDER

R. M. J. Lyne, Esq.,
Foreign and Commonwealth Office.

NPW

Mauritius

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Foreign and Commonwealth Office

London SW1A 2AH

Type in final form.

17 February 1981

Dear Michael,

Mauritius

I attach John Robson's draft record of the meeting between the Prime Minister and the Prime Minister of Mauritius on 12 February.

The Prime Minister asked that the Mauritian points about sugar should be taken further with a Minister in the MAFF. Sir H Walter called on Mr Wiggin on 16 February and I understand that they had a useful meeting. Mauritian anxieties may not have been fully allayed but Mr Wiggin re-emphasised that we and the Community would continue to fulfil the commitments under Lome II.

Yours ever

Robert Lyne

(R M J Lyne)
Private Secretary

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DSR 11 (Revised)

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DRAFT: Record of a Meeting ~~minute/letter/teleletter/despatch/note~~

TYPE: Draft/Final 1+

FROM:

J R ROBSON

DEPARTMENT: EAST AFRICAN TEL. NO:

Reference

SECURITY CLASSIFICATION

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Confidential 16/2/81
~~Restricted~~
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WASHINGTON
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Enclosures—flag(s).....

RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE PRIME MINISTER OF MAURITIUS AT NO.10 DOWNING STREET ON THURSDAY, 12 FEBRUARY, 1981 AT 4.30 P.M.

SUBJECT:

PRESENT

The Prime Minister
Mr Richard Luce MP
Sir L Allinson
Mr J N Allan
Mr J A Robson
Mr Alexander M.O'D

Dr, the Right Honourable Sir Seewoosagur Ramgoolam, Prime Minister of Mauritius
The Hon. Sir Veerasamy Ringadoo, Deputy Prime Minister and Minister of Finance
The Hon. Sir Harold Walter Foreign Minister
Mr B Ghoorah Cabinet Secretary

1. Welcoming Sir S Ramgoolam, the Prime Minister said that she understood that bilateral matters had been discussed earlier with Lord Carrington. She ~~welcomed~~ would be interested to hear Mauritius views on ~~the~~ regional issues. Sir S Ramgoolam said that Mauritius was fortunate in having no frontiers. Britain had withdrawn from the Indian Ocean area to a certain extent, though France had been able to give Mauritius some help. His main problems, however, were internal. The Opposition (Mouvement Militant Mauricien) (MMM) ~~Party~~, which was Communist inspired, had given his Government a rough time. He had been able to contain this on the political front but the MMM continued to stir up trouble in the industrial field. His major problem remained the state of the economy and the prospects for sugar. He wished to express his gratitude for HMG's offer

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of a £1.m programme aid loan which would help the balance of payments' position. Sir V Ringadoo said that he had now been briefed on the terms proposed for the loan which were acceptable to Mauritius.

2. Sir S Ramgoolam said that HMG had made an original commitment to the Commonwealth Sugar Producers ~~for £1.3 m. tonnes~~; but prospects in the UK and Community market were threatened by the increase in beet sugar production. Any way in which the Tate & Lyle Liverpool Refinery could continue to operate would be helpful to the ACP countries. The Prime Minister said that we would certainly honour the commitment to Mauritius. Tate & Lyle had said that they were ready to export any surplus which they could not themselves refine. Sir H Walter argued that the real commitment to Mauritius was that by the United Kingdom under the Commonwealth Sugar Agreement; there was also the Community Agreement but Mauritius was not a party to UK arrangements with the Community, although Mauritius participated in Lomé II. Sir S Ramgoolam added that Mauritius was concerned because the closure of the Liverpool refinery reduced UK capacity for refining cane below the level which Britain was pledged to import. He handed over a piece of paper seeking further assurances which Mauritius hoped HMG could give (text at Annex). The Prime Minister said that the matter would best be ~~discussed further~~ pursued with a Minister in the MAFF and arrangements would be made for this. ///

3. The Prime Minister asked how Mauritius saw developments in the Indian Ocean area. Sir S Ramgoolam said that both Britain and Mauritius were concerned about the defence of the Indian Ocean. The only immediate problem he faced arose from the settlement of the former inhabitants of Diego Garcia in Mauritius. The government had under-estimated their numbers, which

/they

they now assessed at 6,000. Sir V Ringadoo said that there was a political dimension ~~to the problem,~~ because the Opposition had now chosen to make an issue of the~~ir~~ treatment of the Ilois and of the use made of Diego Garcia by the UK and the United States. Sir H Walter said that Mauritius and Britain disagreed as to whether developments on Diego Garcia were in accord with the 1965 agreement. This was now past history and Mauritius did not wish to reopen the matter. ~~except in one respect~~. But it had been agreed that labour and materials for the defence facility should be supplied by Mauritius ~~but~~ and this had not been ~~implemented~~ done. ~~No doubt~~ This was partly the fault of Mauritius which had not pressed the matter; but now that the Opposition had taken up the cudgels ~~Mauritius~~ the government needed some further element of compensation for the Ilois. Mr Luce said that in addition to the original resettlement grant by HMG there was the further offer of £1.25 m. to compensate the Ilois for removal. Little progress had been made in obtaining its acceptance and for this we needed the cooperation of ~~the~~ Mauritius ministers. We supported the use of labour and materials from Mauritius for the new expansion programme and he was confident that business would come to Mauritius for this. ~~work~~. Sir S Ramgoolam said that his Government had had to disburse further sums to the Ilois from their own resources. He proposed ~~that there should be~~ further talks with Britain, and possibly with the United States, ~~also~~ on compensation and on the future of Diego Garcia. The Mauritian Parliament would be dissolved not later than 20 December and these matters would be an issue in the subsequent General Election.

4. The Prime Minister said that following her talks with Sir S Ramgoolam last June, she had repeated explicit assurances about the future of Diego Garcia in the House. She

/was

he was sure that it was best not to reopen these now but rather to pursue the separate enquiry about sugar.

5. The Prime Minister enquired about the political situation. in Mauritius. Sir H Walter said that there had been a shift of opinion within the Opposition towards more moderate parties. Sir S Ramgoolam said that the Government's position would be strengthened if HMG could offer more aid for retraining and to help meet the consequences of a deliberate shift in the economic activity from the south of the Island to the north. France had given some help but they needed more. The Prime Minister said that we had already acted through the offer of the £1 m. loan for balance of payments' support. The High Commissioner would explore whether we could assist further in retraining within the limits of our existing technical assistance programme. Sir S Ramgoolam emphasised that Mauritius was the only free democracy in the Indian Ocean; he hoped that Britain would help were it could.

6, The meeting ended at 5.30 p.m.