

RECORD OF A TALK BETWEEN THE PRIME MINISTER AND KING BIRENDRA OF NEPAL AT NO. 10 DOWNING STREET, ON WEDNESDAY 12 SEPTEMBER AT 1600 HOURS.

Present

Prime Minister
H.E. J.B. Denson
Mr. M.O'D. Alexander

King Birendra Bir Bikram Shah Dev
Queen Aishwarya Rajya Laxmi Devi Shah
Jharendra Narayan Singha
K.B. Shahi

Non-Aligned Conference

The Prime Minister asked King Birendra for his views on the Non-Aligned Summit in Havana which he had just attended. King Birendra said that, given the conflicting views represented at the Conference, it was surprising that so much had been achieved. The views of the radicals had not prevailed. But the radicals would go on advancing their views. President Castro had three more years in office as Chairman of the Conference and he would ensure that the Cuban Co-ordinating Bureau played an active role. It will become apparent at the next Ministerial meeting of the Conference in Delhi in 18 months' time - and still more at the next Summit in Baghdad in three years time - how much progress they had made.

King Birendra said that the specific problems which had concerned his delegation in Havana related to the future of Kampuchea and to Egypt. On the first point, Nepal was opposed to the activities of the Vietnamese in Cambodia. Whatever his failings, Pol Pot was a national figure. On the Egyptian issue, Nepal had taken the line with those seeking Egyptian expulsion from the Conference that Egypt's relations with Israel were a regional problem and Egypt was entitled to make agreements with whoever she chose. The Rhodesian problem had not figured prominently in the discussions in Havana. On the situation in Cuba itself, King Birendra said that he had formed the view that if the Cuban Government were given the opportunity to develop better relations with the United States, they would take it. At present, the Cubans were conscious of being too closely tied to the Soviet Union and were looking for a way out.

Nepal

King Birendra expressed his gratitude for the aid that had been given to his country by the UK. Mr. Denson said that

CONFIDENTIAL

-2-

the United Kingdom now seemed to have a sensible and balanced programme of aid for Nepal. Two major elements in it were a programme for the reintegration of returning Gurkha soldiers and a multi-disciplinary scheme being run in the east of the country, in conjunction with local authorities there, for integrated rural development. Mr. Denson also referred to the school being run with British support which King Birendra's son would be entering next year. King Birendra said that he hoped the British element on the staff of the school could be strengthened. He was anxious that his son should receive a good education while remaining in a Nepalese environment. On the aid programme in general, King Birendra said that the requirement was for small scale projects which would have an impact at village level. For example, assistance with the building of small suspension bridges; the provision of drinking water; the development of crops that would grow at high altitude; and with projects that would improve the distribution of food. The Prime Minister, having warmly praised the qualities of the Gurkha units in the British Army, said that she much agreed with an aid strategy intended to raise standards in the villages and developed in consultation with village leaders. In conversation a day or two earlier, President Banda had made the point to her that the villagers were the people who knew best what they needed in their localities.

On larger scale aid projects, King Birendra said that Nepal's greatest natural resource was her water. In the dry season 16 per cent of the water flowing into the Ganges came from Nepal. Surveys by Japanese and Australian teams had suggested there was considerable scope for hydroelectric and irrigation projects. It might ultimately be possible to produce 80 million kilowatts of electric power which could be sold to India, Bangladesh, Pakistan and China. Harnessing of water on this scale would of course be an expensive and lengthy undertaking. But it had to be done not only because of the potential financial benefits but also because of the need to control flooding. The Indian Government would like to see the problem handled exclusively on a bilateral Indo-Nepalese basis. But the Nepalese Government intended to proceed on a case by case basis. The Prime Minister agreed with this approach.

/Relations with the Soviet Union

CONFIDENTIAL

CONFIDENTIAL

-3-

Relations with the Soviet Union

King Birendra expressed anxiety about the role and the intentions of the Soviet Union in the sub-continent. Soviet activities were increasing in Nepal although, happily, the Communist Party in Nepal was split into various factions their agitation was a unsettling factor. Although economic progress and the extension of the vote were helpful in combating the activities of the Communists, Nepal had had an unfortunate experience in the attempt to develop political parties. As the Shah of Iran had found, the transition to a more democratic system was extremely difficult to manage. King Birendra said that he was reasonably confident about the situation in rural areas but that there were problems in urban areas. The Prime Minister said that Soviet activity was on the increase everywhere. Many countries faced the problem of active, well organised and dedicated minorities seizing the direction of events from the apathetic majority. Recent events in Iran were an alarming example of what could happen. They showed how the human rights issue could be exploited by those who when they came to power proved that they were in fact less interested in human rights than the regime they had overthrown. The extent of revolutionary infiltration was frightening. The essential first step in combating their activities was to increase awareness of what they were doing. King Birendra said that he shared the Prime Minister's hope that Western governments had drawn the correct conclusion from events in Iran.

Arms Sales

King Birendra said that his Government bought most of their arms from India but that some came from the United Kingdom. The Indian Government had suggested to him that there was an understanding, endorsed by Western Governments, that only India should supply Nepal with arms. The Nepalese Government, however, wished to retain the flexibility of dealing direct with the United Kingdom. The Prime Minister said that she hoped the direct link would be retained. Nepalese requests would be dealt with on a case by case basis.

The discussion ended at 1710.

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