

cc MASTER
OPS.

cc Econ Pst: LET
A16.



PRIME MINISTER
INDIA

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T/82/84

New Delhi
May 16, 1984

Dear Prime Minister,

Last year, after the Nonaligned Summit I wrote to you, drawing your attention to its recommendations on the current economic crisis as well as for longer term structural changes.

There have been several discussions to find a basis for the North-South dialogue. None has yielded any positive results. There is general despondency amongst developing countries because their plight is worsening, and threatening prosperity and stability everywhere. The problems of the industrialised countries are also not entirely over. In some of them, there are signs of recovery but it remains weak and uncertain and we have yet to see its impact on developing countries. In an inter-dependent world, recovery in the North will be difficult to sustain without growth in the South.

...2

Hasn't the time come for us to give some impetus to such a dialogue? For instance, a fresh initiative could be considered on the question of money and finance. The functioning of the international monetary and financial system has been under close scrutiny in different forums, including the Williamsburg Summit and the Commonwealth Heads of Government Meeting. In pursuance of a decision taken by the Nonaligned Summit in New Delhi to call an International Conference on Money and Finance for Development, we set up a high level group of experts, which has just finalised its report. Such a Conference would be possible only after a thorough preparatory process, which will take time. Therefore, our immediate concern is to break through the impasse and find a way of beginning some dialogue between the North and the South. Time is not on our side. The different summit processes would eventually need to come together.

The urgent need to implement a programme of immediate measures and to launch global negotiations remains. These issues have been discussed on several occasions, notably at UNCTAD VI and during the 38th session of the UN General Assembly.

Both these long-term and the short-term issues are probably also engaging your attention and may figure in your deliberations at the forthcoming London Summit. I am asking my personal emissary Mr. L.K. Jha to explain our suggestions to your Government. There will be other ideas also. We are open to suggestions and I should be glad to know your own views. I also hope that our concerns will be taken into consideration in the course of your talks in London.

With regards and good wishes,,

Indira Gandhi

The Rt. Hon. Margaret Thatcher,
Prime Minister of Britain,
London.