

TOP SECRET

Confidential Being

Visit by President ~~Bush~~ to the UK.

Visits by subsequent US Presidents

~~and Eoc. Presidents~~

Future papers on USA: meetings with US Governments

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3004

USA.

Pt 1: January 1981

Pt 4: April 1989

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
30/3/89							
11/4/89							
13.4.89							
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● PART 4 ends:-

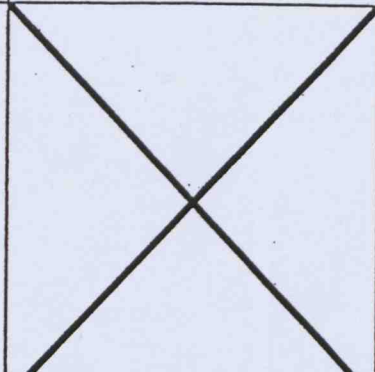
~~Sir Percy Cradock to T208 B/91~~

~~OSP 16 6 89 dated 12.8.1991~~

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PART _____ begins:-

A The National Archives

DEPARTMENT/SERIES <p style="text-align: center;">..... <i>PREM 19</i></p> PIECE/ITEM <i>2890</i> (one piece/item number)	Date and sign
Extract details: <p style="text-align: center;"><i>Message from US President to PM (T. 208B(91)) dated -12 August 1991</i></p>	
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File: MLO



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

14 July 1991

Dear Richard,

PRESIDENT BUSH:
GORDIEVSKY

This is just to record that the Prime Minister did not (not) raise Gordievsky when he saw President Bush this evening.

Jms.
Stephe

J.S. WALL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

SUBJECT
MASTER

Filed on:

SECRET



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foreign/iraq
(mem)

kec PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 July 1991

PRESIDENT BUSH: IRAQ

President Bush told the Prime Minister this evening that President Mitterrand had been very good in the support he was offering to the United States over Iraq. The Prime Minister got the impression that French support would be political but that they might not contribute planes. The Prime Minister told the President that there was quite a premium to involving British and French. He raised the question of targets and said that our legal advice was that there would be difficulties if we strayed from nuclear sites directly connected with breaches of the ceasefire and UN Security Council Resolutions.

The President said that his people were worried about this aspect as well. It was clear from the way the President spoke he was not envisaging imminent action. The underlying assumption in all this was that there would be continuing consultations between the US and ourselves.

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

J.S. WALL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

SECRET

**SUBJECT
MASTER**

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BW (mem)

Filed on:



bcc PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 July 1991

PRESIDENT BUSH: SOVIET BW

I was grateful to Nigel Broomfield for his letter updating the Prime Minister on the US position on Soviet BW. The Prime Minister discussed it with the President who was happy with the line we were proposing to take. The President himself would also be raising the matter with President Gorbachev, making clear that any START agreement could not be implemented until this issue had been sorted out.

I am copying this letter to Simon Webb (Ministry of Defence) and Sonia Phippard (Cabinet Office).

J.S. WALL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 July 1991

File: c/wpdocs/
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Filed on:

PRESIDENT BUSH

President and Mrs. Bush had dinner a quatre this evening with the Prime Minister and Mrs. Major. Dinner was preceded by a ceremony at which President Bush presented General Sir Peter de la Billiere with the Legion of Merit medal.

Because the dinner was an informal, family occasion the President and the Prime Minister did not conduct a great deal of business. The following were the main points.

GATT Round

President Bush said that he could go along with language in the communique urging agreement this year and the personal involvement of Heads of Government.

Trinidad Terms

The President said that there were real difficulties over this but he would see if he could help.

The Soviet Union

The President had not studied the Gorbachev plan in detail. He agreed that there should be some form of follow-up and seemed to be willing to go along with one or other of the options we had proposed.

Iran

The Prime Minister signalled our concern at the arms build-up in Iran.

The President and the Prime Minister did not discuss Vietnamese Boat People or the UN Secretary-General. The Prime Minister will find an opportunity to raise VBPs during the course

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- 2 -

of the next few days. The succession to the present UN Secretary-General is likely to come up over dinner tomorrow night.

I am writing separately about two other issues.

I am copying this letter to Jeremy Heywood and Nigel Wicks (HM Treasury), David Rossington (MAFF), Martin Stanley (Department of Trade and Industry) and to Sonia Phippard (Cabinet Office).

J.S. WALL

Richard Gozney, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

MR WALL

Visit of the President and Mrs Bush
Sunday 14 July

I attach an outline programme
for the visit of President and Mrs Bush
on Sunday evening together with a
seating plan for dinner.

Sue

12 July 1991

OUTLINE PROGRAMME
VISIT OF THE PRESIDENT OF THE UNITED STATES OF AMERICA AND MRS GEORGE BUSH
10 DOWNING STREET ON SUNDAY 14 JULY

- 2030 President and Mrs Bush arrive
- Prime Minister and Mrs Major greet at Front Door
- Photocall in Front Hall
- President and Mrs Bush and Prime Minister and Mrs Major proceed to Pillared Room
- 2035 Presentation of Legion of Merit Medal by the President to Sir Peter de la Billiere in Pillared Room
- Also present
- Lady de la Billiere
- Edward de la Billiere aged 21
- Miss Phillida de la Billiere aged 23
- Mrs Nicola Ellis (aged 26) and husband Mr Andrew Ellis
- Press present
- After Ceremony champagne is served
- 2045 Dinner in Small Dining Room. See attached plan. Butlers will usher President and Mrs Bush and Prime Minister and Mrs Major to their seats
- President and your personal photographer take one or two pictures when seated
- After Dinner - coffee and liqueurs will be served in the Flat.
- 2030 approx President and Mrs Bush depart. Prime Minister and Mrs Major say goodbye at Front Door.

SEATING PLAN FOR DINNER ON SUNDAY 14 JULY

Mrs Major

PRIME MINISTER

The Hon. George Bush

Mrs Bush

ENTRANCE

POINTS TO RAISE WITH PRESIDENT BUSH

Northern Iraq

- On fairly solid legal ground, if we take out nuclear capacity which directly contravenes ceasefire agreement and Resolution 687. Our Law Officers advise we would not have legal cover for wider targets.
- Hope we can be involved with planning/targetting at an early stage as we were with you over Gulf War.

Soviet Union/Eastern Europe [note on Eastern Europe attached]

Trinidad Terms [note attached]

Soviet BW

- Hope we can both give same message to Gorbachev: we expect to see clear evidence before the Biological and Toxins Weapons Review Conference in September that a start has been made on dismantling BW programme: otherwise we may have to publish the evidence.

Gordievsky

- We continue to press Russians to release innocent wives and daughters.
- I shall tell Gorbachev that this is bound to become an issue in September CSCE Conference in Moscow.
- Hope you will continue to press Gorbachev on this case.

Iranian Arms Build-up

- Evidence suggests that Iran could become, over time, as big a threat as Iraq. Emphasise importance of P5 work and need to encourage China and Soviet Union to exercise restraint.

Trinidad Terms [note attached]

Vietnamese Boat People

- Discussion on internationally managed centre in Vietnam going quite well. UNHCR supportive. But Hong Kong will reach saturation point in a few weeks.

- Discussing with Vietnamese return of double backers who have simply gone back to Hong Kong after returning voluntarily to Vietnam: in no sense refugees.

GATT Round

C:\FOREIGN\BUSH2 (DAS)



Foreign &
Commonwealth
Office

London SW1 2AH

CCP4
BIP
13(A-H)

11 July 1991

Sean Rafter,

Dinner with President Bush and Mrs Bush, 14 July

The Bushs' visit to London for the Economic Summit is their first to the UK since the President was here for the NATO Summit of July 1990. The Prime Minister and President met in Bermuda on 16 March.

At the dinner on 14 July, our objectives might be to:

- Discuss British and US approaches to the Economic Summit and President Gorbachev's involvement; ✓
- Discuss UK and US policies towards Iraq and the Iranian arms build-up; ✓
- Explain the evolution in our policy on Vietnamese Migrants in Hong Kong; ✓

The Prime Minister and President will also want to discuss latest developments in Yugoslavia. ✓

The Embassy in Washington will shortly send telegrams reporting the President's main domestic and foreign policy preoccupations on the eve of the Summit.

In discussion, the Prime Minister might like to draw on the following:

Economic Summit

- Economic Policy: Hope Summit can give strong endorsement to the continuation of the firm counter-inflationary policies which produced the good growth and low inflation of the Eighties.

- Trade: Essential that the Summit give a strong impulse towards the completion of the Uruguay Round by the end of the year, with progress on all the key issues by the end of July.

/- Central



- Central and Eastern Europe: Summit should give strong political backing to reform, particularly in support of IMF programmes, and should stress importance of improved trade access for their exports. We will press for the US to provide an appropriate share of G24 financial support for Bulgaria and especially Romania.
- Developing countries and debt: aim to secure endorsement of debt reduction for the poorest countries on the lines of the Trinidad terms initiative. (See separate section of brief.)
- Environment: aim to emphasise the importance UK attaches to UN Conference on Environment and Development (UNCED) and to encourage partners to adopt a greenhouse gas emission target similar to other countries.
- Drugs: UK has put forward proposal aimed at improving customs authorities' ability to track (and intercept) drugs through better cooperation with international trade and transport interests.
- Arms Transfers. Hope for progress on conventional arms transfers and NBC non-proliferation.

President Gorbachev and the Economic Summit

I enclose a copy of the Prime Minister's recent exchange of messages with President Bush. Our approach at the Summit towards help for Soviet economic reform will to some extent depend on the contents of the paper which Gorbachev has promised to provide on 12 July, giving advance notice of the points he will want to raise at the meeting with G7 leaders. There is general acceptance that no decisions on large scale financial help will be taken at the Summit. At the same time, we should make sure that Gorbachev leaves with a clear idea of what the West sees as essential steps in reform: chiefly, the creation of a legislative structure which will allow the free development of an independent market sector, and which will encourage foreign investment in Soviet production.

The US approach is close to our own. Unlike the Italians and possibly the Germans and French, they are likely to share our scepticism about the value of financial assistance, and our view that Western participation in Soviet economic reform will expand and develop naturally as the reform process takes effect.

/The Prime



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The Prime Minister might say:

- Must tread carefully between unrealistic and unhelpful suggestions of large scale Western aid, and danger of appearing blasé about the real economic difficulties Soviet Union faces; ✓
- Technical assistance is the best way to help. Soviet problem is not lack of human or material resources but organisational/systemic. Help must focus on structural change and mobilising Soviet resources; ✓
- Need also to look at relationship with IFIs. IMF can help with macro-economic policy advice. IFIs/Western nations can advise on legal structures required to help development of small business sector; ✓
- Must make clear that economic reform more likely to succeed if endorsed by legitimate, democratic institutions: likewise repressive policies or uncooperative foreign policy will deter foreign investors and make a difficult situation worse. Specific examples include policy towards Baltics and other Republics; aid to repressive/aggressive regimes; ✓
- Encouraged by recent moves towards political conciliation and cooperation: improved relations between Gorbachev and Yeltsin; the emerging '9 + 1' agreement between Moscow and the major Republics; announcement on 1 July of formation of umbrella movement for democratic reform. Gorbachev (but not army, KGB, Party Hardliners) appears to be acquiescing ✓
Republican leaders and institutions;
- But remains difficult for the Centre and main Republics to reach workable agreement on new division of powers. Will require abolition of whole range of Central controls maintained for over 70 years. Will also require continued restraint on part of Yeltsin and other Republican leaders in the face of deteriorating economy and periodic outbursts from Hardliners. Prospects at best doubtful.

Soviet BW

The Prime Minister wrote to Gorbachev on 28 March saying that the results of the joint US/UK visit to the Soviet Union in January had reinforced rather than allayed our concerns. Gorbachev's reply of 15 May was unsatisfactory: "we have no biological weapons". The Prime Minister might say:

/- We must



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- We must now convince Gorbachev that we have abundant evidence of a massive offensive Soviet BW programme. We will not allow our concerns to be brushed aside;
- We (the President intends to tackle Gorbachev after the G7 Summit) should both tell Gorbachev that we expect to see clear evidence before the Biological and Toxin Weapons Review Conference in September that a start has been made on dismantling the Soviet BW programme: otherwise we may be obliged to publicise the evidence.

Officials have been in touch to ensure that the two approaches are complementary. The next stage is likely to be a meeting between US and UK experts, followed by a trilateral meeting with Soviet experts either in London or Moscow.

Gordievsky

The Americans have raised the Gordievsky case in past Summit meetings with the Russians and have included it in their lists of human rights cases. They have shared in the benefits of Gordievsky's information and advice.

The Prime Minister might say:

- We continue to press the Russians to release the innocent wife and daughters of ex-KGB officer Oleg Gordievsky, who defected in 1985.
- Shall be telling Gorbachev that, unless they are released, this is bound to be an issue at the September CSCE "Human Dimension" Conference in Moscow.
- With increasing numbers of defectors, humanitarian treatment of their families is an important point for many of us. Another test of Soviet willingness to break with past uncivilised behaviour.
- Grateful for previous US support. Hope you will continue to press Gorbachev on this case (eg at US/Soviet Moscow Summit); and that your delegation at the Moscow Conference will raise it.

Iraq

The Prime Minister will wish to review with the President the situation in Iraq following his message to Mr Bush of 9 July. In the North, allied forces are about to be withdrawn, leaving a residual force stationed in Southern Turkey. We have now put in place a series of measures

/designed



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designed to reassure the refugees of their continuing security and explicit warnings have left the Iraqis in no doubt of our resolve to act if necessary. The Prime Minister might say:

- The pressure needs to be maintained on Baghdad by regularly reinforcing our message that any violations of SCR 688 will result in rapid action;
- It is important that we should continue to coordinate closely both our policies and our public presentation of the withdrawal of forces from Iraq. The allies need to deliver a consistent message.

The Iraqis have obstructed recent nuclear inspections by the UN Special Commission and the Security Council is considering a report and subsequent Iraqi assurances. We are exploring with the French and the Americans the possibility of a resolution spelling out our demands, increasing the pressure on Baghdad and preparing the way for military action if necessary. The Americans believe they already have authority to use force under SCR 687, but we would prefer a further resolution. The Prime Minister might ask President Bush for his latest thinking and say:

- It remains to be seen whether Iraq's declarations are comprehensive and whether assurances will be honoured. Meanwhile, a new resolution to spell out requirements and underpin further action if necessary would be helpful, if we could be sure to achieve it;
- Even a technical resolution, without specific language authorising or enabling military action, would usefully strengthen the hand of the Special Commission experts.

US thinking, at least at official level, is moving towards agreement to relax sanctions to permit Iraq to sell some oil under controlled conditions. This would anticipate pressure following reports of serious food shortages in Iraq by the autumn. The revenues would fund the UN relief effort, initial contributions to the Compensation Fund and the costs of the Special Commission.

The Prime Minister may also wish to thank the President for American support over Richter and ask him to keep up the pressure on the Iraqis to release him.

/Iranian



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Iranian Arms Build-Up

The Iranian arms build-up is a potentially destabilising factor in the Gulf region. There is little doubt that Iran has aspirations to become a dominant power in the region. It is seeking to create an indigenous arms-manufacturing capacity, and relying on a wide range of foreign sources for the supply of equipment and technology - though forced to move away from reliance on Western nations as a result of the controls they have imposed on arms sales to Iran. The Prime Minister could say:

- The P5 forum, which first discussed the President's Middle East arms control initiative at its meeting in Paris could help encourage the Soviet Union and China, two of the major suppliers of arms to Iran, to apply more responsible policies.
- Securing the cooperation of China could be important in trying to persuade another major supplier, North Korea, to restrain its arms sales to Iran.
- On a global level, the introduction of greater transparency into the conventional arms trade, including the Prime Minister's proposal for a UN register of arms transfers, should have an inhibiting effect on countries which are considering arms sales to Iran.

Middle East Peace Process

The Syrians say they are on the point of replying positively to President Bush's letter about the peace process, which set out the remaining points of difference to be resolved between Israel and Syria before a peace conference could be convened. This could give the process a new lease of life and the Americans a means to press Israel to agree to negotiate. The Prime Minister might say:

- We attach great importance to making the most of any opening offered by the Syrians and to tackling Mr Shamir firmly about his remaining objections to a conference. ✓

Trinidad Terms

The Prime Minister's "Trinidad" proposals for offering substantially more debt relief for the poorest than is available under the "Toronto terms" quickly won broad support from most creditors, except the US and Japan. The Japanese have recently moved a long way towards our

/proposals



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proposals - they are now prepared to reduce the debt by fifty per cent in net present value terms, to be achieved through interest reduction. The US have been prevented from moving by internal difficulties about which department should account for debt write-offs. But we understand that they may agree to Communique-language indicating willingness in principle to go substantially beyond Toronto terms. The Prime Minister might say:

- The 50% reduction in present value of Polish and Egyptian debt highlights inadequacy of Paris Club treatment for the poorest countries;
- Many of these will never be able to repay their debts in full - reduction is in the interests of both debtors and creditors (since it will increase prospects of recovering the balance);
- Consensus emerging in favour of the treatment for the poorest debtors at least as generous as that offered to Poland and Egypt. Hope you can indicate in principle your willingness to join this;
- Technical budgetary problems should not be allowed to stand in the way - there is no real cost insofar as the debt is not recoverable.

There may be a suggestion that a UK contribution to the US proposed five year \$1.5 billion Multilateral Investment Fund to support private investment in Latin America might be a quid pro quo for US agreement to the Trinidad terms. If so, the Prime Minister should say that he is not convinced that a new institution is necessary (a \$1 billion capital increase for the IFC has only recently been agreed); the UK would also have problems providing grant finance for middle income countries (our aid is concentrated on the poorest).

Vietnamese Migrants in Hong Kong

Talks with Vietnam, UNHCR and the International Organisation for Migration (IOM) on an internationally managed centre (IMC) in Vietnam for non-volunteer non-refugees began in Geneva on 2 July. We would like an agreement by the end of July. However, even if we are successful (a big if), the pressures in Hong Kong are such that we might have to take action beforehand. The Prime Minister has agreed to the repatriation of the double-backers, possibly in mid-August. The Foreign Secretary forewarned Secretary Baker of this on 19 June, but made it clear that no decision had yet been taken. It will be easier to carry out the repatriation with a minimum of

/international



international fuss if the Americans can be persuaded, if not to support, then at least not openly to oppose it. We may well need this in any case if we are to persuade the Vietnamese to accept the returned 'double-backers'.

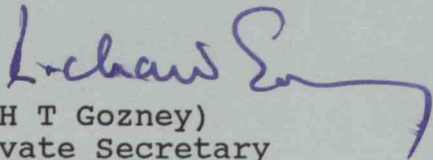
The Prime Minister might say:

- Grateful for your help in launching talks on IMC with Vietnamese. First discussions promising. UNHCR and IOM supportive. Hope to reach agreement by end of July. But much work remains;
- Continuing pressures in Hong Kong mean that we may have to take action to stem the influx of Vietnamese migrants soon. Considering repatriation of "double-backers" (ie those who have returned voluntarily to Vietnam once but found their way back to Hong Kong again for economic reasons);
- Realise the sensitivities. Do not want repatriation to damage progress on IMC. But double-backers a special category. UN High Commissioner for Refugees prepared to help;
- Hope you would understand and not oppose such action. Vietnam will be watching US reaction closely. Successful operation now would lessen the likelihood of more extreme action later.

Other Issues

If time allows, the Prime Minister might:

- Thank President Bush for his helpful attitude over renewal of MFN status for China;
- Welcome the President's lifting of CAAA sanctions against South Africa.
- Outline progress towards European integration in the two IGC's;
- Underline the importance we attach to developing the European defence identity in a way compatible with the Alliance; and
- Stress the need to reach a successful conclusion to the GATT Uruguay Round by the end of this year;

Yours ever, 
(R H T Gozney)
Private Secretary

Stephen Wall Esq CMG LVO
10 Downing Street

P11AAA

SECRET

TOP SECRET

MR POWELL ✓ CDR 16/6

12 a
16 June 1989

cc Sir Robin Butler

UK/US INTELLIGENCE CO-OPERATION

You will recall that, when President Bush was here, he spoke warmly about UK/US intelligence co-operation and said he would appreciate any proposals the Prime Minister had for strengthening the relationship, particularly in the field of improving collection of intelligence. An area of special concern was intelligence on terrorism (your letter of 1 June to Stephen Wall). *hap*

The JIC discussed the President's remarks yesterday and agreed there were openings we should follow up. The Agencies will be giving thought to this. We shall look again at the question in the JIC when they have specific proposals, and I shall of course report the outcome together with any recommendations. In the meantime, it was thought it would be helpful if Antony Acland could have a word with Judge Webster to make sure the US Agencies are aware of the President's message.

I shall be writing to Antony in this sense.

le
PERCY CRADOCK

TOP SECRET

SUBJECT CC MASTER

TOP SECRET

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COPY No 8 OF
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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 June 1989

Dear Stephen,

**PRIME MINISTER'S MEETING WITH PRESIDENT BUSH:
INTELLIGENCE CO-OPERATION**

President Bush volunteered to the Prime Minister this morning that he greatly valued the United States' intelligence relationship with Britain right across the board. As President he would have no other aim but to strengthen it further. He would appreciate any proposals which the Prime Minister had for this, particularly in the field of improving collection of intelligence. An area of special concern was intelligence on terrorism. The Prime Minister said she was grateful for the President's words. We fully shared the wish to continue our unique co-operation in this area.

I am copying this letter to Colin Walters (Home Office), Trevor Woolley (Cabinet Office), 'C', the Director General of the Security Services, the Director of GCHQ and to Sir Percy Cradock.

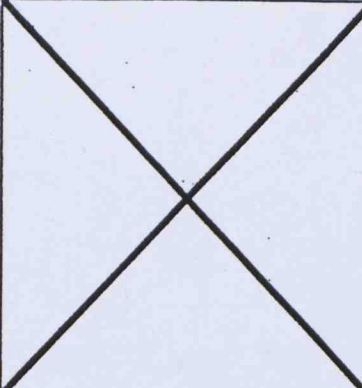
yours in auct,
Charles Powell

CHARLES D. POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office

TOP SECRET

A The National Archives

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>2890</i> (one piece/item number)	Date and sign
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SUBJECT cc MASTER

MJ2 DRB



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cc Mr Whittingdale

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

1 June 1989

IDU

The Prime Minister mentioned to President Bush this morning the suggestion that Vice-President Quayle might succeed Mr Willoch as Chairman of the IDU. It was very important to keep the IDU as a strong force and the Centre-Right's answer to the Socialist International. President Bush said that he had not previously heard the idea mentioned but had absolutely no objection to it. He thought that Vice-President Quayle would be interested.

The President continued that he had been intending to suggest that former President Reagan should represent the Republican Party at the IDU Conference in Toyko, since he was due to be in Japan about then anyway. The Prime Minister commented that this was a lovely idea, but not of course a substitute for the proposal that the Vice-President should take over a leading role in the IDU.

Charles Powell

The Right Honourable Peter Brooke, M.P.

SUBJECT CC MASTER



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bc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 June 1989

THE PRIME MINISTER'S MEETING WITH THE PRESIDENT OF THE UNITED STATES

The Prime Minister had a long talk with President Bush this morning, lasting some 1³/₄ hours, concluding with a very brief plenary session with other members of the American delegation. The President was accompanied for the main part of the meeting by General Scowcroft. The discussion ranged very widely, in relaxed style and was evidently enjoyed by both the Prime Minister and the President. The President remarked afterwards that there was no-one else he could talk to in this totally uninhibited way, really getting into the substance of the issues. He wished there had been more time.

This letter records the main part of the discussion. I am writing separately about the plenary session and about a number of intelligence and personnel matters. It is very important that the confidence of the Prime Minister's exchanges with the President are closely protected and this letter should be seen by a very limited number of people only.

NATO/East West Relations and Defence

The Prime Minister began by congratulating the President on the success of the NATO summit and indeed on his whole European tour. It had been a triumph for him. The President said that it was he who should be thanking the Prime Minister. The very satisfactory outcome of the NATO summit could not have been achieved without her. She was the essential "anchor to windward". The President continued that his assignment now was to keep up pressure on the bureaucracy to ensure that his conventional force reduction initiative was worked up in detail, and the proposals fleshed out. The worst outcome would be for the initiative to be launched and then allowed to run into the sand. The Prime Minister suggested that verification would be one of the most difficult aspects. We had to be sure that the Russians actually destroyed the weapons which were withdrawn. The verification problem was equally acute with chemical weapons. President Bush agreed, adding that we had to keep trying.

The Prime Minister said there were still plenty of reasons to remain cautious about the Soviet Union.

SECRET AND PERSONAL

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Gorbachev's recent revelation of Soviet defence spending was still only half the real figure. The President confirmed this was the American estimate too. He recalled that he had earlier made an "open books" proposal, but it had received little attention. The Prime Minister continued that the Soviet Union continued to dissemble about its chemical weapons. She had said this quite explicitly to Mr. Gorbachev. It had also been necessary to expel a number of Soviet spies from the United Kingdom recently. ("I loved the way you handled that" interjected the President). We had incontrovertible evidence of their activities. We had given them an opportunity not to retaliate, by promising to say nothing to the press. She had also written a personal letter to Mr. Gorbachev. But the reaction from the Soviet Union had been characteristically Pavlovian. Our impression was that the KGB's activities abroad were if anything expanding. The President asked whether Mr. Gates had been able to tell the Prime Minister about his recent tete-a-tete with Kryuchkov, the head of the KGB in Moscow. He seemed to be a new breed. The President agreed there was no let up in Soviet espionage activity, especially in the area of high technology.

Turning to more general matters, the Prime Minister identified a conceptual difficulty: how to welcome the prospect of change and reform in the Soviet Union without giving the impression that it had already occurred? There was too much of a tendency in the West to believe the best of the Soviet Union. The President's recent speeches, with their note of caution, had been very helpful in countering this. The fact was, we could only welcome change in the Soviet Union if our defence was secure. Too many of the NATO allies asked the wrong question: why don't we have more disarmament initiatives? They should be asking: what do we need for defence? The Comprehensive Concept agreed at the recent NATO summit had been a very useful restatement of NATO's basic philosophy of defence. President Bush said that he agreed wholeheartedly about the risk of euphoria. The American press tended to view all these issues from a naive and euphoric point of view. The Prime Minister said that she was generally rather less optimistic about the prospects in the Soviet Union and Eastern Europe than she had been a year ago. There was still no sign of real economic reform, and people in these countries seemed to find it hard to assimilate freedom. President Bush said that we should constantly remind people that things were moving the West's way and there was no need for precipitate initiatives.

The Prime Minister said this led on to the more general question of how to deal with Eastern Europe. The most pressing problem was the sort of economic help we ought to give to Poland. General Jaruzelski would be visiting Britain shortly and would certainly expect us to offer some practical help. We would stick to the line that Poland must conclude an IMF agreement before it could expect any substantial new help. But she found it hard to see how countries like Poland would ever be able to pay their debts. President Bush said that he shared the Prime Minister's analysis: there was no point in giving new loans unless there were far reaching reforms.

Walesa had suggested that any help should be given to private bodies and not through the Polish government, but it was hard to see how this would work in practice. The Prime Minister said she had a more general worry: if reforms in these countries did not produce the economic results that people expected from freedom, within a reasonably short time, there would be a retreat back to hardline policies.

President Bush said that the Prime Minister's advice on the need for caution in East/West relations was absolutely right. The Prime Minister commented that Gorbachev was very clearly targeting opinion in Germany. She was worried what enticements he might offer the Germans during his visit there. It would be a pity if the good effects of the recent NATO summit were rapidly undone. President Bush suggested that Gorbachev was likely to propose that negotiations on SNF should proceed in parallel with conventional force reduction talks. This had already been foreshadowed in various Soviet statements. If that happened, NATO must stand absolutely firm on the collective decisions represented by the Comprehensive Concept.

The Prime Minister said that she suspected Herr Genscher's aim would still be to avoid modernisation of NATO's SNF. Nonetheless, the alternative to the present coalition in Germany was very unattractive. She very much hoped that Chancellor Kohl would win next year's elections. President Bush asked what impression the Prime Minister had of the SDP leader, Vogel. He thought him rather weak. The Prime Minister said that an SDP victory raised the spectre of a coalition with the Greens. She thought the President's visit to Germany had been a great help in keeping the country firmly anchored in the West. President Bush asked whether the Prime Minister feared German reunification as a threat to the stability of western Europe. The Prime Minister said that she did indeed, although she could not say so openly. More generally she was concerned by signs of resurgent German nationalism. In her heart she knew that we were at the end of the post-war period. The question was what direction Europe would now take. We had to find ways to keep Germany anchored in the West. She doubted whether Mr. Gorbachev wanted German reunification. President Bush suggested that Gorbachev might take a different view if he thought the result would be a neutral Germany. The Prime Minister said that one should certainly never forget the alliance of convenience formed by Germany and the Soviet Union in 1939. All these were worries at the back of her mind. But she was not suggesting that Chancellor Kohl was anything but a very strong and loyal ally. We should do everything to encourage him.

Austrian membership of the European Community

President Bush asked whether the Prime Minister thought that Austria would apply for membership of the European Community. The Prime Minister said that Chancellor Vranitzky was handling the issue very cautiously and leaving the Austrian Parliament a major role in the decision whether to apply. She thought the result would be positive, despite the

problem over neutrality. One effect of Austrian membership would be to increase German influence within the European Community. This might bring Britain and France closer together, to counterbalance a Germanic bloc. President Bush asked about other possible applications for membership. The Prime Minister thought it possible that Norway would seek membership under a Centre-Right government. Turkey had already done so but its application raised very difficult problems.

China

President Bush said he was fascinated by current developments in China. He had been criticised in the United States for not inciting the kids to man the barricades in Peking. But he thought it important to avoid rhetorical overkill. Britain and the United States both had very important strategic interests in China. Any direct interference in Chinese affairs would be resented. We did not want to drive the Chinese into the arms of the Soviets. The Prime Minister commented that if the President had encouraged the students, any subsequent clamp-down would be blamed on him. The President continued that he had talked to Wan Lin, who had been elevated by the students to the role of reformer. They had met alone and he had found Wan Lin very uncomfortable. He had urged him to use his influence to avoid any bloodshed, which would inevitably be a setback for relations with the western world. Wan Lin argued that the army loved the people and had shown restraint. The President commented that he had hoped Wan Lin would go back and support the reformers. Instead he had come out for Deng. The Americans could not figure out who was likely to come out on top. We just had to live with the Chinese and avoid interfering in their internal affairs. The Prime Minister commented that people in Hong Kong were much disturbed by developments in China which they feared could have implications for implementation of the Joint Declaration. But she agreed that the President's position was the only sensible one to take.

Vietnamese Boat People

The Prime Minister gave the President an account of the difficulties being caused for Hong Kong by the influx of Vietnamese boat people. We simply could not let this continue. Unless the Geneva Conference on Refugees came up with a solution involving repatriation, we might simply have to prevent any further boat people from landing. The President asked a number of factual questions but made no other comment.

Middle East

President Bush said he would welcome the Prime Minister's advice on the Middle East. Shamir's visit to Washington had gone slightly better than he had expected, although he found Shamir himself to be a tense little man. His proposal for elections in the Occupied Territories had some potential. But

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he had been very irked by what Shamir had said about settlements on his return to Israel. This had lain behind some of Secretary Baker's recent forceful comments about Israel. The President continued that the Americans found Shamir very difficult. They had told him that his election proposal was not enough on its own and must be linked to negotiations and a final settlement. President Mubarak seemed prepared to work with Shamir's ideas. King Hussein had appeared generally optimistic during his visit to Washington, although it was hard to understand why. Meanwhile the United States would continue its contacts with the PLO, but would not raise the level of them. The President concluded that overall he was not optimistic about the situation and really did not know what the Americans could do. The United States did not want to be impotent. But there were times in international affairs when you could move forward, and times when there was really not much you could do. He feared that the Middle East fell into the latter category at present, although the Americans would of course keep on trying and would continue their dialogue with all the parties.

The Prime Minister said that it was certainly easier to pose the question what to do than try to answer it. She had told Mr Shamir that the only basis for a solution was territory for peace. The Arabs would fear that, although his election proposals were put forward as only an intermediate stage, they would in fact become the final solution so far as the Israelis were concerned. We recognised that the PLO had taken an important step forward by accepting Resolutions 242 and 338. But she herself would not see Arafat and would not want the Foreign Secretary to do so either. President Bush said that Mr Rabin appeared to see the election proposals as a vehicle to achieving wider negotiations, unlike Shamir for whom they were a way to avoid progress. Rabin might be the best hope of working something out. He appeared ready to do business with PLO people if they were chosen to represent the Palestinians in free elections in the Occupied Territories. The Prime Minister said that her conclusion, after talking to Mr Shamir, was that he was not capable of taking the steps necessary to bring about the settlement and we would have to wait for a successor. He simply could not bring himself to hand back territory. The Prime Minister added that, in her view, the only long term solution was a confederation between the West Bank and Jordan.

Lebanon

President Bush said that he felt very badly about the situation in Lebanon. He had known the country in much happier times. He was particularly struck by the great concern felt by the Catholic church about the situation there. This had been very evident during his meeting with the Pope. But he did not see what the United States could do. Relations with Syria were bad, although there were some in the Administration who wanted the US to get on side with Syria. He himself did not see any role for the United States, let alone a military role. The Prime Minister said that it was best to leave the Arab League to try to formulate a solution.

The only alternative would be to try to incite world opinion to exercise pressure on Syria. She was dubious about activity in the United Nations Security Council. Any action was primarily a matter for the Arabs. She very much agreed that there was no military role for the United States or the Europeans. The President commented that the United States would be very cautious.

The President asked whether the Prime Minister had any information on the hostage situation in Lebanon. He wished the United States could find a way to do more to help the hostages. He was less than happy with their sources of intelligence on the situation. He was casting round for some sort of intelligence initiative. There were reports that the Iranians were increasing their troop strength in Lebanon, although the intelligence agencies thought this was only a rotation. It would be helpful if British and American intelligence experts could compare their assessments. The Prime Minister agreed that this would be useful.

The Prime Minister said that there must be a risk that Israel would feel compelled to launch pre-emptive action against Syrian missiles and chemical weapons and the Iraqi nuclear development programme. President Bush agreed that this was a constant danger.

Southern Africa

The Prime Minister said that the situation in Southern Africa was rather promising. The agreement on Namibia had been a great step forward and we were grateful for the United States leadership. President Bush interjected that it was entirely thanks to the Prime Minister that the Namibia settlement had been saved. The Prime Minister continued that she feared all our hopes for Southern Africa would disappear if we were not able to keep the Namibia settlement on course. There also appeared to be prospects for reconciliation in Angola. She was glad that the United States was continuing to support Savimbi. She had received a message from him recently and was considering how to reply. Savimbi had said that he would not insist on taking part in negotiations provided he was able to stand as a candidate in eventual elections. President Bush said that he was quite optimistic about reconciliation. The United States would certainly continue to support Savimbi.

The Prime Minister continued that, against the background of progress in Namibia, it was important not to put any additional sanctions on South Africa. Moreover there was a changing of the guard there, with President Botha retiring and De Klerk succeeding him. She would be meeting De Klerk shortly. His statements about constitutional reform were rather promising. We had made the mistake in the past of isolating South Africa's leaders. The President expressed interest in when the meeting would take place, but did not say anything about seeing De Klerk himself. The Prime Minister continued that the more sensible South African politicians recognised the danger of allowing Mandela to die in jail. But

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they did not feel able to release him until after the elections in September. She continued to urge the importance of Mandela's release and of discussions between the Government and black representatives. Generally she found a better understanding among the Heads of Government to whom she talked for South Africa's problems and did not expect much trouble over sanctions at the Commonwealth Heads of Government meeting in October. President Bush said that it would be very helpful in American politics if the Prime Minister were able to hold the line against sanctions. He saw the issue bearing down on him like a freight train down the tracks. He did not want more sanctions, but he could see big pressure building up. He had been impressed by Pik Botha's recent comments to Secretary Baker about ending white domination. The President recalled that he had recently met Archbishop Tutu - for whom he had very limited respect - and had been interested that he no longer pushed for sanctions. But the black caucus in the United States was very active on the subject.

Argentina

The Prime Minister said that she foresaw difficulties with President Menem. He appeared something of a firebrand and had made some unfortunate statements about the Falklands during the election campaign. She hoped the President could get a message to him to avoid any rash or provocative action. Speaking very deliberately, the President said that the United States would not surprise us over Argentina. They would stay in close touch and abide by the common policy agreed under the last Administration. He shared the Prime Minister's worries about Menem. Menem wanted to visit Washington soon, which was not at all welcome since he would only ask for help with Argentina's debts.

SDI

The Prime Minister said that she was glad to see the President remained committed to SDI. President Bush said that there was no question of trading it away. The Administration would stay with it.

Environmental Questions

In response to a question from the Prime Minister the President said that the Americans were thinking of convening an expert level conference on global warming. But he was a bit worried about proliferation of conferences in this area. However, there was no doubt that the ozone layer conference in the United Kingdom had been a great success.

I am copying this letter to Brian Hawtin (Ministry of Defence), Alex Allen (HM Treasury) and Trevor Woolley (Cabinet Office).

Charles Powell

Stephen Wall Esq
Foreign and Commonwealth Office.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

1 June, 1989.

Dear Sir,

**PRIME MINISTER'S MEETING WITH PRESIDENT BUSH:
PLENARY SESSION**

The Prime Minister's meeting with President Bush this morning concluded with a brief plenary session. I enclose a list of participants. The Prime Minister gave an account of the subjects which she and the President had covered in their earlier talk. She added that they had not had time to discuss Central America, where we fully supported the United States position on Panama. She hoped that the United States had appreciated the expression on her face when she had received President Ortega of Nicaragua at No.10.

The Foreign Secretary reported on his discussions with Secretary Baker, of which you will be making a separate record.

The ensuing discussion covered a number of subjects. The President raised Cambodia. Prince Sihanouk was a weak reed, but the only reed in town. Prime Minister Chatchai seemed to be playing his own game. Gorbachev and Deng did not appear to have made significant progress on Cambodia at their recent meeting. The United States viewed the proposed four-party coalition with some trepidation, given the risk that the Khmer Rouge would emerge on top. But there seemed no alternative to support for it. Secretary Baker added that the West should continue to support the non-Communist resistance. He hoped that the United Kingdom would help discourage those European governments who were considering recognition of Hanoi.

The Prime Minister and the Foreign Secretary gave an account of Hong Kong's problems over Vietnamese Boat People, repeating the points made in their earlier discussions. The Prime Minister emphasised that means must be found to exert pressure on Vietnam.

Secretary Baker raised Nicaragua, saying that the United States were grateful for the sceptical reception

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which President Ortega had been given by the British Government. The Bush Administration had changed previous policy on Nicaragua, and needed the support of its friends.

Secretary Baker expressed appreciation for the Prime Minister's help over Namibia.

The Prime Minister reverted to the difficult situation in Lebanon, wondering whether there was some way in which world opinion could be mobilised against Syria. Secretary Baker said that the United States had given support to General Aoun, and took the view that Syria was the major aggressor. Iraq was now providing military help to General Aoun: the Americans had suggested that the Iraqis should not encourage Aoun to destabilise the situation. The Prime Minister commented that we must not let General Aoun go under.

There was a brief replay of the recent NATO Summit. The Prime Minister repeated our gratitude for the President's leading role there and for his speeches on East/West relations.

I am copying this letter to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

*Your sincerely,
C.D. Powell*

C.D. Powell

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

United Kingdom

The Prime Minister

The Foreign Secretary

HM Ambassador, Washington

Sir Robin Butler

Sir Percy Cradock

Mr. Charles Powell

Mr. Bernard Ingham

United States

The President

Secretary of State

United States Ambassador

Governor Sununu

General Scowcroft

Mr. Fitzwater

Mr. Zoellick

Mr. Blackwill

Office of the Press Secretary
(London, England)

EMBARGOED FOR RELEASE
UNTIL 10:10 P.M. (L)
5:10 P.M. EDT
THURSDAY, JUNE 1, 1989

TEXT OF REMARKS BY THE PRESIDENT
IN EXCHANGE OF TOASTS
AT DINNER HOSTED BY PRIME MINISTER THATCHER

State Dining Room
No. 10 Downing Street
London, England

Thursday, June 1, 1989

This visit marks at least my tenth meeting with the Prime Minister, the sixth in London alone. And every time I meet with Mrs. Thatcher I am reminded of something Benjamin Disraeli once said: "There is no wisdom like frankness." Well, her honesty, her candor, is an enormous resource for the West and, I am sure, is one reason for her success as Prime Minister. I certainly value the Prime Minister as a partner -- a partner in leadership.

Although Mrs. Thatcher is a seasoned leader, with ten years of success in office, this is just one reason why I value her insight and judgment.

Americans also look to Mrs. Thatcher with great admiration for all she has done for Britain and the world. At home, she reinvigorated the marketplace and created new prosperity for the British people. Abroad, she has been a consistent supporter of a strong defense and modern nuclear deterrent -- a strategy that has kept the peace in Europe for almost half a century.

For eight years as Vice President, I lived next door to the British Embassy in Washington. Every morning, and every night, I passed the Embassy grounds, with its lifesize statue of Winston Churchill. Cast of rugged iron to stand against Washington's rain and cold, the figure is as stoic as the man was in life.

Winston Churchill was America's first such partner in leadership, when we were challenged together by war. True, the challenge of today is a very different one; but it is one that asks no less of us.

Profound change is sweeping the nations of the East. We in the West support these forces of change. We want them to succeed. We want these changes to endure. And, if progress continues, we will work together to move beyond containment, to draw the peoples of the East into the commonwealth of free nations.

It was in this very city that -- a little more than a century ago -- Karl Marx died, leaving behind the ideas that were to bear his name. It was in this city -- in these very rooms -- that a succession of British Prime Ministers worked with my predecessors to stem Marxism at full tide. But today, we can explore possibilities for peace that would have seemed wildly unrealistic just a few years ago.

With NATO's new conventional arms control initiative, we seek to free Western Europe from the shadow of Soviet military power. Similarly, with our agreement in NATO on short-range nuclear forces, we demonstrated that we can manage change, while

- more -

remaining true to our strategy of deterrence. In short, the recent NATO Summit was nothing less than a triumph for all. It was a triumph for all who yearn to move beyond a divided Europe, a Europe of armed camps, to a Europe that is whole -- a Europe that is free.

In this quest, I will be looking, here, to my friend in London. Ladies and Gentlemen, I ask all of you to rise, and raise our glasses to a British Prime Minister who holds the reins of history -- to Prime Minister Margaret Thatcher.

LIST OF GUESTS ATTENDING THE DINNER TO BE GIVEN BY THE PRIME MINISTER
AND MR. DENIS THATCHER IN HONOUR OF THE PRESIDENT OF THE UNITED
STATES OF AMERICA AND MRS. BUSH ON THURSDAY, 1 JUNE 1989
AT 7.45 PM FOR 8.15 PM BLACK TIE

The Prime Minister
and Mr. Denis Thatcher

United States Suite

The Honorable George Bush
and Mrs. Bush

His Excellency the Ambassador of the United States of America
and Mrs. Catto

The Honorable James A. Baker III Secretary of State

The Honorable John H. Sununu Chief of Staff to the President

The Honorable Brent Scowcroft Assistant to the President for
National Security Affairs

The Honorable Andrew H. Card, Jr. Assistant to the President
and Deputy to the Chief of Staff

The Honorable James W. Cicconi Assistant to the President
and Staff Secretary

The Honorable David F. Demarest, Jr Assistant to the President
for Communications

The Honorable Max M. Fitzwater Assistant to the President
and Press Secretary

The Honorable Stephen M. Studdert Assistant to the President
for Special Activities and
Initiatives

The Honorable Robert Zoellick Counsellor to the Department,
Department of State

The Honorable Rozanne Ridgway Assistant Secretary of State
for European and Canadian Affairs

The Honorable Margaret Tutwiler Assistant Secretary for Public
Affairs, Department of State

Ambassador Robert Blackwill Special Assistant to the President
for National Security Affairs

HM Government

Rt. Hon. Sir Geoffrey Howe, MP
and Lady Howe

Rt. Hon. Nigel Lawson, MP
and Mrs. Lawson

Rt. Hon. Lord Young of Graffham
and The Lady Young of Graffham

Rt. Hon. John Moore, MP
and Mrs. Moore

House of Lords

Rt. Hon. Lord Home of the Hirsel

Rt. Hon. Viscount Whitelaw
and The Viscountess Whitelaw

Rt. Hon. Lord Carrington
and The Lady Carrington

Lord Mayor of London

Rt. Hon. The Lord Mayor of London
and The Lady Mayoress of London

House of Commons

Rt. Hon. Neil Kinnock, MP
and Mrs. Kinnock

Business

Sir Trevor Holdsworth
and Lady Holdsworth

President, CBI

Mr. Allen Sheppard
and Mrs. Sheppard

Chief Executive and Chairman,
Grand Metropolitan plc

Sir Gordon White

Chairman of the Board, Hanson
Industries

The Lord McAlpine of West Green
and The Lady McAlpine of West Green

The Lord King of Wartnaby
and The Lady King of Wartnaby

Trades Unions

Mr. Gavin Laird
and Mrs. Laird

General Secretary, AEU

Media

The Lord Stevens of Ludgate

Mr. David Frost
and Lady Carina Frost

Miscellaneous

Mr. Nick Faldo
and Mrs. Faldo

Winner, US Masters Golf
Championship

Ms Virginia Wade

Tennis player and commentator

Mr. John Cleese
and Mrs. Alyce Faye Eichelberger

writer and actor

Mr. Andrew Lloyd-Webber
and Mrs. Lloyd-Webber

composer

Officials

Sir Robin Butler
and Lady Butler

Sir Antony Acland
and Lady Acland

HM Ambassador, Washington

10 Downing Street

Sir Percy Cradock
and Lady Cradock

Foreign Affairs Adviser to the Prime Minister

Mr. Charles Powell
and Mrs. Powell

Private Secretary (Overseas Affairs)

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CONFIDENTIAL

Prime Minister (2)

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31/5

PRIME MINISTER

31 May 1989

MEETING WITH PRESIDENT BUSH: VIETNAMESE BOAT PEOPLE

In our talk this afternoon there was one subject I failed to cover, namely Vietnamese boat people in Hong Kong.

I think this only needs a mention at your level: the main work will be done by the Foreign Secretary with Baker. But the US reply to our many representations has so far been bland and uncomprehending and it would bring home to them the acuteness of the crisis if you were to refer to it. Per contra if you don't, they may treat it as second or third priority.

All you would need to do is to say (in the wider Ministerial talks) that we are deeply worried at the massive influx into Hong Kong (300 a day, 10,000 this year, 5,000 in May alone). Hong Kong is in danger of being overwhelmed. The right of first asylum is under real threat. The Foreign Secretary has taken this up with Jim Baker but you wanted them to know your personal concern.

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mt

PERCY CRADOCK

CONFIDENTIAL

CDP

VISIT OF THE PRESIDENT OF THE UNITED STATES OF AMERICA
AND MRS BUSH:
31 MAY - 2 JUNE

ADMINISTRATION PLAN
(to be read in conjunction with the printed programme)

Wednesday 31 May

- | | |
|----------------|---|
| <u>Arrival</u> | Heathrow Airport (Southside) |
| 1750 | Her Majesty's Ambassador at Washington and Lady Acland will arrive at the Special Waiting Room, Heathrow Airport (Southside) |
| 1755 | His Excellency the American Ambassador and Mrs Catto arrive at the Special Waiting Room, Heathrow Airport (Southside) |
| 1800 | The Secretary of State for Foreign and Commonwealth Affairs, The Rt Hon Sir Geoffrey Howe MP, will arrive at the Special Waiting Room (Southside) |
| 1805 | The Prime Minister, The Rt Hon Margaret Thatcher MP, and Mr Denis Thatcher will arrive at the Special Waiting Room (Southside) |
| 1810 | The Lord-in-Waiting to Her Majesty The Queen, The Earl of Dundee will arrive at the Special Waiting Room (Southside) |
| 1825 | The Special Aircraft conveying the President of the United States of America and Mrs Bush lands and taxis to the Airport Apron |

As soon as the aircraft has come to a standstill, Mr R S Baxendale of Heathrow Airport Limited; The Vice Marshal of the Diplomatic Corps, Mr Roger Hervey and Mr Clive Almond, Assistant Marshal of the Diplomatic Corps, will escort the Greeting Party to the foot of the aircraft steps.

Aircraft doors open.

The American Ambassador and Mrs Catto will then board the aircraft to greet the President and Mrs Bush.

The President and Mrs Bush, His Excellency the American Ambassador and Mrs Catto leave the aircraft. They are greeted at the foot of the steps by the Earl of Dundee on behalf of Her Majesty The Queen. The Lord-in-Waiting will present:

The Prime Minister
The Rt Hon Margaret Thatcher MP and
Mr Denis Thatcher

The Secretary of State for Foreign and Commonwealth Affairs
The Rt Hon Sir Geoffrey Howe MP

The British Ambassador at Washington and
Lady Acland

Secretary, Government Hospitality
Brigadier Alan Cowan

Lady Ceremonial Officer
The Hon Diana Makgill

Escort Officer, Government Hospitality
Group Captain Paul Gray

Mr Roger Hervey, Vice Marshal of the Diplomatic Corps and Mr Clive Almond, Assistant Marshal of the Diplomatic Corps, will escort The President, Mrs Bush, The Lord-in-Waiting, The Prime Minister and Mr Denis Thatcher to the point of the carpet where they will stand whilst the American National Anthem is played (see diagram, Annex 1).

The party will then proceed through the RAF Ceremonial Carpet Guard to the Special Waiting Room.

1840 The party will exit the Special Waiting Room, proceeding along the Ceremonial Carpet Guard to The President's helicopter

The President and Mrs Bush, together with The Prime Minister and Mr Denis Thatcher, will board Marine One Helicopter

The Secretary of State for Foreign and Commonwealth Affairs and Mr Powell will board Nighthawk 3 helicopter

Gp Capt Paul Gray and The Hon Diana Makgill will board Nighthawk 4

1842 Helicopters depart for Winfield House

The Earl of Dundee, together with the other members of the greeting party, will bid farewell

Transport

Vehicles for all movements detailed in the Official Programme will be provided by the American Embassy. Dispositions of helicopters/aircraft for arrival and departure are given at Annex 2.

Press Arrangements

Restricted "Pooling" arrangements will apply at all events, and Pool members will, in addition to a Metropolitan Police Press Pass or White House Press Pass, be in possession of a "Pool" Pass.

A suitably equipped Press Centre for the American journalists accompanying President and Mrs Bush will be set up in the Westbourne Suite at the Royal Lancaster Hotel, Lancaster Terrace, W2.

Transport to and from official events will be provided for the American journalists.

Official Suite

The President will be accompanied by his official suite throughout his programme, unless otherwise stated.

Mrs Bush will be accompanied by Mrs Catto, Lady Acland and the Lady Ceremonial Officer, The Hon Diana Makgill, throughout her programme.

Thursday 1 June

1030 Talks at No 10 Downing Street

The Prime Minister will meet The President at the entrance to No 10, where official photographs will be taken. They will then proceed to the Study for talks, accompanied by General Brent Scowcroft and Mr Charles Powell.

1030 Talks in Conference Room A, Cabinet Office

Participation will be as follows:

Secretary of State for Foreign
and Commonwealth Affairs
The Rt Hon Sir Geoffrey Howe MP

Secretary of State
Mr James Baker

Ambassador Catto

Private Secretary

Chief of Staff
Governor John Sununu

HM Ambassador at Washington
Sir Antony Acland

National Security Adviser

Permanent Under Secretary
Sir Patrick Wright

Mr Marlin Fitzwater
Press Spokesman

Deputy Permanent Under
Secretary of State and
Political Director
Sir John Fretwell

Mr Robert Zoellick
Councillor of the
Department of State

Deputy Under Secretary
Mr David Gillmore

Ms Rozanne Ridgway
Assistant Secretary for
European Affairs

Assistant Under Secretary
Mr John Goulden

Ms Margaret Tutwiler
Assistant Secretary of
State for Public Affairs

Head of News Dept
Mr Andrew Burns

Mr Robert Blackwill
Special Assistant to the
President for National
Security Affairs

Mr David Burns
Head of North America Dept -
(Notetaker)

Mr Kim Pembleton
Minister-Counsellor
American Embassy (Notetaker)

1130 Full Ministerial Talks, Cabinet Room, No 10 Downing Street

Participation will be as follows:

The Prime Minister

The President

Ambassador Catto

The Secretary of State for
Foreign and Commonwealth
Affairs,
The Rt Hon Sir Geoffrey Howe MP

Secretary of State
John Baker

Chief of Staff
Governor John Sununu

HM Ambassador at Washington
Sir Antony Acland

General Brent Scowcroft
National Security Adviser

Mr Marlin Fitzwater
Press Spokesman

Mr Charles Powell
(Notetaker)

Mr Robert Zoellick
(Notetaker)

Buckingham Palace - Guard of Honour

- 1235 A Guard of Honour found by the Queen's Guard, made up to a strength of one hundred and provided by the 2nd Battalion Scots Guards, with The Queen's Colour, the Band of the Regiment and the Pipes and Drums of the Battalion under the command of Major Patrick Gascoigne leaves Colour Court, St James's Palace and marches, by way of Cleveland Row, Stable Yard, Stable Yard Road, The Mall, Queen's Gardens (South side), entering the Quadrangle of Buckingham Palace by way of the Centre Gate of the Forecourt and the Centre Arch
- By 1245 The Guard of Honour is in position in the centre of the Quadrangle facing the Grand Entrance
- The Field Officer in Brigade Waiting, Colonel Sir Brian Barttelot, Bt, Coldstream Guards, has arrived in the Quadrangle
- 1255 The Major General Commanding Household Division, Major-General Christopher Airy, arrives at the Grand Entrance, is received with a Salute and waits
- 1258 The Queen and The Duke of Edinburgh, attended by Lieutenant-Colonel Blair Stewart-Wilson, Equerry-in-Waiting, are at the Grand Entrance
- 1300 The President and Mrs Bush arrive by car at the Grand Entrance, having entered Buckingham Palace by way of the Centre Gate of the Forecourt and the South Arch of the Quadrangle
- (Outline administrative arrangements at Buckingham Palace are given at Annex 3)
- The President and Mrs Bush are received by The Queen
- The car of The President and Mrs Bush drives forward from the Grand Entrance to park on the North side of the Quadrangle as indicated by the Police Officer on duty
- The Duke of Edinburgh conducts The President of the United States of America, attended by the Aide-de-Camp and by the Equerry-in-Waiting, into the Quadrangle to a point opposite the centre of the front of the Guard of Honour where the Major General Commanding Household Division and the Field Officer in Brigade Waiting are in position

The Guard of Honour gives a Royal Salute and the American National Anthem is played

The Captain of the Guard of Honour comes forward to report his Guard of Honour to The President

The Captain of the Guard of Honour conducts The President on his Inspection of the Guard of Honour, accompanied by The Duke of Edinburgh and attended by The President's Aide-de-Camp

The Major General Commanding Household Division, the Field Officer in Brigade Waiting and the Equerry-in-Waiting remain in their positions in front of the Guard of Honour during the Inspection

At the end of the Inspection, The Duke of Edinburgh conducts The President, attended by The President's Aide-de-Camp, back to the Grand Entrance and, on the way, they are joined by the Equerry-in-Waiting

The Queen and The Duke of Edinburgh conduct the President and Mrs Bush into the Grand Hall

When Her Majesty and His Royal Highness and The President and Mrs Bush have entered the Grand Hall, the Major General and the Field Officer enter the Palace by the King's Door

The Guard of Honour leaves the Quadrangle to return to Colour Court, St James's Palace, marching by way of the Centre Arch, the Centre Gate, Queen's Gardens (North side), The Mall, Stable Yard Road, Stable Yard and Cleveland Row.

DRESS:

The Duke of Edinburgh will be wearing a Lounge suit.

The Major General, Field Officer in Brigade Waiting and the Guard of Honour - Full Ceremonial Day Dress

Equerry-in-Waiting - Ceremonial Day Dress

WET WEATHER PROGRAMME:

In the event of wet weather, the Guard of Honour will give a Royal Salute as the car of The President and Mrs Bush enters the Quadrangle and the American National Anthem will be played

The President and Mrs Bush will be received by The Queen and The Duke of Edinburgh

The Guard of Honour will not be inspected

Luncheon given by Her Majesty The Queen

The following are also invited:

Secretary Baker

Ambassador and Mrs Catto

Governor Sununu

Mr Fitzwater

General Scowcroft

Friday 2 June

Departure

- 0915 Her Majesty's Ambassador at Washington and Lady Acland will arrive at the Special Waiting Room (Southside)
- 0925 The Chancellor of the Exchequer
The Rt Hon Nigel Lawson MP and Mrs Lawson will arrive at the Special Waiting Room (Southside)
- 0930 The Lord in Waiting to Her Majesty The Queen, the Earl of Dundee will arrive the Special Waiting Room (Southside)
- 0940 Marine One Helicopter conveying The President and Mrs Bush will arrive Southside
- As soon as the helicopter has come to a standstill, Mr R S Baxendale of Heathrow Airport Limited; and Mr Clive Almond, Assistant Marshal of the Diplomatic Corps will escort the greeting party to the helipad where they will meet The President and Mrs Bush and accompany them to their waiting aircraft, where they will bid farewell
- 0950 President and Mrs Bush depart by special flight for Pease Airforce Base, New Hampshire.

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Mr Eggar (2)
PS/PUS (2)
Sir John Fretwell
Mr Teasdale
Mr Gillmore
Mr Goulden
Mr Fearn
Sir Antony Acland
NAD (7)
Resident Clerk
Policy Planners
Parliamentary Relations Unit
Security Policy Department
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Protocol Department (6)
Protocol Department, Colonel Williams (6)
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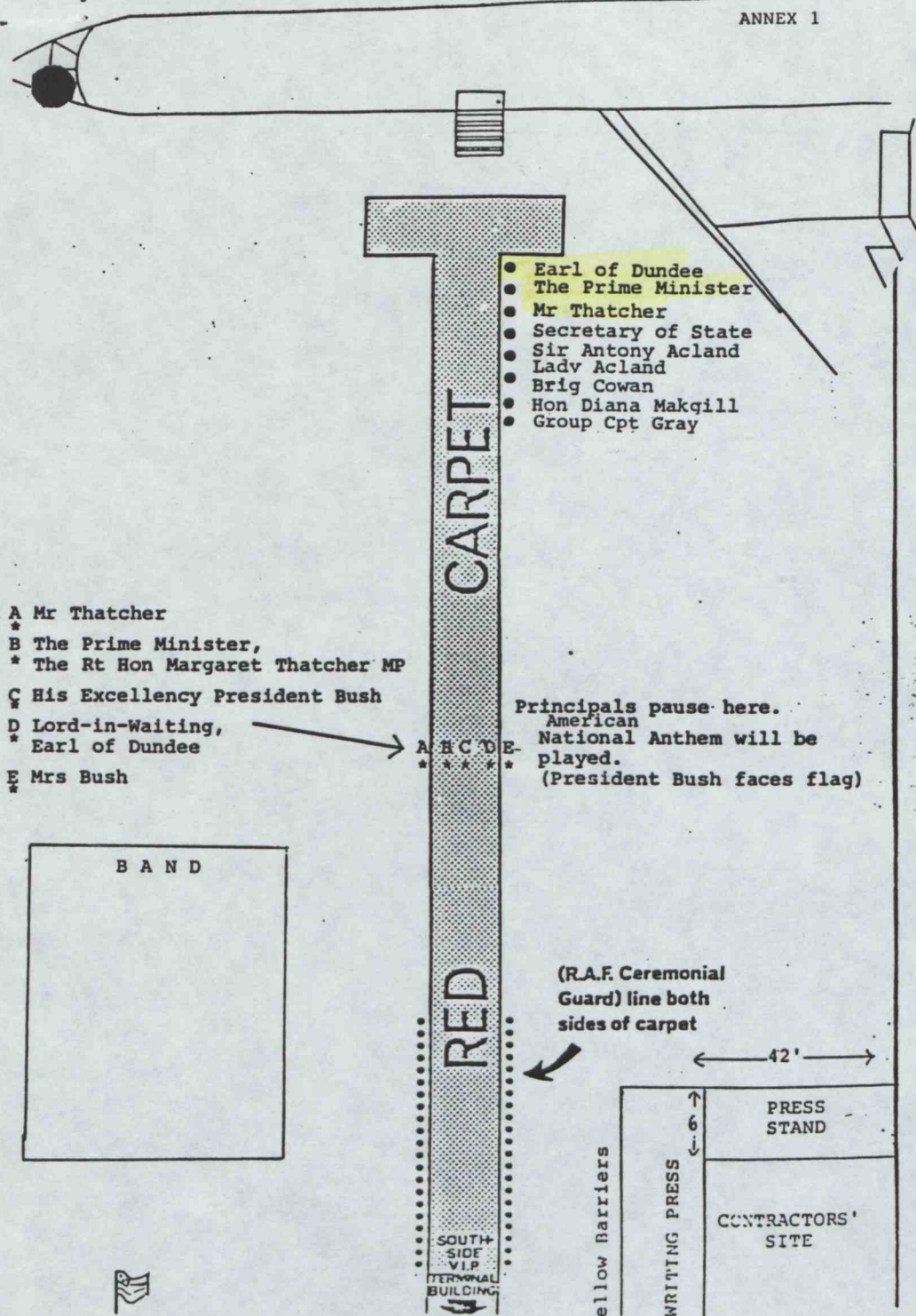
Major-General Christopher Airy (2)

Civil Service Occupational Health Service

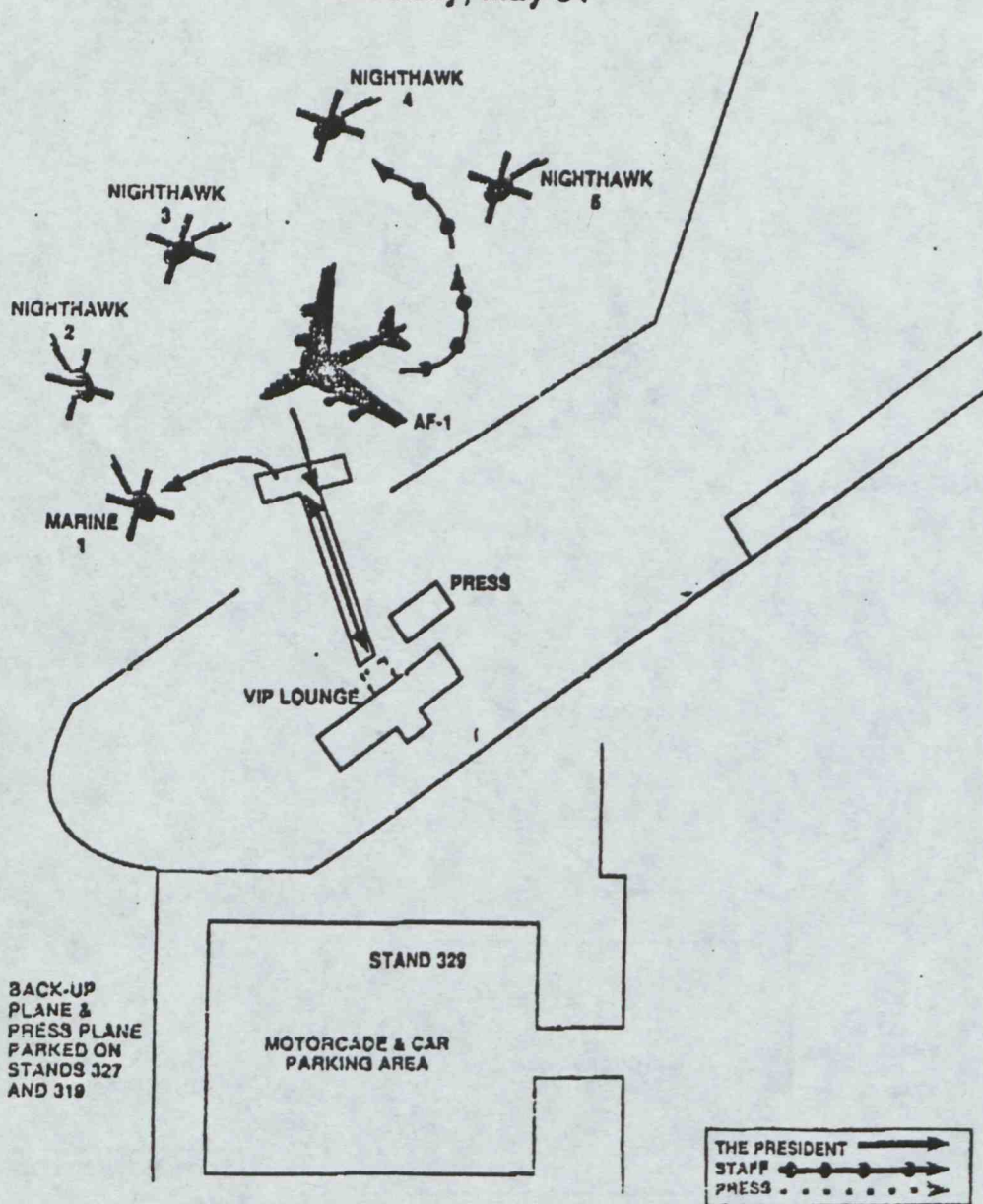
Dr Woolhead (1)

Buckingham Palace

Col Blair Stewart Wilson
Mr Michael Timms

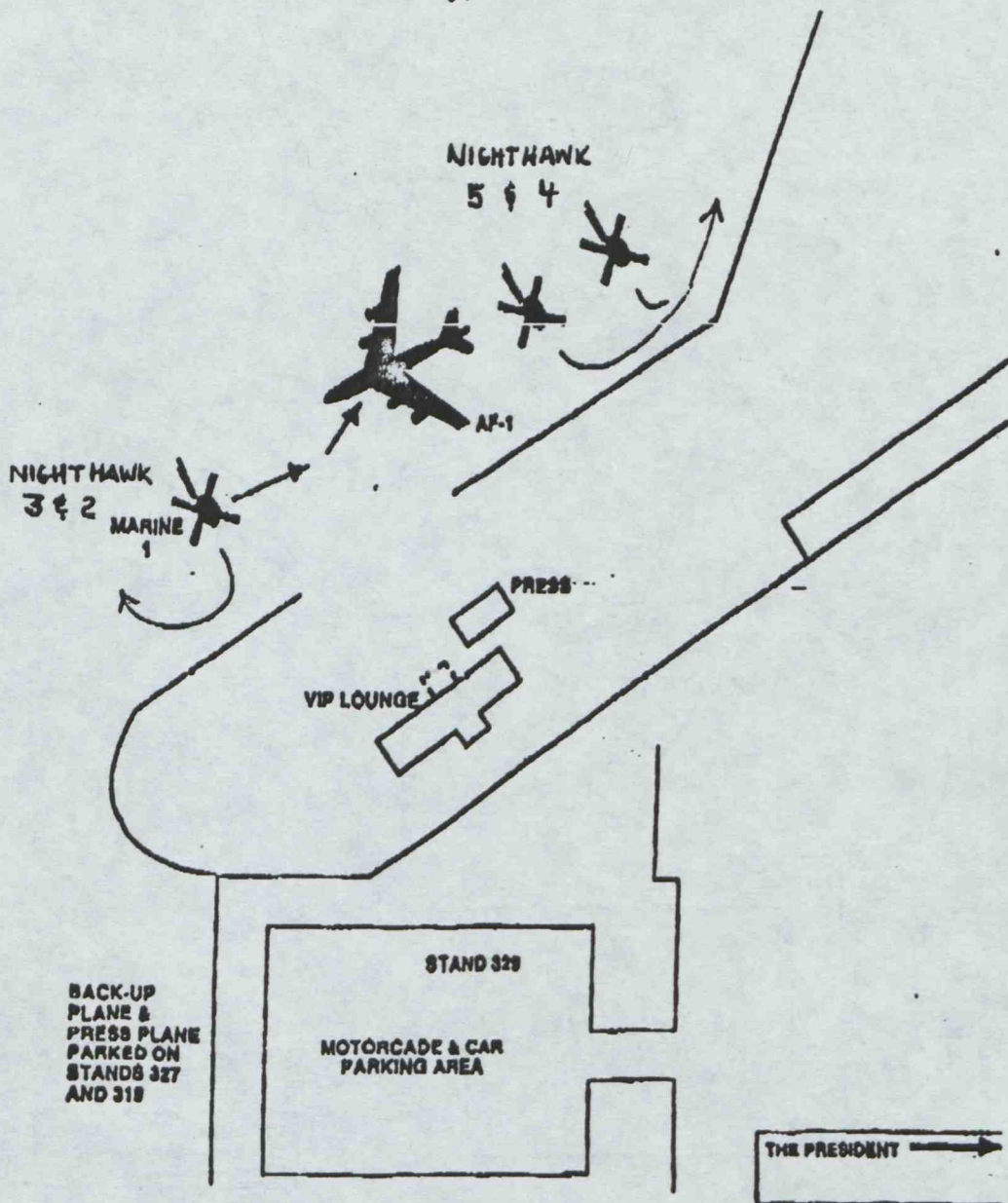


ARRIVAL
HEATHROW AIRPORT
 London, England
 Wednesday, May 31



**DEPARTURE
HEATHROW AIRPORT
London, England
Friday, June 2, 1989**

ANNEX 2



OUTLINE ADMINISTRATIVE INSTRUCTIONS - BUCKINGHAM PALACE

1. 7 British guests have been asked to arrive between 12.30 and 12.40 pm at the Grand Entrance where they will be met by the Deputy Master of the Household and Commander Timothy Laurence.
2. Guests will be taken up the Ministers' Stairs, through the Royal Closet and into the White Drawing Room, where the Private Secretary, Master of the Household and Lady-in-Waiting will meet them. Drinks will be served.
3. At about 12.50 pm The Queen and The Duke of Edinburgh will enter the White Drawing Room and the British guests will be presented by the Master of the Household and the Deputy Master of the Household.
4. a) At 1.00 pm The President of the United States of America and Mrs Bush, with the American Suite in attendance (the Hon James Baker III (Secretary of State), His Excellency the American Ambassador and Mrs Catto plus 3 others) will arrive at the Grand Entrance.
b) The following 8 British guests will arrive immediately after The President's convoy and should be directed by the Police to the Garden Entrance when they arrive. Their cars should be displaying a Green car sticker with the letters 'GE' printed on them. The guests are:-

The Prime Minister and Mr Denis Thatcher

The Secretary of State for Foreign and Commonwealth Affairs and Lady Howe

Sir Patrick Wright (Permanent Under Secretary, Foreign and Commonwealth Office) and Lady Wright

Sir Antony Acland (British Ambassador at Washington) and Lady Acland
5. The Queen and The Duke of Edinburgh, attended by Lieutenant-Colonel Stewart-Wilson will meet The President and Mrs Bush at the Grand Entrance.

/6.

6. Whilst Her Majesty is greeting The President, the Master of the Household, assisted by Group Captain Gray and the Hon Diana Makgill, will usher the Secretary of State and the American Ambassador and Mrs Catto plus 3 others through the doors to the South side of the Grand Entrance and into the well of the Grand Hall where they will wait until after the Inspection of the Guard of Honour. The Duke of Edinburgh will conduct The President into the Quadrangle to inspect the Guard of Honour.

7. After the Inspection, The President will enter the Grand Entrance where he will introduce the members of his Suite to The Queen and The Duke of Edinburgh. The Queen and The Duke of Edinburgh will then escort The President and Mrs Bush up the Minister's Stairs and into the White Drawing Room where Her Majesty will introduce the British guests to The President. The Duke of Edinburgh will introduce the British guests to Mrs Bush. The remaining members of the Household are asked to ensure that the British guests are introduced to the American Suite.

8. At about 1.15 pm the guests, other than The President and Mrs Bush, will be shown into the Music Room to take their places for lunch. Meanwhile, The Queen and The Duke of Edinburgh will conduct The President and Mrs Bush into the North end of the Picture Gallery and photographs will be taken as the Royal Party walk along the Picture Gallery and into the Music Room for lunch.

9. Luncheon for 32 will be served in the Music Room.

10. Coffee and liquers will be served in the White Drawing Room.

11. A buffet lunch will be provided in the Billiards Room and the Green Drawing Room for the American and British people to whom permission to come in has been given in advance.

CCPC



Foreign and Commonwealth Office

London SW1A 2AH

31 May 1989

Ric Austin

Sea Charts,

ms

New passages are underlined. CDD 3/15.

President Bush

in folder (copy out)

There have been a number of changes in Annex A to my letter of 25 May. I have underlined amended passages in the sections covering:

- Vietnamese Boat People in Hong Kong. (Significant changes to figures in third paragraph; minor amendments in fifth, sixth and seventh paragraphs, and one deletion);
- EC/US Trade Issues. (Since the EC was not designated as a 301 target, changes are needed in the first and last paragraphs, with two deletions);
- COCOM. (Changes necessitated by President Bush's Brussels proposal, with two deletions);
- Central America. (Minor change in first paragraph).

I also enclose the latest line-up for the talks tomorrow.

I am copying this letter to Trevor Woolley (Cabinet Office).

ms
Yours,
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

VIETNAMESE BOAT PEOPLE IN HONG KONG

The Americans have so far failed to appreciate the seriousness of the situation in Hong Kong and the need for urgent action. Although they have offered to resettle about 22,000 of the backlog of 55,000 refugees in the region (provided other countries make a commensurate contribution) there is still strong domestic opposition to the concept of mandatory repatriation to Vietnam. The American approach to discussion of repatriation and a regional holding centre at the Geneva Conference is likely to be far too leisurely to meet the needs of Hong Kong.

It would therefore be helpful if the Prime Minister could underline the political importance we attach to further urgent measures to tackle the massive influx of boat people into Hong Kong along the following lines:

- We face a desperately serious situation in Hong Kong. Well over 37,000 Vietnamese boat people. Over 12,000 arrivals so far this year. Over 8,000 arrivals in May alone. Now arriving at rate of about 700 per day. Accommodation already stretched to limit. Threat to principle of first asylum. Could not exclude measures to prevent landing of boat people in Hong Kong.

- We have been pressing the Vietnamese to reduce the outflow and the Chinese to put a stop to coast-hopping.

- This month's (June) International Conference in Geneva will be very important. Welcome willingness of United States to give a positive lead on resettlement. Trust that this will include a substantial number from Hong Kong. But any new initiative on resettlement must be accompanied by an equally clear message on what is to happen to those who are not refugees, so as to send a clear deterrent message to those who are thinking of leaving.

[Deletion of earlier paragraph referring to June International Conference].

- Compulsory repatriation not an attractive option. But more humane

than indefinite detention in difficult conditions in camps in region.

- Urgent consideration must be given to possibility of Regional Processing Centre as interim measure to accommodate refugees, so as to relieve immediate pressure on Hong Kong.

EC/US TRADE ISSUES

On 25 May, under the "Super 301" provision of the 1988 US Trade Act, the US targetted trade practices by Japan, India and Brazil as harmful to US exports. If bilateral negotiations fail, the Americans may take unilateral action against these countries. While the EC was not targetted as a priority "country", certain EC practices - including support for Airbus - were criticised and could be included next year. A word about the dangers of protectionism and bilateralism, and about open multilateral trading through GATT, would be timely. There are also 1992 implications:

- Glad US is now seeing 1992 as more an opportunity than a threat. We shall continue to fight any risks of Fortress Europe; we welcome US lobbying on specific issues of concern.
- Important that EC/US relationship not clouded by trade disputes (hormones in meat; soya; Airbus etc). Must continue to keep these in perspective and resolve through negotiation.
- Success in the GATT Uruguay Round, due to end next year, is important for the prosperity of the non-Communist world. On agriculture we shall keep up pressure within EC, but we look to work with the US on eg services and intellectual property.

[Deletion of reference to EC designation as 301 target and following paragraph beginning "America the champion of free trade...."].

- Welcome US reaffirmation of importance of GATT in their "Super 301" statement. But US should lead by example as well as by exortation. The 1988 Trade Act should be implemented with flexibility and restraint. Unilateral action against any nation would be damaging to multilateral system.

COCOM

[First paragraph beginning "On COCOM, President Bush has yet to announce" completely deleted. Substitute instead:]

On COCOM, President Bush proposed in Brussels (29 May) that the "No General Exceptions" policy for the Soviet Union should be dropped. This is welcome. But it would be useful if the Prime Minister could clarify the President's exact intent by asking:

- Have the US decided to end the policy forthwith and without reservation, and to handle the cases in COCOM for the Soviet Union in the same way as for any other proscribed destination.

[Delete tirect beginning "Urge the President ..."].

On the factory to be constructed in the USSR by the UK firm Simon Carves, the Prime Minister could:

- Express the hope that her letter of 15 May will draw a line under the issue.



CENTRAL AMERICA

Our only significant interest in Central America is the garrison, including four harrier jets, in Belize. But we have previously expressed strong concerns about the destabilising effect on the region of the Nicaraguan regime. The Americans were grateful for the tough line that the Prime Minister took with Ortega, which they contrasted favourably with the naive and starry eyed reception he received elsewhere in Europe (including in Edinburgh!). The Prime Minister could point out:

- We have no intention of changing our views while democratisation commitments remain unfulfilled.
- Despite press reports, Ortega in fact obtained relatively little aid in Europe.

The Prime Minister has also reassured President Bush of our firm support for his stand in Panama. The Americans were grateful for our strong statement of 11 May. They were also pleased with the outcome of the Organisation of American States (OAS) meeting on 17 May which approved a resolution condemning Noriega and agreeing to send a delegation to Panama to try to negotiate a peaceful transition of power. This was a success for US diplomacy. The Prime Minister may wish to further reassure President Bush of our:

- Strong support for US efforts to remove Noriega.
- Support for OAS initiative.
- Continuing efforts to ensure EC partners also on Board.



BUSH VISIT: TALKS ON 1 JUNE

TÊTE-À-TÊTE, 1030-1130, PRIME MINISTER'S STUDY, NO 10

Prime Minister
Mr Charles Powell

President Bush
The Hon Brent Scowcroft

SECRETARY OF STATE'S BILATERAL WITH SECRETARY BAKER:
1030-1130, CHIEF WHIP'S CONFERENCE ROOM NO 12 DOWNING STREET

UK TEAM

Secretary of State
Private Secretary
Sir Patrick Wright
Sir Antony Acland
Sir John Fretwell
Mr David Gillmore
Mr Paul Lever
Mr Andrew Burns
Mr David Burns

Permanent Under Secretary
HMA Washington
Political Director
Deputy Under Secretary
Head, Security Policy Dept
Head, News Dept
Head, NAD (notetaker)

US TEAM

Secretary of State
Ambassador Henry Catto
The Hon John H Sununu
The Hon Marlin Fitzwater

The Hon Robert Zoellick
The Hon Rozanne Ridgway

The Hon Margaret Tutwiler

The Hon Robert Blackwill

Mr Kim Pendleton

James A Baker III
US Ambassador London
White House Chief of Staff
Assistant to the President and Press
Secretary
Counsellor, State Dept
Assistant Secretary of State for
European and Canadian Affairs
Assistant Secretary of State for
Public Affairs
Special Assistant to the President
for National Security Affairs
Minister-Counsellor US Embassy
(notetaker)

FULL MINISTERIAL TALKS, 1130-1240: CABINET ROOM NO 10 DOWNING STREET

Prime Minister
Secretary of State
Sir Antony Acland
Mr Charles Powell

President Bush
Ambassador Catto
Secretary Baker
The Hon John Sununu
The Hon Brent Scowcroft
The Hon Marlin Fitzwater
The Hon Robert Zoellick

USA 3 Sent by the Bush PT4



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THE WHITE HOUSE

Office of the Press Secretary
(Bonn, Federal Republic of Germany)

1) cc Ps
PUS
Mr. J. Frotzsch
Mr. Williams

EMBARGOED FOR RELEASE
UNTIL 1:05 P.M. (L)
8:05 A.M. EDT
WEDNESDAY, MAY 31, 1989

1. cc: 3/1/89
Soviet Dept
EED
F. Jones
Sec. Pol. Dept

Mr. Baum
ACSO (Nash Dept)
I came for me

2) Frank Mr. Baum in 4/1/89

TEXT OF REMARKS BY THE PRESIDENT
AT RHEINGOLDHALLE

2. Mr. Rammeler
Mr. Synnott

RB 31/5

Rheingoldhalle
Mainz, Federal Republic of Germany

Wednesday, May 31, 1989

This seems like just the kind
of visit that will appeal to
the German
Whyden 31/5

Here in Mainz, by the banks of the broad Rhine, it is often said that this heartland of mountain vineyards and villages embodies the very soul of Germany. So Mainz provides a fitting forum for an American President to address the German people.

I come to speak, not just of our mutual defense, but of our shared values. I come to speak, not just of matters of the mind, but of the deeper aspirations of the heart.

Too many in the West, Americans and Europeans alike, seem to have forgotten the lessons of our common heritage and how the world we know came to be. That should not be, that cannot be. We must recall that the generation coming into its own in America and Western Europe is heir to gifts greater than those bestowed to any generation in history -- peace, freedom and prosperity.

This inheritance is possible because 40 years ago the nations of the West joined in that noble, common cause called NATO. First, there was the vision, the concept of free peoples in North America and Europe working to protect their values. Second, there was the practical sharing of risks and burdens, and a realistic recognition of Soviet expansionism. Finally, there was the determination to look beyond the old animosities. The NATO Alliance did nothing less than provide a way for Western Europe to heal centuries-old rivalries, to begin an era of reconciliation and restoration. It has been, in fact, a second Renaissance of Europe.

2
As you know best, this is not just the 40th birthday of the Alliance. It is also the 40th birthday of the Federal Republic -- a Republic born in hope, but tempered by challenge. At the height of the Berlin Crisis in 1948, Ernst Reuter called on Germans to stand firm and confident, and you did -- courageously and magnificently.

The historic genius of the German people has flourished in this age of peace. Your nation has become a leader in technology, and the fourth largest economy on Earth. But more important, you have inspired the world by forcefully promoting the principles of human rights, democracy and freedom. The United States and the Federal Republic have always been firm friends and allies. But today we share an added role -- partners in leadership.

Of course, leadership has a constant companion -- responsibility. And our responsibility is to look ahead and grasp the promise of the future.

I said recently that we are at the end of one era, and at the beginning of another. And I noted that in regard to the Soviet Union, our new policy is to move beyond containment.

- more -

3

For 40 years, the seeds of democracy in Eastern Europe lay dormant, buried under the frozen tundra of the Cold War. And for 40 years, the world has waited for the Cold War to end. Decade after decade, time after time, the flowering human spirit withered from the chill of conflict and oppression. And again, the world waited. But the passion for freedom cannot be denied forever. The world has waited long enough. The time is right. Let Europe be whole and free.

To the founders of the Alliance, this aspiration was a distant dream. Now it is the new mission of NATO. If ancient rivals like Britain and France, or France and Germany, can reconcile, then why not the nations of East and West?

In the East, brave men and women are showing us the way. Look at Poland, where Solidarity and the Catholic Church have won legal status. The forces of freedom are putting the Soviet status quo on the defensive.

In the West, we have succeeded because we have been faithful to our values and our vision. But, on the other side of the rusting Iron Curtain, their vision failed.

The Cold War began with the division of Europe. It can only end when Europe is whole. Today, it is this very concept of a divided Europe that is under siege. And that is why our hopes run especially high, because the division of Europe is under siege not by armies, but by the spread of ideas that began here, right here. It was a son of Mainz, Johannes Gutenberg, who liberated the mind of man through the power of the printed word.

That same liberating power is unleashed today in a hundred new forms. The Voice of America and Deutsche Welle allow us to enlighten millions deep within Eastern Europe and throughout the world. Television satellites allow us to bear witness from the shipyards of Gdansk to Tiananmen Square. But the momentum for freedom does not just come from the printed word, the transistor, or the television screen. It comes from the power of a single idea -- democracy.

(7)
This one idea is sweeping across Eurasia. This one idea is why the Communist world, from Budapest to Beijing, is in ferment. Of course, for the leaders of the East, it is not just freedom for freedom's sake. But whatever their motivation, they are unleashing a force they will find difficult to channel or control -- the hunger for liberty of oppressed peoples who have tasted freedom.

Nowhere is this more apparent than in Eastern Europe, the birthplace of the Cold War. In Poland at the end of World War II, the Soviet Army prevented the free elections promised by Stalin at Yalta. Today, Poles are taking the first steps toward real elections, so long promised -- so long deferred. And in Hungary, at last we see a chance for multi-party competition at the ballot box.

As President, I will continue to do all I can to open the closed societies of the East. We seek self-determination for all of Germany and all of Eastern Europe. We will not relax. We must not waver. Again, the world has waited long enough.

But democracy's journey East is not easy. Intellectuals like Czech playwright Vaclav Havel still work under the shadow of coercion. Repression still menaces too many peoples of Eastern Europe. Barriers and barbed wire still fence in nations. So when I visit Poland and Hungary this summer, I will deliver this message: There cannot be a common European home until all within are free to move from room to room.

- more -

- 3 -

5 And I will take another message: The path of freedom leads to a larger home -- a home where West meets East, a democratic home -- the commonwealth of free nations.

I said that positive steps by the Soviets would be met by steps of our own. This is why I announced on May 12th a readiness to consider granting to the Soviets a temporary waiver of the Jackson-Vanik trade restrictions, if they liberalize emigration. This is also why I announced on Monday that the United States is prepared to drop the "no exceptions" standard that has guided our approach to controlling the export of technology to the Soviet Union -- lifting a sanction enacted in response to their invasion of Afghanistan.

In this same spirit, I set forth four proposals to heal Europe's tragic division, to help Europe become whole and free.

First, I propose we strengthen and broaden the Helsinki process to promote free elections and political pluralism in Eastern Europe. As the forces of freedom and democracy rise in the East, so should our expectations.

Weaving together the slender threads of freedom in the East will require much from the Western democracies. In particular, the great political parties of the West must assume an historic responsibility -- to lend counsel and support to those brave men and women who are trying to form the first truly representative political parties in the East, to advance freedom and democracy, to part the Iron Curtain.

In fact, it has already begun to part. The frontier of barbed wire and minefields between Hungary and Austria is being removed, foot by foot, mile by mile. Just as the barriers are coming down in Hungary, so must they fall throughout Eastern Europe. Let Berlin be next.

6
Nowhere is the division between East and West seen more clearly than in Berlin. There, a brutal wall cuts neighbor from neighbor, and brother from brother. That Wall stands as a monument to the failure of communism. It must come down.

Now, glasnost may be a Russian word, but openness is a Western concept. West Berlin has always enjoyed the openness of a free city. Our proposal would make all Berlin a center of commerce between East and West -- a place of cooperation, not a point of confrontation. This, then, is my second proposal -- bring glasnost to East Berlin.

My generation remembers a Europe ravaged by war. Of course, Europe has long since rebuilt its proud cities and restored its majestic cathedrals. But what a tragedy it would be if your continent was again spoiled, this time by a more subtle and insidious danger -- that of poisoned rivers and acid rain.

America has faced an environmental tragedy in Alaska. Countries from France to Finland suffered after Chernobyl. West Germany is struggling to save the Black Forest today. And throughout, we have all learned a terrible lesson: Environmental destruction respects no borders.

So my third proposal is to work together on environmental problems, with the United States and Western Europe extending a hand to the East. Since much remains to be done, in both East and West, we ask Eastern Europe to join us in this common struggle. We can offer technical training, assistance in drafting laws and regulations, and new technologies for tackling these problems. I invite the environmentalists and engineers of the East to visit the West, to share knowledge so we can succeed in this great cause.

- more -

- 4 -

Europe is the most heavily armed continent in the world. Nowhere is this more apparent than in the two Germanys. That is why our quest to safely reduce armaments has a special significance for the German people.

To those who are impatient with our measured pace in arms reductions, I respectfully suggest that history teaches us a lesson -- that unity and strength are the catalyst and prerequisite to arms control. We have always believed that a strong Western defense is the best road to peace. Forty years of experience have proven us right.

But we have done more than just keep the peace. By standing together, we have convinced the Soviets that their arms build-up has been costly and pointless. Let us not give them incentives to return to the policies of the past. Let us give them every reason to abandon the arms race for the sake of the human race.

In this era of both negotiation and armed camps, America understands that West Germany bears a special burden. Of course, in this nuclear age, every nation is on the front line. But not all free nations are called to endure the tension of regular military activity, or the constant presence of foreign military forces. We are sensitive to these special conditions that this needed presence imposes.

To significantly ease the burden of armed camps in Europe, we must be aggressive in our pursuit of solid, verifiable agreements between NATO and the Warsaw Pact.

On Monday, with my NATO colleagues in Brussels, I shared my great hope for the future of conventional arms negotiations in Europe. I shared with them a proposal for achieving significant reductions in the near future.

As you know, the Warsaw Pact has now accepted major elements of our Western approach to the new conventional arms negotiations in Vienna. The Eastern Bloc acknowledges that a substantial imbalance exists between the conventional forces of the two Alliances. They have moved closer to NATO's position by accepting most elements of our initial conventional arms proposals. These encouraging steps have produced the opportunity for creative and decisive action. We shall not let it pass.

Our proposal has several key initiatives.

-- I propose we "lock in" the Eastern agreement to Western-proposed ceilings on tanks and armored troop carriers. We should also seek agreement on a common numerical ceiling for artillery in the range between NATO's and that of the Warsaw Pact, provided definitional problems can be solved. And the weapons we remove must be destroyed.

-- We should expand our current offer to include all land-based combat aircraft and helicopters, by proposing that both sides reduce in these categories to a level 15 percent below the current NATO totals. Given the Warsaw Pact's advantage in numbers, the Pact would have to make far-deeper reductions than NATO to establish parity at these lower levels. Again, the weapons we remove must be destroyed.

-- I propose a 20 percent cut in combat manpower in U.S.-stationed forces, and a resulting ceiling on U.S. and Soviet ground and air forces stationed outside of national territory in the Atlantic-to-Urals zone, at approximately 275,000 each. This reduction to parity, a fair and balanced level of strength, would compel the Soviets to reduce their 600,000-strong Red Army in Eastern Europe by 325,000. And these withdrawn forces must be demobilized.

- 5 -

-- Finally, I call on President Gorbachev to accelerate the timetable for reaching these agreements. There is no reason why the five-to-six year timetable as suggested by Moscow is necessary. I propose a much more ambitious schedule. We should aim to reach an agreement within six months to a year, and accomplish reductions by 1992, or 1993 at the latest.

In addition to my conventional arms proposals, I believe we must strive to improve the openness with which we and the Soviets conduct our military activities. Therefore, I want to reiterate my support for greater transparency. I renew my proposal that the Soviet Union and its allies open their skies to reciprocal, unarmed aerial surveillance flights, conducted on short notice, to watch military activities. Satellites are a very important way to verify arms control agreements. But they do not provide constant coverage of the Soviet Union. An Open Skies policy would move both sides closer to a total continuity of coverage, while symbolizing greater openness between East and West.

These are my proposals to achieve a less militarized Europe. A short time ago they would have been too revolutionary to consider. Yet today, we may well be on the verge of a more ambitious agreement in Europe than anyone considered possible.

But we are also challenged by developments outside of NATO's traditional area of concern. Every Western Nation still faces the global proliferation of lethal technologies, including ballistic missiles and chemical weapons. We must collectively control the spread of these growing threats. So we should begin as soon as possible with a worldwide ban on chemical weapons.

(10) Growing political freedom in the East, a Berlin without barriers, a cleaner environment, a less militarized Europe -- each is a noble goal. Taken together, they are the foundation of our larger vision -- a Europe that is free and at peace with itself. Let the Soviets know that our goal is not to undermine their legitimate security interests. Our goal is to convince them, step by step, that their definition of security is obsolete, that their deepest fears are unfounded.

When Western Europe takes its giant step in 1992, it will institutionalize what has been true for years -- borders open to people, commerce and ideas. No shadow of suspicion, no sinister fear, is cast between you. The very prospect of war within the West is unthinkable to our citizens. But such a peaceful integration of nations into a world community does not mean that any nation must relinquish its culture, much less its sovereignty.

This process of integration, a subtle weaving of shared interests, which is so nearly complete in Western Europe, has now finally begun in the East. We want to help the nations of Eastern Europe realize what the nations of Western Europe learned long ago. The foundation of lasting security comes, not from tanks, troops or barbed wire. It is built on shared values and agreements that link free peoples.

The nations of Eastern Europe are rediscovering the glories of their national heritage. Let the colors and hues of national culture return to these gray societies of the East. Let Europe forego a peace of tension for a peace of trust, one in which the peoples of East and West can rejoice; a continent that is diverse, yet whole.

Forty years of Cold War have tested Western resolve and the strength of our values. NATO's first mission is now nearly complete. But if we are to fulfill our European vision, the challenge of the next 40 years will ask no less of us. Together, we shall answer that call. The world has waited long enough.

PRIME MINISTER

ARRIVAL OF PRESIDENT BUSH

You and Mr. Thatcher are to go to Heathrow tomorrow evening to meet President Bush. The procedure is as follows:

1715 Leave No.10
1805 Arrive Heathrow Southside
1810 Earl of Dundee arrives
(Queen's Representative)
1825 President arrives
Greeting party.
Pause for American National Anthem half-way down the
carpet
Enter Waiting Room
1840 Depart by helicopter with President and Mrs. Bush
for Winfield House
1900 Return to No.10
Change for dinner
1930 Arrival of Prince Sultan

I attach a fuller programme.

C.D.P.

CDP

30 May, 1989.

MR. THATCHERVISIT OF PRESIDENT BUSH

You may find it helpful to have a note of your involvement in the programme for President and Mrs. Bush.

Wednesday 31 May

- 1725 You and the Prime Minister leave No.10 to drive to Heathrow
- 1825 President and Mrs. Bush arrive
- 1840 You and the Prime Minister board helicopters for flight to Winfield House
- 1900 Leave Winfield House for No.10
- [1920 Change
- 1945 Arrival of Prince Sultan
- 2000 Dinner for Prince Sultan]

Thursday 1 June

- 1225 Meet Mrs. Bush and Mrs. Catto at front door of No.10.
Escort to White Room for drinks.
[Prime Minister will be completing talks in Cabinet Room]
- 1240 Joined by Prime Minister and President Bush.
- 1255 President and Mrs. Bush depart for Buckingham Palace.
- 1256 You and the Prime Minister depart for Buckingham Palace (probably via back door).
- 1300 Lunch at Palace.
- 1950 Greet President and Mrs. Bush on arrival at No.10 for dinner.

THE PRIME MINISTER

THE HONORABLE GEORGE BUSH MRS. BUSH

Rt. Hon. Sir Geoffrey Howe

MR. DENIS THATCHER

The Honorable James A. Baker

Mrs. Catto

Rt. Hon. Nigel Lawson

Rt.Hon.Lord Young of
Graffham

HE The US Ambassador

Rt.Hon. John Moore

Lady Howe

The Honorable Brent Scowcroft

The Viscountess Whitelaw

The Hon. John H Sununu

The Hon.Andrew H. Card,Jr

Rt. Hon. Lord Home of the
Hirsell

The Hon.James W. Cicconi

The Lady Young of Graffham

Mrs. Moore

The Lady Mayoress of London

Mrs. Lawson

The Hon. Max M. Fitzwater

Rt.Hon. Lord Carrington

Rt. Hon. The Fiscount Whitelaw

Rt. Hon.Lord Mayor of London

The Lady Carrington

Lady Acland

The Hon. David F. Demarest,Jr

Mrs. Kinnock

The Lord King of Wartnaby

Rt. Hon. Neil Kinnock

The Lady King of Wartnaby

The Hon. Robert Zoellick

The Hon. Margaret Tutwiler

The Hon. Rozanne Ridgway

The Hon. Stephen M. Studdert

The Lady McAlpine of West Green

The Lord Stevens of
Ludgate

The Lord McAlpine of West
Green

Mrs. Sheppard

Ambassador Robert Blackwill

Lady Holdsworth

Mrs. Laird

Sir Robin Butler

Lady Butler

Sir Antony Acland

Sir Percy Cradock

Mrs. Faldo

Mr. David Frost

Lady Cradock

Lady Carina Frost

Sir Trevor Holdsworth

Mrs. Lloyd-Webber

Mr. Gavin Laird

Sir Gordon White

Ms Virginia Wade

Mr. Allen Sheppard

Mrs. Alice Faye Eichelberger

Mrs. Powell

Mr. Andrew Lloyd-Webber

Mr. Charles Powell

Mr. Nick Faldo

Mr. John Cleese

ENTRANCE



CDC

Foreign and Commonwealth Office

London SW1A 2AH

26 May 1989

Useless

CDP

35/5

Dear Charles,

President Bush's Visit: Prime Minister's Remarks

/ As requested in your ^{*at 11:00*} letter of 22 May, I attach draft remarks which the Prime Minister might like to consider for use as an "extended toast" at her dinner for the Bushes on 1 June.

Yours,

Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
PS/10 Downing Street

PO8ABP
~~PO4 ABN~~

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Secret
Confidential
Restricted
Unclassified

PRIVACY MARKING

.....
In Confidence

REMARKS BY PM AT DINNER FOR BUSHES ON 1 JUNE

Mr President,

We welcome you most warmly on your first visit to the United Kingdom as President of the United States. We welcome you as a trusted friend, who knows us well. Who is no stranger to these shores.

It is doubly pleasing that your visit should come in the year in which NATO, the most successful defensive Alliance in history, celebrates 40 years of deterring war.

You once said, Mr President, "a Presidency can shape an era - and it can change our lives. A successful Presidency can give meaning to an age".

We have seen two facets of that today.

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First, mirrored in the concern shown by the First Lady during her visit to Brixton this morning, the "kinder, gentler society" which you are both working to create at home - a society which reflects your own lives, rooted in strong family values. The work of Barbara in education, learning for the handicapped, literacy and especially dyslexia is typical of her dedication to this cause and a great support for your efforts.

Secondly, the strength of purpose and clear understanding of the challenging times in which we live, which you yourself showed in our talks today. In your approach to the Presidency, you have shown the same resolve:

- by moving with prudence, determination and integrity when you are good and ready
- by your careful choice of a first-class and experienced team, amongst them Mr Secretary Baker and Ambassador Catto
- by your point-by-point review of foreign policy

The results, which you have outlined in major speeches, have shown that the leadership of the West is in very good hands.

Let no one think these are easy times. They may be the most difficult and challenging ever to face an incoming President. No longer are the lines so clearly drawn, the familiar landmarks visible. Rarely has the world been so complex, change so rapid and leadership so difficult.

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Yes, we have to manage problems. But our greatest challenge today is the broader one: to manage change.

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To manage it in a way which encourages democracy and the tremendous potential of enterprise, surging through the world - but which does so from a secure base. I am very conscious of John Kennedy's words: "Bad domestic policy could get us defeated: bad foreign policy could get us killed"!

The time may come when we can beat our swords into ploughshares - I long for that day. Succeeding generations will not thank us for missing opportunities. But they will not forgive us for giving them chains instead of ploughshares - be those chains military or political.

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At Boston University recently, you spoke of "a growing complacency throughout the West". Oliver Wendell Holmes read human nature very well when he said: "Give us the luxuries of life and we will dispense with its necessities"!

That is why, Mr President, we have particularly welcomed your deliberate step-by-step approach to East-West relations. Your guideline of "optimism with caution" is exactly right.

We are delighted at the changes which President Gorbachev has made in the Soviet Union. We will encourage them and respond as they manifest themselves.

We must continue to show persistence and firmness in urging the Soviet leadership to work with the international community, in return for the more open political relationship with the West that they are seeking.

President Gorbachev cannot have it both ways, with ostensibly constructive policies on the Middle East and Central America, but continued arms supply to Libya and Nicaragua. The same is true of human rights. This is a clear approach which enables us to direct Soviet "new thinking" into positive channels.

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What we cannot do, as the continuing activities of the KGB throughout the world attest, is anticipate change in the Soviet Union on the basis of promises. Trust cannot just be assumed. It must, as you have said, be earned. We must be open in our approach but steely-eyed in defence of our security.

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[Subject to outcome of NATO Summit] That was the undoubted outcome of the NATO Summit from which we have both just returned. The public debate about how we achieve that goal was entirely healthy. Our public and our politicians are now fully informed of the immediate issues which the Alliance faces. With US leadership, I know that we can go forward confident that the West can continue to pursue its successful agenda. For it is our agenda, our tune, to which the world is marching.

Tennyson once urged us: "Be proud of those strong sons of thine, who wrenched their rights from thee". We are, Mr President. We do not forget that it was America that picked up the shattered nations of Western Europe and Japan after the Second World War; and laid the foundation for the maturing economies evident in the European Community and Japan today. The problems of the West today are the problems of success - principally the success of US policies.

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In your speech at Boston University, you spoke of "a strong united Europe meaning a strong America"; of a "resurgent Western Europe, as an economic magnet, drawing Eastern Europe closer towards the commonwealth of the world". You have spoken elsewhere of the need to bind Japan more closely into Western political decision-making. We see things in exactly this way.

The management of these changing relationships is one of the most important tasks facing the West. As the world pursues our agenda of democracy, opportunity and enterprise, we need to continue to pull together, gradually drawing others to that "commonwealth of the world" that you foresee.

That does not mean that we need the United States any the less. You remain the cornerstone of our security, and we your first line of defence. You are a massive engine of the world economy.

You and I look to the day when the threat from the East is visibly removed, when trust and openness are visibly established across the dividing line in Europe, and we and our peoples can devote ourselves to making this world a better place. If we are careful now, we may live to see that day. I hope so.

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In the meantime, the people of Britain are doubly blessed:

- they have a deep and lasting friendship with the United States;
- and they have a destiny as part of Europe.

No description can do this friendship justice, forged as it is of

- a shared history
- firm alliance
- close consultation
- massive economic and financial links
- a myriad of personal relationships
- and above all shared fundamental values

However, you will find, Mr President, some drawbacks in our lifestyle. You will have slightly more difficulty here in finding a country and western station on your radio dial; and, with all the will in the world, I have not been able to persuade my colleagues to construct a horse-shoe pit on Horseguards Parade! I am still looking into the possibility at Chequers. Denis is also a bit chary about my idea of introducing cocker spaniels into the Cabinet Room. But don't despair.

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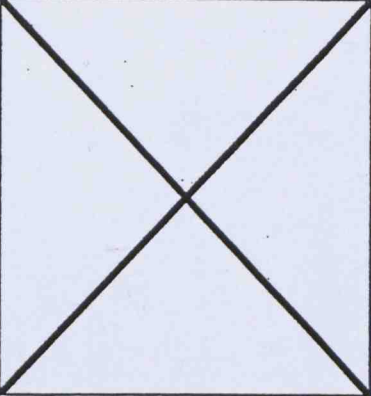
I hope that the relationship can withstand those shortcomings in our lifestyle.

In the strong belief that they can [toast]

USA: Visits by
Pres Bush R4



A The National Archives

DEPARTMENT/SERIES <i>PREM 19</i>	Date and sign
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Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.

This should be an indication of what the extract is,

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If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

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PRIME MINISTER

MEETING WITH PRESIDENT BUSH

You are to have two hours of talks with President Bush on Thursday. The first hour it is just the two of you, with General Scowcroft and me, while the Foreign Secretary holds separate talks with Secretary Baker. The second hour will be in the Cabinet Room, with larger delegations (on our side, the Foreign Secretary, Antony Acland and Percy Cradock). You are also giving a dinner for the President that evening.

You will have seen quite a lot of the President in Brussels. What you say to him in London will depend on what you have already covered there, and how the NATO Summit has gone.

The most important objective is to get the public signals right. There is a tendency in the American press - and to some extent ours - to say that you are tempted to try to usurp the President's role as the West's leading spokesman, and that the special relationship is a lot less special since President Reagan left with the Americans looking much more to the Germans and French: that you and the President disagree quite profoundly on SNF. We need to counteract that with a very clear and evident impression of friendship and like-mindedness. It would help particularly if there was an opportunity to say a few words of support and praise for the President to the media while he is with you.

Another major objective is to steady the President on East/West. His basic approach, set out in his recent speeches, is very sound and the Administration's heart is in the right place. But in practice he is allowing himself to be pushed by events into positions of weakness as over SNF: tends to react too hastily: and is too pre-occupied with trying to produce counter-strokes to Gorbachev, by coming forward with ill-prepared initiatives. He needs to be more confident and less anxious: after all, the West holds the cards at the moment.

Restricted Meeting

I think there are two major issues which you should discuss with the President in the restricted session. The first is the handling of relations with the Soviet Union and Eastern Europe. The particular points are:

- how to encourage change and reform in the Soviet Union while convincing our public opinion that there remains a real threat from the Soviet Union. Much depends on our assessment of how durable Gorbachev is.
- how to maximise the freedom of movement of countries like Poland and Hungary without provoking a counter-reaction or Soviet intervention.
- how to convince Western opinion that Gorbachev's flurry of initiatives are better met by a patient and steady Western response than by eye-catching initiatives of our own. By the example of our prosperity and the strength of our defence we are subjecting the Soviet system to considerable pressure. We should allow that pressure to continue to work rather than relax it.

You will want to make the general point that the President's views and yours are very similar. The more closely Britain and the US can align their approach and work together, the more effective we shall be in shaping the overall Western response.

The second broad issue is the future of Western Europe and in particular the consequences of Germany's more assertive role and growing inclination to look eastwards. Both our countries have a strong incentive to keep a conservative pro-NATO government in Germany: but we have to find ways to reinforce Kohl against the Genscher tendency, and also discourage the emergence within NATO of a German-led continental bloc. Do we need new mechanisms to achieve this, for instance regular tripartite US/UK/German discussions?

There are also a number of specific points to raise in the restricted session:

- defence. You are interested in the outcome of the Administration's defence review and the decision to go ahead with both the Mobile Mx and Midgetman. Does he expect this to go through Congress? You remain a supporter of SDI. You counsel caution in the resumed START talks on running down Trident submarine numbers too much.
- Chemical weapons. We remain doubtful whether a verifiable ban is possible, particularly in the light of the strong evidence of Soviet deceit. We are also worried about NATO's vulnerability to chemical warfare, and whether it is doing enough to protect itself and deter, pending a global ban.
- US budget deficit. You might compliment him on the continuing strong performance of the US economy, while asking what profile he sees for reducing the deficit.
- South Africa. We must give the post-Botha generation a chance. You are seeing De Klerk and hope he will too. It is very important not to upset the Namibia Agreement by imposing new measures or sanctions.
- Angola. What more can we do to promote internal reconciliation, with the long-term aim of seeing Savimbi come out on top?
- Arab/Israel. You doubt that Shamir is ever going to move on the central issue of land for peace. But his proposals at least provide an opportunity for limited progress to see out his time. It is essential to be able to demonstrate to the Arabs that we are trying. Informal consultations among the Five Permanent Members of the UN Security Council can help give an impression of movement, and we hope that the US will consider them.

- Argentine/Falklands. We hope the US will get through a clear message to Menem to warn him against any foolish or provocative action on the Falklands. We also hope that the Americans will continue to avoid arms sales to Argentina.
- Gordievsky. You will wish to thank him for the US' continued efforts on Gordievsky's behalf. He is a remarkable man, and we must persist with our attempts to reunite him with his family.
- IDU. It has been suggested that Vice-President Quayle would make an excellent Chairman of the IDU, in succession to Willoch. Would the President be content for him to be nominated?
- Antony Acland. You might tell the President that you have asked Antony to stay on in Washington for a year beyond his normal retirement date, that is until summer 1991.

Plenary Meeting

You may want to go over some of these issues again in the plenary meeting, particularly East/West, Middle East, South Africa and Argentina.

Additional subjects might be:

- EC/US Trade Issues. We shall go on doing our best in the EC to prevent protectionist measures and get a sensible position for the GATT negotiations.
- COCOM. We hope the US will soon end its policy of 'No General Exceptions' for the Soviet Union.
- Economic Summit. The need to get commitments from Germany and Japan to structural reform, which holds out the long-term prospect of diminishing their surpluses.

SECRET

- 5 -

- Lockerbie. You will want to sound out the extent to which the Americans may be contemplating some sort of retaliatory action; and if so, what action and against whom.

- Central America. You took a tough line with Ortega and generally support the US approach on Nicaragua and Panama.

If there is time, you could also deal briefly with Afghanistan, Cambodia and environmental issues.

You will find in the folder a fuller note from the FCO, some telegrams from Antony Acland and President Bush's recent speeches.

CDP

CDP

26 May, 1989.

SECRET



Foreign and Commonwealth Office

London SW1A 2AH

25 May 1989

Dear Charles,

President Bush

President Bush will come to London on 31 May after visits to Italy (before the NATO Summit) and the FRG, where he will make major speeches. He returns direct to the US from London on 2 June.

He will hold "one on one" talks with the Prime Minister from 1030 - 1130 hrs on 1 June, after which the two principals will join a wider Ministerial meeting from 1130 - 1240 hrs. At the private talks with the Prime Minister, President Bush will be accompanied either by Ambassador Catto or by Robert Blackwill, Special Adviser to the President on National Security Affairs. A list of participants in the wider talks is attached - subject to the Prime Minister's agreement.

*Actually by
Sensopp*

Objectives

President Bush comes to Britain at a time when the media on both sides of the Atlantic are making much of what they perceive to be a rift between the UK and US on the SNF issue. Our main objectives for this visit are:

- to build on the working relationship established by the Prime Minister when she saw Bush in Washington last November;
- to ensure that any disagreements on the tactical approach to SNF are not carried through into the wider relationship.

The President's First 100 Days

Bush continues to be criticised for the slow pace of transition and an alleged failure to produce a clearer agenda. Such criticism is not entirely fair. Bush's appointees face lengthier FBI and Congressional clearance than ever before. Bush is trying to establish his own style of leadership in an Administration of the same



party as Mr Reagan, who dominated the scene. He is trying to formulate a distinctive foreign policy against the background of massive change in the Soviet Union and China. And he has inherited a substantial budget deficit which limits his room for manoeuvre, particularly domestically. Finally, he has to work with a more strongly Democratically controlled and potentially unsympathetic Congress.

Bush deserves credit for the (generally) good choice of appointments and for his thorough policy review process; for his approach to the knotty problem of insolvent US building societies; for reaching agreement with Congress on Central America; and for a measured approach to Panama. However, he has failed to tackle the budget deficit; his approach to the US budget negotiations has been faint-hearted; and he has been wobbly on SNF. From our stand point, his bi-partisan policy with Congress could be a two edged sword (eg on sanctions for South Africa). Bush's popularity rating with the American public remains fairly high, around 60% (and interestingly, 62% with blacks).

Division of Labour between Private and Wider Ministerial Talks

We suggest that the Prime Minister and President might focus on a review of the NATO Summit, handling the Soviet Union, Eastern Europe, Southern Africa, Middle East, Vietnamese Boat People and Argentina/Falklands. Annex A provides briefing on these subjects. Annex B contains briefing on subjects which might be covered in the wider Ministerial talks, although it can also serve for the Prime Minister's use in the restricted session, should she so wish.

I am copying this letter to Trevor Woolley (Cabinet Office).

Jaws,
 Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
 10 Downing Street



SNF/NATO SUMMIT

We will provide briefing in the light of the results of the Summit.

HANDLING THE SOVIET UNION

The Prime Minister might probe the President's intentions after the policy review and stress the importance of full consultation. President Bush's two recent major speeches, and Mr Baker's visit to Moscow last month indicate a good measure of continuity in the American approach and suggest that in spite of the Administration's wish to win back the initiative from Gorbachev, the review has concluded that solid work across the board will be more effective than eye-catching Gorbachev style initiatives. The Prime Minister could say that we:

- were encouraged by Jim Baker's talks in Moscow. There were several telling responses from Shevardnadze: - his recognition that the division of Europe had been a "political blunder" by Eastern leaders showed awareness of limitations of Soviet influence. And his line over regional questions and human rights was generally constructive.

- share President Bush's "optimism with caution" approach. We have to show persistence and firmness in urging the Soviet leadership to work with the international community in return for the continuity and more open political and economic relationships with the West that they are seeking. On human rights, we welcome progress already made, but pressure must be kept up within CSCE framework.

- bilaterally we have again made clear that threats to our national security are intolerable.

- believe that a clear approach has enabled us to direct Soviet "new thinking" in positive channels. Continued full consultation with allies on East/West policy is of great importance.



- there is no question of baling out Gorbachev economically but it is right to help where this can push reforms in the direction we want (eg management training). We support joint ventures and investment if they continue to be on a sound commercial basis.

EASTERN EUROPE

The following points might be raised with the President:

- Prospects for a period of unprecedented change in E Europe, due to impact of Gorbachev and bankruptcy of centralized economic planning.

- Polish Round Table a decisive step towards more democratic system. In June election ruling party will for first time face judgment of electorate.

- Polish election will not be completely free, but democratic elections possible in Hungary before end of 1989.

- Welcome your proposals on help for Polish economy. Currently working on ideas of our own (Jaruzelski at Chequers on 10 June).

- Continue to believe Polish debt must be handled by IMF/Paris Club.

- But Poland and Hungary will need new resources - whether in form of debt relief, private investment or commercial credits - if reform is to proceed without risk of major social unrest. Western help must be conditional on progress in economic and political reform. Mistakes of 1970s must be avoided.

- Believe we should focus on transfer of management and other know-how to build up the private sector and underpin efforts to attract foreign investments.



- Other countries slower to evolve. Czechoslovakia/Bulgaria must improve human rights record. Concerned also about Yugoslavia: new Markovic Government has right reformist ideas but has not begun implementation. Tense situation in Kosovo with human rights implications (have raised these privately with Yugoslavs). Romania: see no prospect for change until Ceausescu goes.
- See need for greater Western coordination of economic policy toward E Europe. Economic summit (Paris, 14 - 16 July) in particular provides useful forum. Might discuss at wider Ministerial meeting.

SOUTHERN AFRICA

President Bush's visit provides an opportunity to probe his thinking. During Archbishop Tutu's recent visit to Washington, the President seemed prepared to consider a more activist US role in bringing pressure to bear on the South African Government. Points that might be made are:

- Prospects for change look brighter than for some time. New era approaching in South African politics. (F W de Klerk expected to become State President in September elections.)
- Should encourage de Klerk and the new leadership towards bold initiatives for fundamental change. Du Plessis (Finance Minister) in London (on 24 April) recognised that South Africa's economic future depends on political reform. De Klerk coming here on 23 June. Strongly recommend that President Bush should also see de Klerk to reinforce this message.
- Change must come from within South Africa; we must not expect too much too soon. But early targets for de Klerk include release of Mandela; new proposals for constitutional reform; the opening of a political dialogue with credible members of the black community.



- de Klerk needs chance to prove himself: the line must be held on sanctions.
- We commend Urban Foundation proposal for housing loan guarantee scheme, about which Charles Powell has corresponded with Brent Scowcroft.

Namibia

- UN Plan seems back on course after problems caused by SWAPO's incursion. Joint Commission proved an effective mechanism for handling problems.
- Positive side to recent problems was the depth of commitment shown to the agreements by Cuban and South African Governments.
- To prevent problems recurring, we are urging all parties to stick to their commitments in the Plan.

Angola

- Encouraging signs of moves towards reconciliation within Angola: apparent acceptance by dos Santos of need to negotiate with UNITA; "zone of peace" proposal along Benguela Railway. US views?

Mozambique

- Chissano appears to accept war is unwinnable but does not know how to reach a political solution: probably experiencing difficulty with hardline politbureau members.

**ARAB/ISRAEL**

The Prime Minister will wish to give her impressions of her talks with Mr Shamir on 22 May; to recall her view that Israeli policies and practices on handling the Intifada are eroding support even among Israel's friends, and that negotiations have to be based on the principle of territory for peace. The Prime Minister will also wish to convey to the President her conclusion that although Mr Shamir has convinced himself that he is searching for a peaceful solution, she detected no prospect that he would move on the central issues enough to make such a solution possible.

On the way ahead in the peace process, the Prime Minister might commend Secretary Baker's American Israel Public Affairs Committee (AIPAC) speech outlining the challenges facing the parties and encourage the Americans to make more effective use of their dialogue with the PLO. She might also suggest making use of the Permanent Five Members of the UN Security Council, drawing on the following points:

- Informal consultations among the Five reduce the pressure for less helpful (or controllable) UN activity, eg divisive debates and vetoed resolutions.
- They would support US efforts while keeping Soviet activity under control.
- The Five have a built-in majority of Israel's western friends.
- It would be prudent to have an alternative forum engaged in the problem if the Shamir plan comes to naught and/or the US/PLO dialogue is derailed.



VIETNAMESE BOAT PEOPLE IN HONG KONG

The Americans have so far failed to appreciate the seriousness of the situation in Hong Kong and the need for urgent action. Although they have offered to resettle about 22,000 of the backlog of 55,000 refugees in the region (provided other countries make a commensurate contribution) there is still strong domestic opposition to the concept of mandatory repatriation to Vietnam. The American approach to discussion of repatriation and a regional holding centre at the Geneva Conference is likely to be far too leisurely to meet the needs of Hong Kong.

It would therefore be helpful if the Prime Minister could underline the political importance we attach to further urgent measures to tackle the massive influx of boat people into Hong Kong along the following lines:

- We face a desperately serious situation in Hong Kong. Now some 35,000 Vietnamese boat people. Almost 10,000 arrivals so far this year. Over 5,000 arrivals in May alone. Arriving at rate of about 300 per day. Accommodation already stretched to limit. Threat to principle of first asylum. Could not exclude measures to prevent landing of boat people in Hong Kong.
- We have been pressing the Vietnamese to reduce the outflow and the Chinese to put a stop to coast-hopping.
- Welcome willingness of United States to give a positive lead on resettlement. Trust that this will include a substantial number from Hong Kong. But any new initiative on resettlement must be accompanied by an equally clear message on what is to happen to those screened out, so as to send a clear deterrent message to those who are thinking of leaving.



- Essential that this month's (June) International Conference produces credible arrangements for repatriation, with suitable guarantees, of all non-refugees to Vietnam within a clearly defined timescale.

- Not an attractive option. But more humane than indefinite detention in difficult conditions in camps in region.

- Urgent consideration must be given to possibility of Regional Holding Centre as interim measure to accommodate those screened out as non-refugees, pending their eventual return to Vietnam.

ARGENTINA/FALKLANDS

Turning to Central and Latin America, the Prime Minister might refer briefly to our support for democracy in the region and, on Argentina/Falklands, our concerns about Menem and the need for restraint on arms sales:

- Share your views on importance of democracy in Latin America. Glad that Argentine elections went smoothly.

- Concerned about some of Menem's Falklands statements. Depressing prospects for Argentina, economically, politically, and militarily. How do you see developing?:

- Wrong time to recommence major arms sales. Welcome your assurances on continuation of consultation process.



ANNEX B

POINTS FOR WIDER MINISTERIAL MEETING

EC/US TRADE ISSUES

The meeting will take place just after publication (end May) of the "Super 301" section of the 1988 US Trade Act (allowing for retaliatory trade measures against listed countries, aimed at increasing access for US exports). Bilateral negotiation would be followed by unilateral US action. The EC will probably not be a target but a word about the dangers of protectionism and bilateralism, and about open multilateral trading through GATT, would be useful. There are also 1992 implications:

- Glad US is now seeing 1992 as more an opportunity than a threat. We shall continue to fight any risks of Fortress Europe; we welcome US lobbying on specific issues of concern.
- Important that EC/US relationship not clouded by trade disputes (hormones in meat; soya; Airbus etc). Must continue to keep these in perspective and resolve through negotiation.
- Success in the GATT Uruguay Round, due to end next year, is important for the prosperity of the non-Communist world. On agriculture we shall keep up pressure within EC, but we look to work with the US on eg services and intellectual property.

[If EC has been designated as a 301 Target]

- America the champion of free trade. Hope you will be able to contain domestic protectionist pressures, and operate the Trade Act in ways which do not threaten the open multilateral trading system.



COCOM

On COCOM, President Bush has yet to announce a decision on whether to end the policy of "No General Exceptions" for the Soviet Union (imposed following the Soviet invasion of Afghanistan). The continuation of this policy when its rationale has disappeared adds unnecessary strain to the COCOM consensus, and damages the understanding of Western exporters for the need for strategic (not political) controls. The Secretary of State has previously conveyed these points to Mr Baker, as have our main partners in COCOM. If he is still dithering, the Prime Minister could:

- Urge the President to heed the united views of the US's partners and to end the policy without further delay.

On the factory to be constructed in the USSR by the UK firm Simon Carves, the Prime Minister could:

- Express the hope that her letter of 15 May will draw a line under the issue.

PARIS ECONOMIC SUMMIT

Continuing the economic theme, the Prime Minister may wish to look ahead to the Paris Economic Summit (14-16 July):

- We seek an upbeat Summit, building on the economic successes of recent years.

Main problem is inflation. We shall be pressing for faster structural reform, particularly in Germany and Japan. Glad to see US commitment in OECD communique to measures to reduce their budget deficit.



- Spotlight will be on G7 trade practices which must be seen to be consistent with GATT. We must all stress our commitment to strengthen the open multilateral trading system and to carry forward liberalisation through the successful completion of the Uruguay Round.

Debt

Debt will also feature in Paris. Following the US proposals for using IMF and World Bank resources to facilitate commercial bank debt reduction, creditors seem close to agreement on mechanisms for International Financial Institutions (IFI) support for debt reduction. The main points are:

- Summit will wish to endorse importance of debt reduction in next phase of debt strategy; but it is crucial to maintain strong conditionality and to ensure burden of debt reduction is borne by the banks.
- We are continuing to press for limiting as far as possible the provision of additional IFI resources.

LOCKERBIE

Turning to security matters, the Prime Minister may wish to touch on the Lockerbie investigations with the President. The US approach is broadly similar to ours; there are no new signs of American restiveness. The Americans continue to see an Iranian hand (which we also suspect) but they are frustrated by the lack of useable evidence for it. Domestic pressure from the victims' families remains containable for the time being. There are the following points:

- Our preferred outcome remains enough evidence for a criminal trial, (and it is important not to prejudice this by public deployment of evidence).



- Second best would be action against the group responsible. Intelligence already points to PFLP-GC involvement, but it is worth waiting for useable evidence. Your views?
- Investigation making good progress. Excellent cooperation with FBI. But firm evidence may well not be available before Paris Economic Summit. The communique should condemn the attack and stress our determination to track down those responsible.
- We shall need to consider together political action when the investigation is complete. Although Iranian involvement is a real possibility, in practice we may have useable evidence against only Syria.
- Must act in widest possible international company if we are to be effective. German position will be the key as much of the evidence is theirs. First step should be a private approach to them, but timing will be delicate.
- (If pressed) If action against Syria is necessary a ban by Western countries of landing or overflights by Syrian Arab Airlines might be the most appropriate response. But we have no illusions about the difficulties of achieving this.

IRAN

Leaving possible Iranian involvement in Lockerbie, the Prime Minister will no doubt wish to discuss Iran itself with the President. The US Administration have kept closely in touch with us throughout our difficulties. Rafsanjani's remarks of 5 May, inciting Palestinians to commit terrorist acts against British, French or American citizens, gave the United States a direct interest in recent events. President Bush has said that Iran will be held responsible for hostile actions taken as a result of these threats. But otherwise, the Administration has been careful not to go further than the Twelve in its overall response, and has made



clear to us that it wishes to support any measures that we and the Europeans may take. The following points could be made:

- Grateful for US solidarity. Important that close consultation continues.
- Unacceptable behaviour persists. Threat to Rushdie remains. Rafsanjani's statements further demonstrate Iran still poses serious threat.
- Continued firm and co-ordinated international response essential.

AFGHANISTAN/PAKISTAN

The Prime Minister could signal our concern that the Soviet troop withdrawal from Afghanistan should lead to an improvement in South Asian regional stability:

- Priority is to preserve Pakistan's stability. Requires settlement in Afghanistan and return of refugees.
- Key to settlement is Afghan self-determination. Russians failed to impose unrepresentative Najib regime. Attempts to impose extreme fundamentalist regime - which is how many in Afghanistan see current Pakistan policy - risks being just as unsuccessful.
- Pakistan must support the resistance as a whole - not just extremists. Resistance needs to evolve broad-based alternative to the Najib regime. The narrowly-based interim government is making little military or political impact: if it does not get its act together soon it will cease to be credible.
- Western public opinion already dismissive of interim government, and shocked by heavy civilian casualties inflicted by



indiscriminate bombardment of cities. Regime starting to win propaganda war.

- I will be making these points to Benazir Bhutto when she comes here in July. Believe she already realises that extreme fundamentalist government in Afghanistan would not be in Pakistan's interests.

- But Afghan policy remains preserve of Pakistan Army - and they seem slower to adjust to political and military realities in Afghanistan, post-Soviet withdrawal.

CAMBODIA

The Chinese and Russians both now want an early International Conference but still disagree on the role of the Khmer Rouge in Cambodia. The Chinese want a quadripartite interim administration while the Russians insist that this is an internal matter for the Khmer factions to decide. For the time being, Prince Sihanouk supports the Chinese but is nibbling at a deal with the PRK that excludes the Khmer Rouge, despite the risk of civil war. The Americans and the French want to boost the non-Communist resistance by supplying lethal aid. President Mitterrand has also offered to host an International Conference which French officials say could start as soon as August. Since there is no agreement on a mechanism to monitor Vietnamese troop withdrawal or over-see post-withdrawal arrangements, including a cease-fire and elections, the Americans regard the French timetable as unrealistic. Nor are they disposed to let Vietnam leave an Afghan-type political mess behind them. We and the Americans want greater United Nations involvement in the settlement process. The possibilities are being discussed by Permanent Members of the UN Security Council, as the Prime Minister proposed last August in Bangkok. But the Vietnamese remain hostile to UN involvement.



Against this background, the Prime Minister might raise the following points where Anglo-American policy threatens to diverge:

- Russians and Chinese cannot agree, notably over role of Khmer Rouge. If Sihanouk accepted a settlement without them, can the West really object?
- Understand your concern to build up non-Communist resistance. But whether this is the time to supply lethal aid. It could fuel civil war.
- Recognise your reluctance to allow Vietnam to withdraw troops and leave Afghan-type mess behind. But troop withdrawal a crucial step in right direction. Worth considering a limited step towards normalisation of US/Vietnam relations?
- International Conference should follow, not precede political settlement.

CENTRAL AMERICA

Our direct interest in Central America is confined to the garrison and two harrier jets in Belize. But we have previously expressed strong concerns about the destabilising effect on the region of the Nicaraguan regime. The Americans were grateful for the tough line that the Prime Minister took with Ortega, which they contrasted favourably with the naive and starry eyed reception he received elsewhere in Europe (including in Edinburgh!). The Prime Minister could point out:

- We have no intention of changing our views while democratisation commitments remain unfulfilled.
- Despite press reports, Ortega in fact obtained relatively little aid in Europe.



The Prime Minister has also reassured President Bush of our firm support for his stand in Panama. The Americans were grateful for our strong statement of 11 May. They were also pleased with the outcome of the Organisation of American States (OAS) meeting on 17 May which approved a resolution condemning Noriega and agreeing to send a delegation to Panama to try to negotiate a peaceful transition of power. This was a success for US diplomacy. The Prime Minister may wish to further reassure President Bush of our:

- Strong support for US efforts to remove Noriega.
- Support for OAS initiative.
- Continuing efforts to ensure EC partners also on Board.

NORTHERN IRELAND

The Prime Minister could make clear that we are:

- Grateful for everything US has done in past to reduce influence of NORAIID/flow of funds to Northern Ireland. Need for continued, and renewed vigilance. Anything US could do to staunch flow of money helpful.
- Grateful for continuing vigilance and cooperation by FBI in countering the PIRA threat. —————

On the Anglo-Irish Agreement (may be updated after 24 May) the Prime Minister could say:

- Review of working of Intergovernmental Conference under Anglo-Irish Agreement successfully concluded. Continued cooperation with Irish Government.



- We attach great importance to raising quality of Irish counter-terrorist operations. Anything US could do to help Republic in this field (operations or training) most welcome.

CYPRUS

Cyprus is a longstanding and continuing concern. The UN report modest progress in the third round of the intercommunal talks. There is no possibility that President Vassiliou and Mr Denktash will agree on a draft outline settlement by 1 June. But it is likely that they will continue the talks after their next meeting with Mr Perez de Cuellar at end-June, although Mr Vassiliou may feel he needs first to show his National Council (includes ex-President Kyrrianou) he has made tangible progress. President Bush is aware of the Prime Minister's intention to visit Cyprus on her way to CHOGM in October.

The Prime Minister could say:

- Both of us should encourage Vassiliou to break with Kyprianou and give Denktash what he wants on bizonality and equal political status.

- If he does, we should then put pressure on Denktash through Turks.

- (Defensive) Will consider nearer the time pros and cons of my seeing Denktash when I go to Cyprus.

ENVIRONMENT

The Prime Minister could engage President Bush's interest in the proposal we have made for negotiations on a framework or umbrella Convention on climate change by suggesting that:



- We, the Americans and like minded states (eg Canada) take the initiative after the apparent lack of success of The Hague Conference.
- We ensure that our, rather than more far-reaching and unacceptable, ideas prevail.
- We work towards adding protocols dealing with specific obligations when the state of scientific knowledge is right.

The Prime Minister might also say that she:

- Looks forward to discussion of global environmental issues at the Paris Economic Summit. Way forward on problems like climate change must be based on sound economics as well as sound science.

HORN OF AFRICA

Finally, a brief word about the continuing tragedy in the Horn of Africa:

- Unsuccessful coup against Mengistu has set back further the prospects for positive developments in the Horn.
- Russians should put pressure on Mengistu to tackle problems of war, human rights and economy.

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PRESIDENT BUSH'S VISIT TO EUROPE: FOREIGN POLICY/SECURITY
OVERVIEW SUMMARY

1. A MIXED RECORD SO FAR. THE REVIEW PROCESS PRODUCED FEW NEW IDEAS. EMPHASIS ON BETTER RELATIONS WITH CONGRESS. ON EAST/WEST ISSUES, DIFFICULTY IN COPING WITH GORBACHEV'S PUBLIC DIPLOMACY. ON SECURITY ISSUES, SOUND BASIC OBJECTIVES, BUT A RISK OF LOOKING TOO MUCH FOR COMPROMISE. NEED FOR THE PRESIDENT TO PLAY A MORE DECISIVE LEADERSHIP ROLE.

DETAIL

2. THE ELABORATION OF A DISTINCTIVE BUSH FOREIGN POLICY GOT OFF TO A SLOW START, HAMPERED BY DELAYS IN NOMINATING AND CONFIRMING KEY PEOPLE, PARTICULARLY THE SECRETARY OF DEFENSE AND HIS TEAM. IN STATE DEPT, ALSO, A NUMBER OF KEY ASSISTANT SECRETARIES HAVE STILL TO BE CONFIRMED. BUT AT THE TOP THE PRESIDENT NOW HAS IN PLACE A TALENTED AND EXPERIENCED NATIONAL SECURITY TEAM. BAKER, SCOWCROFT, CHENEY, EAGLEBURGER, GATES AND WOLFOWITZ ALL HAVE MANY YEARS OF WASHINGTON EXPERIENCE. THEY ARE ALSO, LIKE THE PRESIDENT, TEAM PLAYERS (THE ABSENCE OF TURF SQUABBLES HAS BEEN ONE OF THE FEATURES OF THE EARLY MONTHS OF THIS ADMINISTRATION)

3. DESPITE THE CAMPAIGN RHETORIC ABOUT A FRESH LOOK AT FOREIGN POLICY ACROSS THE BOARD, THE FOREIGN POLICY REVIEWS COMPLETED SO FAR HAVE TENDED TO ENDORSE EXISTING LINES OF POLICY, PARTICULARLY IN THE RANGE OF WEST/WEST AND EAST/WEST ISSUES, WHERE THE APPROACH HAS BEEN SUMMED UP AS 'STATUS QUO PLUS'. THE PRESIDENT HAS BEEN SETTING OUT HIS POLICY ON EAST/WEST AND ALLIANCE ISSUES IN A SERIES OF THREE MAJOR SPEECHES IN THE RUN-UP TO THE NATO SUMMIT: AT TEXAS A & M UNIVERSITY ON EAST/WEST (OUR TELNO 1331), AT BOSTON UNIVERSITY ON EUROPE (OUR TELNO 1419) AND AT THE COASTGUARD COMMENCEMENT ON SECURITY ISSUES (OUR TELNO). WE HAVE BEEN REPORTING SEPARATELY ON THE FAST-MOVING SNF AND SUMMIT ISSUES, AND ON THE ADMINISTRATION'S MIDDLE EAST POLICY. THOSE ISSUES APART, THE MAJOR FEATURES OF THE EMERGING BUSH FOREIGN POLICY ARE AS FOLLOWS:

1) BETTER RELATIONS WITH CONGRESS. BUSH AND BAKER LIVED THROUGH THE BRUISING ROWS BETWEEN THE REAGAN ADMINISTRATION AND CONGRESS, AND HAVE GIVEN HIGH PRIORITY TO ENSURING THAT THEY ARE

NOT REPEATED. THE NEW APPROACH TO CENTRAL AMERICA, AND THE FSX DISPUTE WITH JAPAN BOTH IN THEIR OWN WAY HIGHLIGHT THE IMPORTANCE GIVEN TO THE DOMESTIC ASPECT OF FOREIGN POLICY MAKING. THE BIPARTISAN ACCORD ON CENTRAL AMERICA HAS BEEN SUCCESSFUL SO FAR IN ALLOWING THE US TO SPEAK WITH ONE VOICE IN THE REGION. POLICY TOWARDS PANAMA HAS ALSO BEEN CRAFTED WITH AT LEAST ONE EYE ON CONGRESS, AND THE MIXTURE OF DIPLOMATIC PRESSURE THROUGH THE OAS AND A MEASURED DISPLAY OF MILITARY RESOLVE HAS MAINTAINED BIPARTISAN SUPPORT ON THE HILL, EVEN IF IT MAY NOT HAVE DONE MUCH TO BRING NORIEGA'S DEPARTURE ANY NEARER. THE MESSY RENEGOTIATION OF THE FSX DEBATE HAS SHAKEN RELATIONS WITH JAPAN AND HAS BEEN THE VEHICLE FOR A NEW OUTBURST OF ANTI-JAPANESE SENTIMENT ON THE HILL. ALTHOUGH THE FSX SAGA IS NOT A VERY COMFORTABLE PRECEDENT, THE DEAL-MAKING APPROACH TO CONGRESS HAS NOT SO FAR AFFECTED OUR INTERESTS. BUT THERE REMAINS A RISK THAT IT COULD BE USED TO SPLIT THE DIFFERENCE WITH CONGRESS ON SANCTIONS AGAINST SOUTH AFRICA AND COULD THEN CAUSE US REAL PROBLEMS.

II) IN EAST/WEST POLICY, THERE HAS BEEN A STEADY APPROACH ON THE SUBSTANCE, BUT A CURIOUS DEFENSIVENESS ABOUT GORBACHEV AND HIS INITIATIVES. BUSH'S TEXAS SPEECH SUMMED UP THE CONCLUSIONS OF THE REVIEW OF POLICY TOWARDS THE SOVIET UNION: PEACE THROUGH STRENGTH REMAINS THE WATCHWORD, PERESTROIKA, GLASNOST AND NEW THINKING ON FOREIGN POLICY ARE ALL TO BE WELCOMED, BUT GORBACHEV SHOULD BE CHALLENGED TO PUT HIS RHETORIC INTO PRACTICE (FOR WHICH THE CATCH-PHASE IS ''BEYOND CONTAINMENT''). BAKER'S VISIT TO MOSCOW EARLIER IN MAY LAUNCHED THE SUBSTANTIVE DIALOGUE WITH A PROGRAMME WHICH DIFFERED ONLY IN DETAIL (MORE PROMINENCE FOR PROLIFERATION ISSUES AND CENTRAL AMERICA, A NEW INTEREST IN ENGAGING THE RUSSIANS ON TERRORISM AND THE ENVIRONMENT) FROM THAT BEQUEATHED BY REAGAN AND SHULTZ. BUT AT THE SAME TIME, THE ADMINISTRATION HAVE SHOWN A GOOD DEAL OF CONCERN ABOUT GORBACHEV'S ABILITY TO CAPTURE PUBLIC ATTENTION, PARTICULARLY IN EUROPE, THROUGH A SERIES OF EYE-CATCHING INITIATIVES. THERE IS ALSO SOME RESENTMENT THAT THE WESTERN PRESS SEEM ALWAYS READY TO WRITE UP GORBACHEV WHILE LARGELY IGNORING INITIATIVES LAUNCHED BY THE US.

THIS ANXIETY SURFACES IN VARIOUS WAYS. BAKER WAS DISAPPOINTED THAT THE NEW IDEAS HE LAUNCHED IN GENEVA IN MARCH ON CW ARMS CONTROL GOT SO LITTLE ATTENTION IN THE WEST. HE FELT UPSTAGED BY GORBACHEV'S ANNOUNCEMENT DURING HIS VISIT TO MOSCOW OF A CUT IN SOVIET WARHEADS IN EUROPE. SHEVARDNADZE'S THREAT IN BONN TO RENEGE ON THE INF AGREEMENT WAS ALSO BITTERLY RESENTED AS A BLATANT ATTEMPT TO PRESSURIZE GERMAN PUBLIC

OPINION. AT THE SAME TIME, THE RATHER TOO CASUALLY DISMISSIVE TONE OF ADMINISTRATION COMMENT ON GORBACHEV'S ASSURANCE THAT HE HAS HALTED ALL ARMS SUPPLIES TO NICARAGUA DID NOT PLAY WELL IN THE PRESS HERE. HENCE, PERHAPS, THE RATHER MORE CONCILIATORY TONE IN BUSH'S BOSTON SPEECH 'I AM GRATEFUL FOR THE STEPS THAT MR GORBACHEV IS TAKING. IF THE SOVIETS ADVANCE SOLID AND CONSTRUCTIVE PLANS FOR PEACE, THEN WE SHOULD GIVE CREDIT WHERE CREDIT IS DUE'.

III) ON SECURITY ISSUES, THE ADMINISTRATION'S APPROACH HAS BEEN TO EMPHASISE CAUTION, CONTINUITY AND ADAPTABILITY. THE OBJECTIVE, EVIDENT FOR EXAMPLE IN THE COASTGUARD COMMENCEMENT SPEECH, IS TO ADAPT TO CHANGING CIRCUMSTANCES, BUILD A MORE STABLE RELATIONSHIP WITH THE SOVIET UNION AT LOWER LEVELS OF ARMAMENTS, AND FACILITATE THE LOOSENING UP OF EASTERN EUROPE, WHILE PRESERVING THOSE ELEMENTS NECESSARY TO SUPPORT THE ALLIANCE'S LONGSTANDING AND SUCCESSFUL STRATEGY OF THE DETERRENCE.

THERE HAVE BEEN A NUMBER OF POSITIVE ASPECTS SO FAR: THE ORTHODOX OUTCOME OF THE DEFENCE STRATEGY REVIEW: THE PRIORITY ATTACHED TO EARLY PROGRESS IN CONVENTIONAL ARMS CONTROL, ADDRESSING THE PROBLEMS IN ACHIEVING THE CHEMICAL WEAPONS BAN AND TACKLING GLOBAL PROLIFERATION ISSUES: AND REAFFIRMATION OF THE STRONG COMMITMENT TO EUROPE AND TO THE DEVELOPMENT OF A EUROPEAN PILLAR WITHIN THE ALLIANCE, AS SET OUT IN THE BOSTON SPEECH (OUR TELNO 1419).

AT THE SAME TIME, THIS IS AN AREA IN WHICH THE ADMINISTRATION'S TENDENCY SO FAR HAS BEEN TO REACT RATHER THAN INITIATE, TO SEEK COMPROMISES INSTEAD OF SHOWING A CLEAR LEAD. IN SOME WAYS, THIS HAS BEEN INEVITABLE - FOR EXAMPLE IN THE NEED TO STRIKE DEALS WITH CONGRESS OVER REDUCTIONS IN THE DEFENCE BUDGET, OR OVER STRATEGIC ICBM MODERNISATION. IN OTHER SENSES IT HAS BEEN HELPFUL - IN THE READINESS TO WORK CLOSELY WITH THE ALLIANCE AND TO REPLACE THE IDEOLOGICAL IDIOSYNCRACIES OF THE REAGAN PERIOD, EG OVER ATTITUDES TO SDI AND NUCLEAR WEAPONS, WITH GREATER PRAGMATISM. BUT IN OTHER AREAS IT GIVES GROUNDS FOR SOME CONCERN AS TO THE EXTENT TO WHICH THE ADMINISTRATION MIGHT ALLOW ITSELF TO BE PUSHED BY EVENTS INTO POSITIONS OF WEAKNESS - NOTABLY OVER THE CURRENT QUESTION OF SNF NEGOTIATIONS. THE ADMINISTRATION'S CONCERN ABOUT GORBACHEV'S INITIATIVES, OR MORE TO THE POINT, ITS PREOCCUPATION WITH THE DIFFICULTY OF PRODUCING EQUALLY EFFECTIVE COUNTER-STROKES, IS A FURTHER ASPECT OF THE DOWNSIDE. THERE REMAINS SOMETHING OF A RISK THAT IN ITS EFFORT TO MAKE AN EARLY MARK THE ADMINISTRATION WILL BE DISPOSED TO SEIZE TOO READILY ON IMMEDIATELY APPEALING INITIATIVES OF ITS OWN (THE OPEN SKIES IDEA IN THE TEXAS SPEECH IS ONE SUCH EXAMPLE).

4. IT IS STILL EARLY DAYS HOWEVER. BUSH HAS HAD TO COME TO GRIPS WITH FOREIGN AND SECURITY POLICIES AT AN EXTRAORDINARILY DIFFICULT TIME WHEN MANY OF THE OLD SAFE REFERENCE POINTS IN THE WORLD ARE CHANGING. SO FAR THERE HAVE BEEN A FEW BRIGHT SPOTS, NOTABLY IN POLICY TOWARDS CENTRAL AMERICA AND POSSIBLY THE MIDDLE EAST. BUT IN THE MAIN THE APPROACH HAS SEEMED UNCERTAIN AND RATHER DEFENSIVE, WHILE THE NEW TEAM IS ASSEMBLED AND POLICIES REVIEWED. THE ACT IS NOT YET TOGETHER AND THERE IS A TENDENCY TO REACT HASTILY, PARTICULARLY IN PUBLIC DIPLOMACY TERMS. FOR THE LONGER TERM IT SEEMS CLEAR THAT THE HEARTS AND MINDS OF THIS ADMINISTRATION ARE IN THE RIGHT PLACE AND THEIR COMPETENCE IS UNLIKELY TO BE IN DOUBT, PARTICULARLY OVER THE ALLIANCE AND EUROPE. WHAT REMAINS TO BE SEEN IS WHETHER BUSH WILL HAVE THE DETERMINATION TO ASSUME A MORE CONFIDENT ROLE AND ASSERT THE LEADERSHIP WHICH WILL BE NEEDED.

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US COASTGUARD ACADEMY COMMENCEMENT SPEECH: 24 MAY
SUMMARY

1. IN THE LAST OF HIS FOREIGN POLICY AND SECURITY SPEECHES BEFORE THE NATO SUMMIT, PRESIDENT BUSH CONCENTRATED ON THE THEME OF THE SECURITY STRATEGY FOR THE 1990S. IT WAS NOT THE EXTENSIVE ACCOUNT OF THE OUTCOME OF THE ADMINISTRATION'S DEFENCE STRATEGY REVIEW WHICH HAD BEEN FORESHADOWED EARLIER. BUT IT DID PROVIDE A GENERAL REVIEW OF THE CURRENT SECURITY CHALLENGES AND OPPORTUNITIES AND THE ADMINISTRATION'S GENERAL APPROACH TO THEM. ON SUBSTANCE, THERE WAS PARTICULAR EMPHASIS ON MAKING PROGRESS WITH THE CFE NEGOTIATION, TOGETHER WITH A CALL FOR 'OPEN BUDGETS' TO COMPLEMENT THE EARLIER OPEN SKIES.

DETAIL

2. MAIN POINTS ARE AS FOLLOWS: QUOTE

(A) SOVIET UNION.

WHAT WE'RE SEEING NOW IN THE SOVIET UNION IS INDEED DRAMATIC. THE PROCESS IS STILL ONGOING, UNFINISHED. BUT MAKE NO MISTAKE, OUR POLICY IS TO SEIZE EVERY - AND I MEAN EVERY - OPPORTUNITY TO BUILD A BETTER, MORE STABLE RELATIONSHIP WITH THE SOVIET UNION, JUST AS IT IS OUR POLICY TO DEFEND AMERICAN INTERESTS IN LIGHT OF THE ENDURING REALITY OF SOVIET MILITARY POWER. WE WANT TO SEE PERESTROIKA SUCCEED, AND WE WANT TO SEE THE POLICIES OF GLASNOST AND PERESTROIKA - SO FAR A REVOLUTION IMPOSED FROM TOP DOWN - INSTITUTIONALISED WITHIN THE SOVIET UNION. AND WE WANT TO SEE PERESTROIKA EXTENDED AS WELL. WE WANT TO SEE A SOVIET UNION THAT RESTRUCTURES ITS RELATIONSHIP TOWARD THE REST OF THE WORLD, A SOVIET UNION THAT IS A FORCE FOR CONSTRUCTIVE SOLUTIONS TO THE WORLD'S PROBLEMS. THE GRAND STRATEGY OF THE WEST DURING THE POST-WAR PERIOD HAS BEEN BASED ON THE CONCEPT OF CONTAINMENT - CHECKING THE SOVIET UNION'S EXPANSIONIST AIMS IN THE HOPE THAT THE SOVIET SYSTEM ITSELF WOULD ONE DAY BE FORCED TO CONFRONT ITS INTERNAL CONTRADICTIONS. THE FERMENT IN THE SOVIET UNION TODAY AFFIRMS THE WISDOM OF THIS STRATEGY. AND NOW, WE HAVE A PRECIOUS OPPORTUNITY TO MOVE BEYOND CONTAINMENT.

(B) THE GLOBAL THREAT.

THE SECURITY CHALLENGES WE FACE TODAY DO NOT COME FROM THE EAST ALONE. THE EMERGENCE OF REGIONAL POWERS IS RAPIDLY CHANGING THE STRATEGIC LANDSCAPE. IN THE MIDDLE EAST, IN SOUTH ASIA, IN OUR OWN HEMISPHERE, A GROWING NUMBER OF NATIONS ARE REQUIRING ADVANCED AND HIGHLY DESTRUCTIVE CAPABILITIES, IN SOME CASES, WEAPONS OF MASS DESTRUCTION AND THE MEANS TO DELIVER THEM. AND IT IS AN UNFORTUNATE FACT THAT THE WORLD FACES INCREASING THREAT FROM ARMED INSURGENCIES, TERRORISTS, AND AS YOU IN THE COAST GUARD ARE WELL AWARE, NARCOTICS TRAFFICKERS, AND IN SOME REGIONS, AN UNHOLY ALLIANCE OF ALL THREE. OUR TASK IS CLEAR: WE MUST CURB THE PROLIFERATION OF ADVANCED WEAPONRY. WE MUST CHECK THE AGGRESSIVE AMBITIONS OF RENEGADE REGIMES. AND WE MUST ENHANCE THE ABILITY OF OUR FRIENDS TO DEFEND THEMSELVES. WE HAVE NOT YET MASTERED THE COMPLEX CHALLENGE. WE AND OUR ALLIES MUST CONSTRUCT A COMMON STRATEGY FOR STABILITY IN THE DEVELOPING WORLD. HOW WE AND OUR ALLIES DEAL WITH THESE DIVERSE CHALLENGES DEPENDS ON HOW WELL WE UNDERSTAND THE KEY ELEMENTS OF DEFENSE STRATEGY.

(C) STRATEGIC DETERRENCE

DETERRENCE IS CENTRAL TO OUR DEFENSE STRATEGY. THE KEY TO KEEPING THE PEACE IS CONVINCING OUR ADVERSARIES THAT THE COST OF AGGRESSION AGAINST US OR OUR ALLIES IS SIMPLY UNACCEPTABLE. IN TODAY'S WORLD, NUCLEAR FORCES ARE ESSENTIAL TO DETERRENCE. OUR CHALLENGE IS TO PROTECT THOSE DETERRENT SYSTEMS FROM ATTACK. AND THAT'S WHY WE'LL MOVE PEACEKEEPER ICBMS OUT OF FIXED AND VULNERABLE SILOES, MAKING THEM MOBILE, AND THUS HARDER TO TARGET. LOOKING TO THE LONGER TERM, WE WILL ALSO DEVELOP AND DEPLOY A NEW HIGHLY MOBILE SINGLE-WARHEAD MISSILE, THE MIDGETMAN. WITH ONLY MINUTES OF WARNING, THESE NEW MISSILES CAN RELOCATE OUT OF HARM'S WAY. ANY ATTACK AGAINST SYSTEMS LIKE THIS WILL FAIL.

(D) SDI

AND WE'RE ALSO RESEARCHING, AND WE'RE COMMITTED TO DEPLOY WHEN READY, A MORE COMPREHENSIVE DEFENSIVE SYSTEM, KNOWN AS SDI. OUR PREMISE IS STRAIGHTFORWARD: DEFENCE AGAINST INCOMING MISSILES ENDANGERS NO PERSON, ENDANGERS NO COUNTRY.

(E) THEATER NUCLEAR FORCES

IN THE PAST DECADE, NATO HAS UNILATERALLY REMOVED 2400 SHORTER-RANGE THEATER WARHEADS. BUT THEATER NUCLEAR FORCES CONTRIBUTE TO STABILITY, NO LESS THAN STRATEGIC FORCES. AND THUS IT WOULD BE IRRESPONSIBLE TO DEPEND SOLELY ON STRATEGIC NUCLEAR FORCES TO DETER CONFLICT IN EUROPE.

(F) THE CONVENTIONAL BALANCE

THE UNILATERAL REDUCTIONS PRESIDENT GORBACHEV HAS PROMISED GIVE US HOPE THAT WE CAN NOW REDRESS THAT IMBALANCE. WE WELCOME

THOSE STEPS BECAUSE, IF IMPLEMENTED, THEY WILL HELP REDUCE THE THREAT OF SURPRISE ATTACK. AND THEY CONFIRM WHAT WE'VE SAID ALL ALONG - THAT SOVIET MILITARY POWER FAR EXCEEDS THE LEVELS NEEDED TO DEFEND THE LEGITIMATE SECURITY INTERESTS OF THE USSR. AND WE MUST KEEP IN MIND THAT THESE REDUCTIONS ALONE, EVEN IF IMPLEMENTED, ARE NOT ENOUGH TO ELIMINATE THE SIGNIFICANT NUMERICAL SUPERIORITY THAT THE SOVIET UNION ENJOYS RIGHT NOW.

(G) CFE NEGOTIATIONS

THROUGH NEGOTIATIONS, WE CAN NOW TRANSFORM THE MILITARY LANDSCAPE OF EUROPE. THE ISSUES ARE COMPLEX. STAKES ARE VERY HIGH. BUT THE SOVIETS ARE NOW BEING FORTHCOMING AND WE HOPE TO ACHIEVE THE REDUCTIONS THAT WE SEEK. LET ME EMPHASISE - OUR AIM IS NOTHING LESS THAN REMOVING WAR AS AN OPTION IN EUROPE. THE USSR HAS SAID THAT IT IS WILLING TO ABANDON ITS AGE-OLD RELIANCE ON OFFENSIVE STRATEGY. IT'S TIME TO BEGIN. THIS SHOULD MEAN A SMALLER FORCE, ONE LESS RELIANT ON TANKS AND ARTILLERY AND PERSONNEL CARRIERS THAT PROVIDE THE SOVIET'S OFFENSIVE STRIKING POWER. A RESTRUCTURED WARSAW PACT, ONE THAT MIRRORS THE DEFENSIVE POSTURE OF NATO, WOULD MAKE EUROPE AND THE WORLD MORE SECURE.,

(H) OPEN SKIES

PEACE CAN ALSO BE ENHANCED BY MOVEMENT TOWARDS MORE OPENNESS IN MILITARY ACTIVITIES. AND TWO WEEKS AGO, I PROPOSED AN OPEN-SKIES INITIATIVE TO EXTEND THE CONCEPT OF OPENNESS. THAT PLAN FOR TERRITORIAL OVERFLIGHTS WOULD INCREASE OUR MUTUAL SECURITY AGAINST SUDDEN AND THREATENING MILITARY ACTIVITIES.

(I) OPEN BUDGETS

IN THE SAME SPIRIT, LET US EXTEND THIS OPENNESS TO MILITARY EXPENDITURES AS WELL. I CALL ON THE SOVIETS TO DO AS WE HAVE ALWAYS DONE. LET'S OPEN THE LEDGERS, PUBLISH AN ACCURATE DEFENSE BUDGET. UNQUOTE

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MY TELNO 1170 (NOT TO ALL): PRESIDENT BUSH'S VISIT TO
LONDON: THE US SCENE

SUMMARY

1. CONTINUING DELAYS IN MAKING SENIOR APPOINTMENTS AND THE PRESIDENT'S FREE-WHEELING STYLE AMONG THE CAUSES OF A GROWING SENSE THAT THE NEW ADMINISTRATION IS DRIFTING. SOME EROSION OF PRESIDENTIAL POPULARITY AROUND THE COUNTRY. BIPARTISANSHIP, AND CONGRESSIONAL PREOCCUPATION WITH THE WRIGHT AFFAIR, HAVE MADE FOR EASIER RELATIONS WITH THE HILL. A FIRMER HAND NEEDED ON THE TILLER.

DETAIL

2. ON THE EVE OF THE PRESIDENT'S VISIT TO EUROPE, YOU MAY LIKE A FURTHER SNAP-SHOT OF HOW THE ADMINISTRATION IS DOING. THIS TELEGRAM FOCUSES ON THE DOMESTIC SCENE: I SHALL TELEGRAPH SEPARATELY ON FOREIGN POLICY ON 25 MAY (IN ORDER TO TAKE ACCOUNT OF THE PRESIDENT'S SPEECH ON NATO ISSUES ON 24 MAY).
3. SEVEN MONTHS AFTER THE ELECTION, AND FOUR AFTER THE INAUGURATION, THE DEVELOPMENT AND PRESENTATION OF THE ADMINISTRATION'S POLICIES ARE STILL SEVERELY HAMPERED BY DELAYS IN MAKING SENIOR APPOINTMENTS. BY 16 MAY, ONLY 83 (14 PER CENT) OF THE 596 MOST SENIOR EXECUTIVE BRANCH OFFICIALS (INCLUDING CABINET OFFICERS) WERE ACTUALLY IN PLACE: 196 WERE AT VARIOUS STAGES OF THE CONFIRMATION PROCESS (WHICH IS TAKING UP TO 3 MONTHS): AND, FOR 317 (53 PER CENT) OF THE MOST SENIOR JOBS, NOMINEES HAD NOT YET BEEN ANNOUNCED. ONE ANALYST OF PREVIOUS PRESIDENCIES HAS TOLD US THAT, ALTHOUGH PRECISE COMPARISONS ARE IMPOSSIBLE, THIS RECORD IS FAR WORSE THAN REAGAN'S IN 1981, ITSELF THE SLOWEST TRANSITION IN US HISTORY.
4. THE DELAY IN CONFIRMING NOMINEES ONCE ANNOUNCED IS ATTRIBUTABLE ALMOST ENTIRELY TO THE ELABORATE NEW CLEARANCE PROCEDURES TO BE COMPLETED BEFORE A NOMINATION IS SENT TO THE HILL: ONCE THERE, NOMINATIONS HAVE MOSTLY BEEN PROCESSED RELATIVELY QUICKLY BY THE

SENATE. THE REAL PROBLEM, HOWEVER, IS A DWINDLING SUPPLY OF SUITABLE NOMINEES, PARTICULARLY THOSE WITH TECHNICAL SKILLS. AMONG THE ADVERSE FACTORS AT WORK ARE: POOR PAY (UNHELPFULLY ADVERTISED BY THE DEFEAT OF THE PAY RISE IN FEBRUARY): NEW ETHICS RULES WHICH DISCOURAGE INTERCHANGE BETWEEN BUSINESS AND GOVERNMENT: A SHORTAGE OF MINORITY CANDIDATES TO MEET THE ADMINISTRATION'S COMMITMENT TO MAKE MORE SUCH APPOINTMENTS: AND, PERHAPS MOST IMPORTANT, A WIDESPREAD SENSE THAT A JOB IN THE BUSH ADMINISTRATION IS NOT AN EXCITING OPPORTUNITY TO HELP CHANGE THE WORLD, AS IT MIGHT HAVE BEEN IN PREVIOUS FIRST-TERM ADMINISTRATIONS.

5. THE EFFECTS OF THESE DELAYS HAVE VARIED WIDELY BETWEEN DEPARTMENTS. NOMINEES HAVE BEEN ANNOUNCED FOR OVER 70 PER CENT OF THE SENIOR POSTS IN THE MAIN ECONOMIC DEPARTMENTS. SIMILARLY, MOST OF THE SENIOR STATE DEPARTMENT TEAM ARE IN PLACE, OR ACTING DISCREETLY AS THOUGH THEY WILL BE SHORTLY. BUT, BY 22 MAY, NOMINEES HAD BEEN ANNOUNCED FOR ONLY 7 OF THE 44 SENIOR CIVILIAN JOBS AT THE PENTAGON, WHERE 25 CANDIDATES ARE SAID TO HAVE TURNED DOWN A SENIOR PROCUREMENT POST. AND THE WHITE HOUSE HAS BEEN UNABLE TO CONVENE AN INTER-AGENCY GROUP COORDINATING POLICY PRESENTATION BECAUSE ONLY 2 OF 13 ASSISTANT SECRETARIES FOR PUBLIC AFFAIRS ARE IN PLACE.

6. THE INEXPERIENCE OF MOST OF THE NEW WHITE HOUSE STAFF, AND THE PRESIDENT'S OWN, SOMEWHAT FREEWHEELING, APPROACH TO GOVERNING, HAVE ADDED TO AN IMPRESSION OF DRIFT AND DISARRAY. WHERE THE ADMINISTRATION HAS ANNOUNCED NEW POLICIES IN THE DOMESTIC AND ECONOMIC FIELDS, THEY HAVE GENERALLY BEEN SEEN EITHER AS REACTIONS TO OUTSIDE EVENTS (THE SAVINGS AND LOANS CRISIS, THE VALDEZ OIL SPILL) OR AS HIGH-SOUNDING INITIATIVES (DRUGS AND CRIME, EDUCATION, THE ENVIRONMENT) BUT WITHOUT THE RESOURCES TO MATCH. MANY COMMENTATORS HAVE ALSO DRAWN ATTENTION TO THE NUMBER OF ISSUES (FOR EXAMPLE, GUN CONTROL, SNF) ON WHICH BUSH APPEARS TO HAVE REVERSED, OR RETREATED FROM, EARLIER POSITIONS. AND, DESPITE THE BUDGET AGREEMENT ANNOUNCED BY THE PRESIDENT IN APRIL, THERE IS SCEPTICISM AS TO WHETHER THE ADMINISTRATION IS ANY MORE DETERMINED THAN THE CONGRESS TO DEAL DECISIVELY WITH THE BUDGET DEFICIT.

7. ANOTHER POTENTIAL AREA OF DIFFICULTY REMAINS THE IRAN-CONTRA AFFAIR. ALTHOUGH THERE IS CURRENTLY LITTLE INTEREST IN THE AFFAIR OUTSIDE THE BELTWAY, BOTH CONGRESS AND THE MEDIA ARE PRESSING FOR MORE INFORMATION ON POSSIBLE SUPPRESSION OF DOCUMENTS BY THE REAGAN WHITE HOUSE AND ABOUT BUSH'S ROLE. ON THE LATTER, THE SENATE FOREIGN RELATIONS COMMITTEE SEEM LIKELY TO HOLD HOSTAGE THE NOMINATION AS AMBASSADOR TO SEOUL OF BUSH'S FORMER NATIONAL SECURITY ADVISER, DON GREGG.

8. THE PRESIDENT HIMSELF APPEARS UNCONCERNED BY CRITICISM OF THE SLOW PACE OF APPOINTMENTS OR THAT THE ADMINISTRATION LACKS A LONG-RANGE STRATEGY. HIS STAFF DISCOUNT BOTH CRITICISMS ON THE GROUNDS THAT THIS ADMINISTRATION IS CARRYING ON WHERE THE PREVIOUS TWO LEFT OFF, AND ARE CONFIDENT THAT AN ACCUMULATION OF SUCCESSFULLY HANDLED INDIVIDUAL ISSUES (THEY CITE THE SAVINGS AND LOANS BAILOUT, THE BUDGET AGREEMENT, CENTRAL AMERICA AND PANAMA) WILL STAND THE PRESIDENT AND THE ADMINISTRATION IN GOOD STEAD.

9. THE WHITE HOUSE'S CONFIDENCE IS NOT, HOWEVER, FULLY SUPPORTED BY THE OPINION POLLS, WHICH SHOW THE PRESIDENT'S JOB APPROVAL RATING FALLING STEADILY, TO A POINT (IN THE 56-58 PER CENT RANGE) WHERE IT IS SIGNIFICANTLY BELOW THE LEVELS ENJOYED BY MOST OF HIS PREDECESSORS AT SIMILAR POINTS IN THEIR ADMINISTRATIONS. AROUND THE COUNTRY, THE PRESIDENT APPEARS NOT TO BE COMMANDING THE ATTENTION OF THE NATION IN THE WAY THAT REAGAN AND EVEN CARTER DID. ALTHOUGH BUSH HAS MADE A NUMBER OF GOOD SPEECHES AROUND THE COUNTRY, THEY HAVE RECEIVED ONLY CURSORY COVERAGE IN THE NATIONAL MEDIA, IN PART PERHAPS BECAUSE OF POOR STAFF-WORK BEFOREHAND. IN MOST REGIONS, OUR CONSULATES-GENERAL REPORT GROWING CRITICISM OF THE ADMINISTRATION FOR APPARENT INACTIVITY: THE MAIN EXCEPTION IS TEXAS, WHERE VOTERS SEEM MORE WILLING TO GIVE THE NEW PRESIDENT THE BENEFIT OF THE DOUBT.

10. THE DIFFICULTIES WHICH THE NEW ADMINISTRATION'S UNEVEN START MIGHT OTHERWISE BE CAUSING IT IN ITS RELATIONS WITH CONGRESS HAVE BEEN REDUCED BY THE GREAT EFFORTS WHICH THE PRESIDENT AND SENIOR MEMBERS OF THE ADMINISTRATION HAVE MADE TO CULTIVATE THE HILL, AND BY CONGRESS'S PREOCCUPATION WITH ITS OWN AFFAIRS, FIRST THE PAY RAISE AND NOW THE WRIGHT ENQUIRY. ALTHOUGH BUSH IS NOT RESPECTED ON THE HILL AS HIS PREDECESSOR WAS, HE IS WIDELY LIKED, MAINLY BECAUSE MOST MEMBERS WELCOME HIS APPARENTLY GENUINE COMMITMENT TO BIPARTISANSHIP, WHICH IS SHARED TO A LARGE EXTENT BY THE NEW SENATE MAJORITY LEADER (MITCHELL) AND BY THE MAN MOST LIKELY TO SUCCEED WRIGHT AS SPEAKER, THE HOUSE MAJORITY LEADER (FOLEY). EVEN THOUGH WRIGHT MAY WELL FIGHT ON FOR A FEW WEEKS YET, ALMOST NO ONE ON THE HILL BELIEVES THAT HE WILL SURVIVE MUCH BEYOND THE SUMMER - IF UNTIL THEN. IN THE MEANTIME, THE ADMINISTRATION WILL CONTINUE TO BENEFIT FROM SOMEWHAT UNFOCUSED CONGRESSIONAL SCRUTINY OF ITS ACTIVITIES.

COMMENT

11. QUOTE TRANSITION ADHOCRACY UNQUOTE IS AN ENDEMIC FEATURE OF THE AMERICAN WAY OF GOVERNMENT. BUT, EVEN BY US STANDARDS, THE SENSE OF DRIFT SURROUNDING THE PRESENT ADMINISTRATION IS

CONSIDERABLE, AND, THE LONGER IT CONTINUES, THE MORE DIFFICULT
IT WILL BE TO DISPEL. BEFORE THAT CAN HAPPEN, HOWEVER, THE
PRESIDENT WILL NEED TO APPLY A FIRMER HAND TO THE TILLER THAN
HE HAS SO FAR BEEN WILLING TO DO.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 May 1989

PRESIDENT BUSH'S VISIT

I gather that the Americans are keen to have "extended toasts" at the dinner at No. 10, meaning speeches of 8-10 minutes. I should be grateful for a draft by 26 May.

(C. D. POWELL)

J. S. Wall, Esq.,
Foreign and Commonwealth Office.

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OFFICIAL TEXT

May 15, 1989

UNITED STATES INFORMATION SERVICE, U.S. EMBASSY, 55/56 UPPER BROOK STREET, LONDON W1A 2LH

U.S. WANTS TO WELCOME USSR "BACK INTO THE WORLD ORDER"

(Text: Bush Address at Texas A-and-M University)

College Station, Texas -- President Bush, outlining the results of his administration's U.S.-Soviet foreign policy review, said May 12 that the ultimate U.S. objective is "to welcome the Soviet Union back into the world order."

"Our goal is bold -- more ambitious than any of my predecessors might have thought possible," the president declared in an address at Texas Agricultural and Mechanical University.

The U.S. goal is "much more than simply containing Soviet expansionism -- we seek the integration of the Soviet Union into the community of nations," Bush said. "As the Soviet Union moves toward greater openness and democratization...we will match their steps with steps of our own. Ultimately, our objective is to welcome the Soviet Union back into the world order."

The president said that Western policies must encourage the evolution of the Soviet Union toward an open society.

"This task will test our strength. It will tax our patience. And it will require a sweeping vision," Bush said.

He said fulfillment of this vision requires the Kremlin to take positive steps to: reduce Soviet forces, adhere to the Soviet obligation to support self-determination for all the nations of Eastern and Central Europe, work with the West toward diplomatic solutions to regional disputes around the world, achieve a lasting political pluralism and respect for human rights, and join with the United States in addressing global problems.

Bush said he was prepared to ease the Jackson-Vanik amendment, a law that links trade concessions with East bloc nations with their emigration policies.

He also called for the revival of a proposal by President Eisenhower that would have allowed each nation to fly unarmed inspection aircraft over the other's territory. Bush proposed that the "open skies" policy be expanded to include "allies on both sides."

Following is the text of Bush's address, as prepared for delivery:

We are reminded that no generation can escape history. Parents -- we share a fervent desire for our children, and their children, to know a better world, a safer world. Students -- your parents and grandparents have lived through a world war, and helped America to rebuild the world. They witnessed the drama of postwar nations divided by Soviet subversion and force, but sustained by an allied response most vividly seen in the Berlin Airlift.

Wise men -- Truman and Eisenhower, Vandenberg and Rayburn -- Marshall, Acheson and Kennan -- crafted the strategy of containment.

They believed that the Soviet Union, denied the easy course of expansion, would turn inward and address the contradictions of its inefficient, repressive and inhumane system. And they were right. The Soviet Union is now publicly facing this hard reality.

Containment worked. Containment worked because our democratic principles, institutions and values are sound, and always have been. It worked because our alliances were and are strong; and because the superiority of free societies and free markets over stagnant socialism is undeniable.

We are approaching the conclusion of an historic postwar struggle between two visions -- one of tyranny and conflict, and one of democracy and freedom. The review of U.S.-Soviet relations that my administration has just completed outlines a new path toward resolving this struggle.

Our goal is bold -- more ambitious than any of my predecessors might have thought possible. Our review indicates that 40 years of perseverance have brought us a precious opportunity.

Now it is time to move beyond containment, to a new policy for the 1990s -- one that recognizes the full scope of change taking place around the world, and in the Soviet Union itself.

In sum, the United States now has as its goal much more than simply containing Soviet expansionism -- we seek the integration of the Soviet Union into the community of nations. As the Soviet Union moves toward greater openness and democratization -- as they meet the challenge of responsible international behavior -- we will match their steps with steps of our own. Ultimately, our objective is to welcome the Soviet Union back into the world order.

The Soviet Union says it seeks to make peace with the world, and criticizes its own postwar policies. These are words we can only applaud. But a new relationship cannot be simply declared by Moscow, or bestowed by others. It must be earned. It must be earned because promises are never enough. The Soviet Union has promised a more cooperative relationship before, only to reverse course and return to militarism. Soviet foreign policy has been almost seasonal -- warmth before cold, thaw before freeze. We seek a friendship that knows no season of suspicion, no chill of distrust.

We hope perestroika is pointing the Soviet Union to a break with the cycles of the past -- a definitive break. Who would have thought we would see the deliberations of the Central Committee on the front page of Pravda, or dissident Andrei Sakharov seated near the councils of power? Who would have imagined a Soviet leader who canvasses the sidewalks of Moscow and Washington, D.C.? These are hopeful -- indeed, remarkable -- signs. Let no one doubt our sincere desire to see perestroika continue and succeed. But the national security of America and our allies is not predicated on hope. It must be based on deeds. We look for enduring, ingrained economic and political change.

While we hope to move beyond containment, we are only at the beginning of our new path. Many dangers and uncertainties are ahead. We must not forget that the Soviet Union has acquired awesome military capabilities. That was a fact of life for my predecessors. That has always been a fact of life for our allies. And that is a fact of life for me.

As we seek peace, we must also remain strong. The purpose of our military might is not to pressure a weak Soviet economy, or to seek military superiority. It is to deter war. It is to defend ourselves and our allies, and to do something more -- to convince the Soviet Union that there can be no reward in pursuing expansionism -- to convince the Soviet Union that reward lies in the pursuit of peace.

Western policies must encourage the evolution of the Soviet Union toward an open society. This task will test our strength. It will tax our patience. And it will require a sweeping vision -- let me share with you my vision. I see a Western Hemisphere of democratic, prosperous nations, no longer threatened by a Cuba or a Nicaragua armed by Moscow. I see a Soviet Union that pulls away from ties to terrorist nations -- like Libya -- that threaten the legitimate security of their neighbors. I see a Soviet Union which respects China's integrity, and returns the Northern Territories of Japan; a prelude to the day when all the great nations of Asia will live in harmony.

But the fulfillment of this vision requires the Soviet Union to take positive steps, including:

First: Reduce Soviet forces. Although some small steps have already been taken, the Warsaw Pact still possesses more than 30,000 tanks, more than twice as much artillery and hundreds of thousands more troops in Europe than NATO. They should cut their forces to less threatening levels, in proportion to their legitimate security needs.

Second: Adhere to the Soviet obligation -- promised in the final days of World War II -- to support self-determination for all the nations of Eastern and Central Europe. This requires specific abandonment of the Brezhnev Doctrine. One day it should be possible to drive from Moscow to Munich without seeing a single guard tower or a strand of barbed wire. In short, tear down the Iron Curtain.

Third: Work with the West in positive, practical -- not merely rhetorical -- steps toward diplomatic solutions to regional disputes around the world. I welcome the Soviet withdrawal from Afghanistan and the Angola agreement. But there is much more to be done around the world. We're ready. Let's roll up our sleeves and get to work.

Fourth: Achieve a lasting political pluralism and respect for human rights. Dramatic events have already occurred in Moscow. We are impressed by limited, but freely contested, elections. We are impressed by a greater toleration of dissent. We are impressed by a new frankness about the Stalin era. Mr. Gorbachev, don't stop now.

Fifth: Join with us in addressing pressing global problems, including the international drug menace, and dangers to the environment. We can build a better world for our children.

As the Soviet Union moves toward arms reduction and reform, it will find willing partners in the West. We seek verifiable, stabilizing arms control and arms reduction agreements with the Soviet Union and its allies. However, arms control is not an end in itself, but a means of contributing to the security of America, and the peace of the world. I directed Secretary Baker to propose to the Soviets that we resume negotiations on strategic forces in June. And, as you know, the Soviets have agreed.

Our basic approach is clear. In the Strategic Arms Reduction Talks, we wish to reduce the risk of nuclear war. In the companion Defense and Space Talks, our objective will be to preserve our options to deploy advanced defenses when they are ready. In nuclear testing we will continue to seek the necessary verification improvements in existing treaties to permit them to be brought into force. We will continue to seek a verifiable global ban on chemical weapons. We support NATO efforts to reduce the Soviet offensive threat in the negotiations on Conventional Forces in Europe. And, as I've said, fundamental to all of these objectives is simple openness.

Make no mistake, a new breeze is blowing across the steppes and cities of the Soviet Union. Why not, then, let this spirit of

openness grow, let more barriers come down. Open emigration, open debate, open airwaves -- let openness come to mean the publication and sale of banned books and newspapers in the Soviet Union. Let the 19,000 Soviet Jews who emigrated last year be followed by any number who wish to emigrate this year. Let openness come to mean nothing less than the free exchange of people, books and ideas between East and West. And let it come to mean one thing more.

Thirty-four years ago, President Eisenhower met in Geneva with Soviet leaders who, after the death of Stalin, promised a new approach toward the West. He proposed a plan called "Open Skies," which would allow unarmed aircraft from the United States and the Soviet Union to fly over the territory of the other country. This would open up military activities to regular scrutiny and, as President Eisenhower put it, "convince the world that we are...lessening danger and relaxing tension."

President Eisenhower's suggestion tested Soviet readiness to open their society. The Kremlin failed that test. Let us again explore that proposal, but on a broader, more intrusive and radical basis -- one which I hope would include allies on both sides. We suggest that those countries that wish to examine this proposal meet soon to work out the necessary operational details, separately from other arms control negotiations.

Such surveillance flights, complementing satellites, would provide regular scrutiny for both sides. Such unprecedented territorial access would show the world the meaning of the concept of openness. The very Soviet willingness to embrace such a concept would reveal their commitment to change.

Where there is cooperation, there can be a broader economic relationship. But economic relations have been stifled by Soviet internal policies. They have been injured by Moscow's practice of using the cloak of commerce to steal technology from the West. Ending discriminatory treatment of U.S. firms would be a helpful step. Trade and financial transactions should take place on a normal commercial basis.

And should the Soviet Union codify its emigration laws in accord with international standards and implement its new laws faithfully, I am prepared to work with Congress for a temporary waiver of the Jackson-Vanik Amendment, opening the way to extending Most Favored Nation trade status to the Soviet Union. The policy I have just described has everything to do with you.

Today you graduate. You will start careers and families. And you will become the leaders of America in the next century. What kind of world will you know? Perhaps the world order of the future will truly be a family of nations.

It is a sad truth that nothing forces us to recognize our common humanity more swiftly than a natural disaster. I am thinking of Soviet Armenia, just a few months ago -- a tragedy without blame, warlike devastation without war.

My son took our 12-year-old grandson to Yerevan. At the end of a day of comforting the injured and consoling the bereaved, father and son sat down together amid the ruins and wept. How can our two countries magnify this simple expression of caring? How can we each convey the goodwill of our people?

Forty-three years ago, a young lieutenant by the name of Albert Kotzebue, Class of 1945 at Texas A and M, was the first American soldier to shake hands with the Soviets at the banks of the Elbe River. Once again, we are ready to extend our hand. Once again, we are ready for a hand in return. Once again, it is a time for peace.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 May 1989

VISIT OF PRESIDENT BUSH

Thank you for your letter of 12 May about the departure arrangements for President Bush. I have consulted the Prime Minister who thinks it would be sufficient for her to say farewell to President Bush when he leaves 10 Downing Street on the evening of 1 June and does not wish us to arrange a ceremonial departure.

Charles Powell

Stephen Wall Esq
Foreign and Commonwealth Office

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Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

I am sure it is sufficient to say after dinner the

12 May 1989

good-bye to him the night before.

Dear Charles,

Agree?

CDP 1215

Yes

Visit of President Bush

Thank you for your letter of 26 April about the practical arrangements for President Bush's visit.

The US Embassy have now told us that President Bush wishes to return to the United States at 0900 hrs on 2 June. Our contacts in the Embassy believe that President Bush will wish to fly to Heathrow by (US) helicopter from Winfield House, leaving at about 0830 hrs. They have also told us that the President would entirely understand if the Prime Minister were not to accompany and to see him off. Should the Prime Minister wish to accompany President Bush to the airport, the Americans have told us they would be happy to bring the Prime Minister back by helicopter to central London.

The Americans have also said that they see the departure following much the same pattern as that for President Reagan. President Bush would transfer direct from his helicopter to Air Force 1. For President Reagan there was no ceremony. However, if the Prime Minister wishes us to pursue the idea of a ceremonial departure, ie band and Ceremonial Carpet Lining Party, we should be glad to do so. It would involve the President and his party entering the VIP suite after passing along the way formed by the Carpet Lining Party and the band. It would give the Prime Minister an opportunity to have a few final words with the President.

Yours,

Stephe Wall

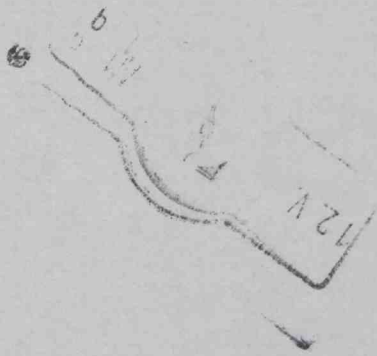
(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

USA: Visit by Pres. Bush Part 4

THE WHITE HOUSE, WASHINGTON, D.C. 20503

OFFICE OF THE PRESS SECRETARY



file No

MR. THATCHER

The Queen is hosting a lunch for
President Bush on Thursday 1 June and I
understand from the Foreign Office that
you will be included in the guest list.

Can I confirm that you would be happy to
accept this invitation?

AMANDA PONSONBY

11 May 1989



Foreign and Commonwealth Office

London SW1A 2AH

26 April 1989

Sean Charles,

Visit of President Bush

A pre-advance Reconnaissance Team led by John Keller, Deputy Assistant to the President and Director of Presidential Advance, visited the UK from 19-21 April.

The Team confirmed that the President would arrive at Heathrow at 1800 on 31 May. He and the principal members of his party would want to travel from there to Winfield House by helicopter (there will be four US helicopters available). This timing would allow the Prime Minister to welcome the President at Heathrow, to accompany him to Winfield House and to return to No 10 by 1915 in time for the dinner for Prince Sultan. The US Team indicated President Bush would welcome it if the Prime Minister and Mr Thatcher were to accompany him and Mrs Bush in the Presidential helicopter to Winfield House. It would be helpful to know whether these arrangements would be acceptable to the Prime Minister.

As regards the detail, we propose that, after disembarking from his aircraft and being greeted by the Prime Minister, President Bush should walk along the red carpet through a Ceremonial Lining Party to the VIP Suite at Southside. The Foreign Secretary also proposes to be present to greet Jim Baker.

In view of President Bush's war service as a Navy pilot, we are looking into the possibility of this Party being made up from the Fleet Air Arm instead of the more usual Air Force personnel. This will allow the Prime Minister to have a few words with Mr Bush in the VIP suite while the other members of the Presidential party board their helicopters. We explored the possibility of laying a red carpet direct from the President's aircraft to his helicopter but agreed with the US Team that for safety reasons (severe downdraught) a carpet in this position was not practical.

As the Prime Minister is aware, an RAF band was provided to play the Soviet National Anthem on Mr Gorbachev's arrival and departure. This was a departure from earlier

/practice



practice. Would the Prime Minister wish us to explore the question of providing a similar band on this occasion to play the US National Anthem?

For the departure, the President will travel by car from Downing Street to Heathrow. Would the Prime Minister and Mr Thatcher wish to accompany the President and Mrs Bush to the airport or would the Prime Minister wish to take her leave at No 10?

The Americans have asked that one person should be responsible for the ceremonial and protocol arrangements on arrival and departure at Heathrow. He explained that President Bush expected to have one person to turn to for guidance on such occasions. We therefore propose to follow the arrangements which we adopted for the departure of Mr Gorbachev.

Jans
Stephen Wall

(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

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PRIME MINISTER

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VISIT OF PRESIDENT BUSH

There are practical points in the attached letter about the arrangements for President Bush's visit on which we need your agreement:

- it is suggested that after meeting the President at Heathrow, you and Mr. Thatcher helicopter with him and Mrs. Bush to Winfield House, before returning to No.10. This would in fact be quite helpful since you need to be back in good time for dinner with Prince Sultan. Agree? Yes
ms
- for Mr. Gorbachev's arrival we had a band to play the Soviet national anthem. This is a bit of a departure from normal practice, but it seems to me we ought to have one for President Bush too. Agree? Yes. Could they also play the National Anthem? Others
- the President will travel direct by car from No.10 to Heathrow after your dinner for him on 1 June, to return to the United States. The question arises whether you and Mr. Thatcher would accompany him. It seems to me that, since you are hosting the dinner, it would be more appropriate for you to say goodbye at the door of No.10 and for a Minister to be on hand at Heathrow for the departure. Agree not to accompany the President to Heathrow on departure? (I am sure he will understand). are so puzzled if they don't.

Yes ms

C.D.P.

(C. D. POWELL)
26 April 1989



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 April 1989

VISIT OF PRESIDENT BUSH

Thank you for your letter of 26 April about the practical arrangements for President Bush's visit. I have consulted the Prime Minister.

The Prime Minister and Mr. Thatcher would be happy to accompany the President and Mrs. Bush in the presidential helicopter from Heathrow to Winfield House (could you please find a place at the back for me as well). The Prime Minister is also content with the arrangements on disembarkation. She would certainly wish us to provide a band for Present Bush as we did for Mr. Gorbachev and I should be grateful if you could pursue this. The Prime Minister has asked if it is absolutely ruled out that the band should play the National Anthem as well as the US National Anthem: in her experience others are puzzled that we do not do this.

The Prime Minister feels that, as she will be hosting the dinner for President Bush, it would not be appropriate for her to accompany him from No. 10 back to Heathrow since she has obligations to her other guests. She would therefore plan to say goodbye to him on departure from No. 10. We should arrange for a Minister to be present at Heathrow to say a formal farewell. I should be grateful if this could be explained to President Bush's staff.

(C. D. POWELL)

J. S. Wall, Esq.,
Foreign and Commonwealth Office.

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

14 April 1989

VISIT OF PRESIDENT BUSH

Ray Seitz, the US Chargé d'Affaires, telephoned me this evening that President Bush had been enraged by the leaks in Washington of his intention to visit Lockerbie while he was in the United Kingdom. He had decided on the spot to cancel the visit. He would return to Washington on the evening of 1 June, immediately after dinner at No.10.

I said that this was of course entirely a matter for the President. It seemed clear from all the reports that the leaks had indeed emanated from Washington. If it would help the President, I was sure that the Prime Minister would be ready to start the dinner quite early, for instance 7 for 7.30.

Charles Powell

Stephen Wall Esq
Foreign and Commonwealth Office.

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SECRET



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 April 1989

Prime Minister

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VISIT OF PRESIDENT BUSH

Ray Seitz, the US Chargé d'Affaires, telephoned me this evening that President Bush had been enraged by the leaks in Washington of his intention to visit Lockerbie while he was in the United Kingdom. He had decided on the spot to cancel the visit. He would return to Washington on the evening of 1 June, immediately after dinner at No.10.

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Charles Powell

Stephen Wall Esq
Foreign and Commonwealth Office.

SECRET



SCOTTISH OFFICE
WHITEHALL LONDON SW1A 2AU

cc/c
✓
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SECRET

Stephen Wall Esq
Private Secretary to the
Secretary of State for Foreign and
Commonwealth Affairs
Foreign and Commonwealth Office
Downing Street
LONDON
SW1A 2AH

CA
15/4

13 April 1989

Dear Stephen

PRESIDENT BUSH'S VISIT: 31 MAY - 2 JUNE

Thank you for sending me a copy of your letter of 10 April to Charles Powell about the proposed programme for President Bush's visit.

Mr Rifkind entirely appreciates President Bush's interest in visiting Lockerbie and he would be very happy for him to do so. Mr Rifkind is also very glad that the Prime Minister has concluded that she should be there to welcome President Bush; and he feels that he also ought to be there. I hope that would present no difficulty.

Roy Griffins noted that Mr Channon's views were subject to the views both of my Secretary of State and of the Lord Advocate. The Lord Advocate does not appear to have been included in the correspondence so far, but I have mentioned the proposals to him and I can confirm that he sees no difficulties.

I am sending a copy of this letter to Charles Powell, Roy Griffins and Trevor Woolley.

Yours sincerely
David Crawley

DAVID CRAWLEY
Private Secretary

14. IV

SECRET

ccpc 4



DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB
01 276 3000

My ref: C/PSO/5190/89

Your ref:

Serial No 1930
Copy No 4 of 4

Stephen Wall Esq
Private Secretary to
The Secretary of State for Foreign
and Commonwealth Affairs
Foreign & Commonwealth Office
Downing Street
LONDON
SW1A 2AH

ccp
12/4

11 APR 1989

will c/p?

Dear Stephen

PRESIDENT BUSH'S VISIT: 31 MAY-2 JUNE

Thank you for sending me a copy of your letter of 10 April to Charles Powell about the proposed programme for this visit.

My Secretary of State would have no objection to a visit to Lockerbie by President Bush, subject to the views of the Secretary of State for Scotland and the Lord Advocate.

The President would almost certainly want to raise the question of Lockerbie in discussions with the Prime Minister, in any event. These will usefully build on the meetings that my Secretary of State will have had with the US Secretary for Transportation in February in Montreal, and in April in London.

I am sending a copy of this letter to Charles Powell, David Crawley (Scottish Office) and Trevor Woolley (Cabinet Office).

Yours truly

R J GRIFFINS
Private Secretary

SECRET

DEPARTMENT OF TRANSPORT
FEDERAL BUREAU OF INVESTIGATION



The following information was obtained from the records of the Department of Transportation, Bureau of Motor Vehicle Safety, on the date indicated below:

On the date of the investigation, the following information was obtained from the records of the Department of Transportation, Bureau of Motor Vehicle Safety:



bc PC
DM

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

11 April 1989

PRESIDENT BUSH'S VISIT: 31 MAY-2 JUNE

Thank you for your letter of 10 April about the programme for President Bush's forthcoming visit. It was useful to know what the Americans have in mind. I have discussed the various suggestions with the Prime Minister. Her conclusions are as follows:

- arrival on the evening of 31 May. The Prime Minister would wish to meet President Bush on arrival, provided that the timing enables her to get back to No.10 in time to host the dinner for Prince Sultan.
- talks with the President. The Prime Minister suggests that she and the President should start with a tête-à-tête, with a note-taker on each side. She would not propose to expand participation on her side subsequently, beyond including H.M. Ambassador Washington. It would be up to the President to decide how many he wished to have, but she would hope it would not be many.
- visit to Messing. The Prime Minister sees no objection to the President's visit to Messing, subject to security advice. She sees no strong reason to go herself unless the President were specifically to request this.
- visit to Lockerbie. Again, the Prime Minister has no objection to the proposed visit, subject to the views of colleagues. She has considered carefully the arguments concerning her own possible participation and has concluded that she ought to be there to welcome him. You will wish to take account of this when planning the visit.

I am copying this letter to David Crawley (Scottish Office), Roy Griffins (Department of Transport) and Trevor Woolley (Cabinet Office).

C. D. POWELL

Stephen Wall, Esq.,
Foreign and Commonwealth Office.



Foreign and Commonwealth Office

London SW1A 2AH

10 April 1989

Dear Charles,

President Bush's Visit: 31 May-2 June

The first US survey team made a 48-hour exploratory visit to London and Bonn last week. They expressed to us the President's warm appreciation for the Prime Minister's willingness to receive him in London after the NATO Summit. He plans to arrive on the evening of 31 May. He is much looking forward to talks with her on 1 June, and to the dinner which she has offered to host that evening. He hopes that he might have 30 minutes privately with the Prime Minister, followed by 90 minutes with a few advisers, perhaps 4 or 5 a side. The President is delighted by The Queen's wish to offer him and Mrs Bush lunch that day. We explained that the Prime Minister might wish to give a rather larger dinner than for President Reagan (you have asked us to suggest some 65 names).

President Bush has now "more or less decided" that he will make the major speech of his visit in the FRG, for obvious reasons. However, during his visit to the UK he would like to demonstrate the particular closeness of the relationship in other ways. Apart from anything which the Prime Minister might suggest, we were told that he is now seriously considering two particular items for his programme:

- (a) a Visit to the Essex village of Messing.
It appears from genealogical research that the President might have some family connection with Messing. If so, he would like to explore the possibility of visiting the village during the afternoon of 1 June. However, he would not do so if the Prime Minister advised against or there were serious timing, organisation or security problems. He would welcome her advice.

Messing is between Chelmsford and Colchester (see map attached). The only background we have on the possible Bush connection at the moment is in the attached article from an American newspaper. Subject to actual reconnaissance on the ground, we see no particular problem about a visit to Messing. It

/lies



lies in Mr John Wakeham's constituency of Colchester South and Maldon. We note that it is not too far from several US Air Force Bases. A visit to one of them may well be in the Americans' mind;

- (b) a visit to Lockerbie on the morning of 2 June, flying to Prestwick and then on directly from there to Washington after the visit. The President might spend an hour there, at some time between 1000 hrs and noon. The object of this would be to show his concern for the traumatic effects on the people of Lockerbie of the Pan Am crash. (It would in some ways complement a visit to a US war cemetery near the Anzio beaches which he is contemplating in Italy.) There are no specific plans at the moment, but the President hopes that he could perhaps meet the people of Lockerbie in the town square, and speak to them informally. He might wish to lay a wreath at the cemetery. In reply to our question, the survey team said that the President had taken no view on whether he should undertake this visit alone or in the company of the Prime Minister. If it were her wish, the team thought that it would be particularly appropriate if she could be at Lockerbie to welcome him. The visit should be seen, not only as one to Lockerbie, but also as the first visit to Scotland by a US President since Eisenhower.

Lockerbie

It is natural that George Bush should wish to visit Lockerbie. There are also powerful political reasons for his doing so. There has been strong domestic criticism of the US Government's handling of the disaster, especially President Reagan's failure to attend the original memorial service at Lockerbie.

Subject to the advice of Mr Channon and Mr Rifkind, the Foreign Secretary sees no objection to a visit of this nature. We have consulted the Chief Constable of Dumfries and Galloway Police, who would be agreeable to such a visit. However, he has pointed out that handling, especially of the media, would be delicate. He considers that the state of the investigation at the time will be of prime importance: there should be no possibility of President Bush's visit being interpreted as criticism of its progress.

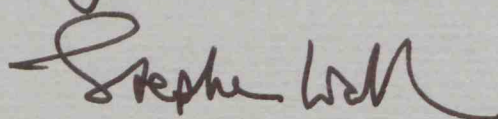
/Other



Other Programme Aspects

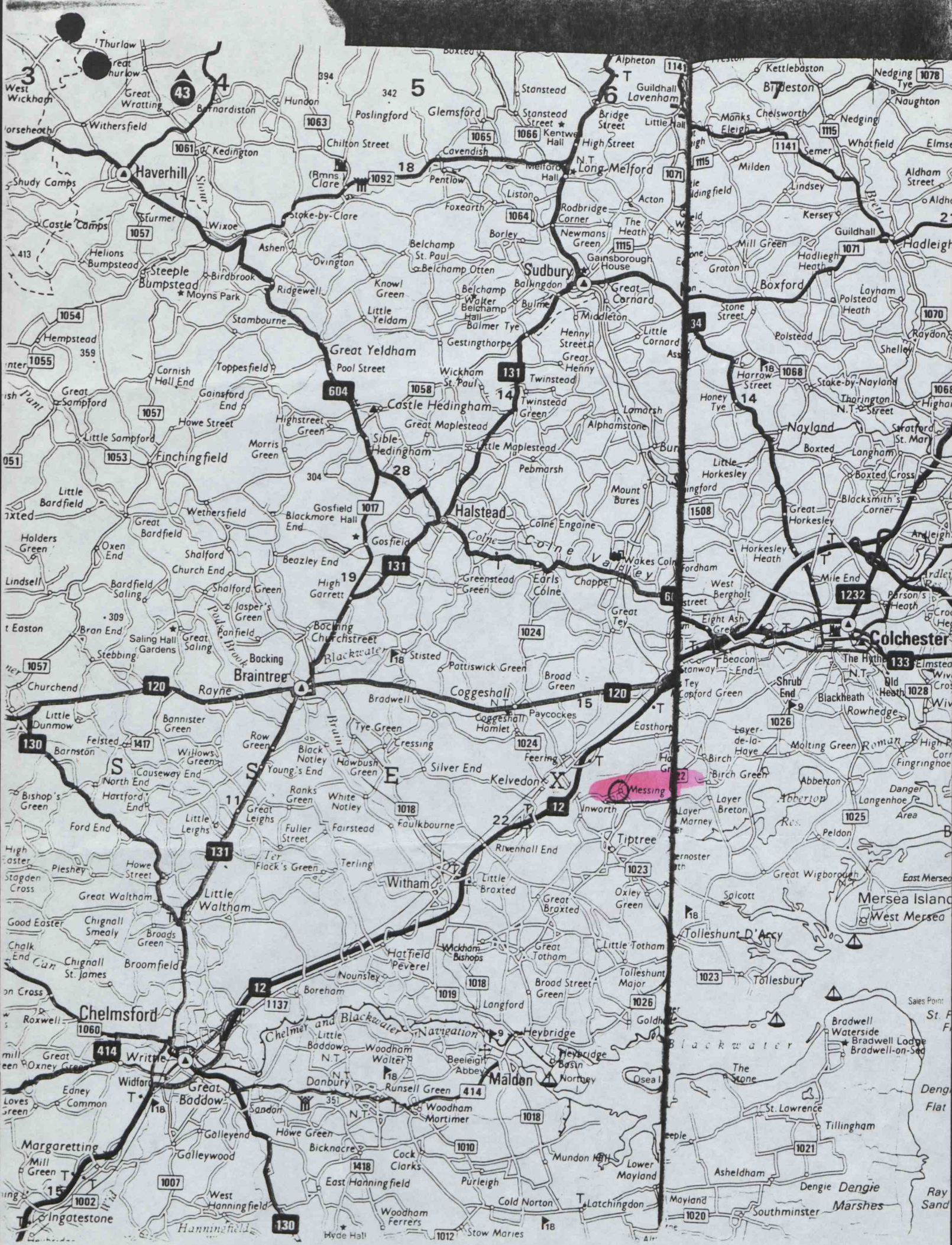
/ For ease of reference, I attach an outline programme of the visit as currently envisaged by the survey team. All times are approximate. The Americans are also considering a possible visit to the Cabinet War Rooms (but are not enthusiastic at this point) and one to the US Embassy. The next survey team visit will take place in two weeks. The date has yet to be confirmed. The team emphasised the President's wish that the numbers of those accompanying him on the visit should be reduced to a minimum.

I am copying this letter to David Crawley (Scottish Office), Roy Griffiths (Department of Transport) and Trevor Woolley (Cabinet Office).

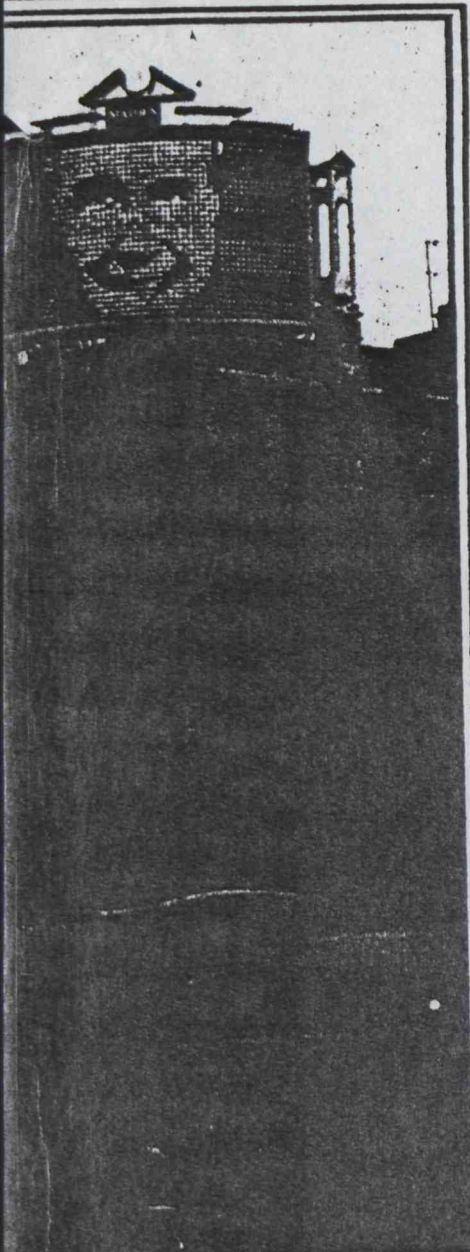
Yours,


(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street



Messing



Bush smiles for London
President-elect George Bush smiled over Piccadilly times on Nov. 9. The Arthur Maiden company had a brief period at one-minute intervals on its huge billboard above the central London square, in which

...between the two countries.
"Thatcher correctly understands that Bush is more of an

Continued on Page 10

...the 1903 winners were entered under US nationality, led by the 1897 Benz of Mr. E. F. Tallaferrro of San Diego, Calif., and piloted by the youngest of the US entries, the 1904 White Steamer of Mr. R. J. Pettingell of New York. The American was represented by its chairman, Mr. Ray Tindle, in a 1904 Speedwell (photos Bord Ole Ek).

Chance of Presidential link has Essex village anticipating a state visit

by Don McNicoll

WITH genealogical research suggesting that President-elect George Bush's ancestors came from the tiny Essex village of Messing, Mr. Dave Harris wants to change the name of the village pub to The George Bush. It is at present called The Old Crown.

Harris, himself a keen local historian, has written to the Chelmsford headquarters of Ridley's brewers, which owns the pub. He is hopeful of a favorable decision once they have considered the idea.

Harris predicted that Bush will visit Messing, about 15 miles southeast of the US Air Force base at RAF Wethersfield,

Essex, during his Presidency. He has already been invited to do so by Mr. Bill Dixon, chairman of the Essex County Council, who teleaxed congratulations to Bush on his election victory.

The people of Messing, population 350, gathered at The Old Crown to toast the electoral victory of the apparent descendent of John Bush, yeoman farmer of Messing, whose reputed son Reynold sailed for America in 1631, and made a new life as a Puritan in Massachusetts.

A 19th century dictionary of English emigrants to New England, covering the period 1620 to 1650, shows a Reynold Bush from Messing as having settled in Cambridge, Mass.

Archivists at the Essex Record Office in Chelmsford have located a parchment showing John Bush was baptised in the church at Messing in 1594, but their continuing research has so far not been able to confirm definitely that John Bush was the father of Reynold Bush.

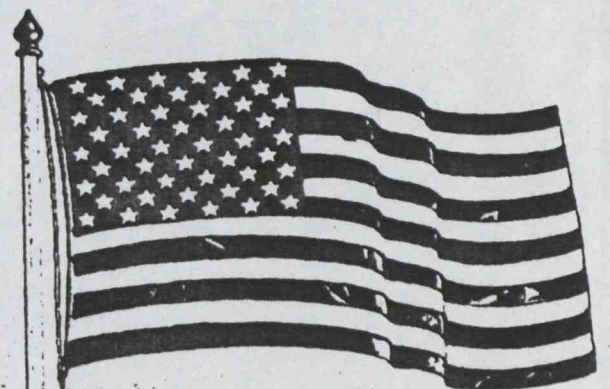
But the President-elect himself seems satisfied that his origins lie there.

Schoolchildren in Messing who wrote to him got a reply in which he said, "Although I really don't know a lot about my English forefathers from Messing, they obviously chose a lovely area to call home. Perhaps I will be able to see it one day."

The Rev. Martin Clarke, vicar

of Messing, said, "I think most people here are hoping very much that Mr. Bush will come, just as President Reagan visited his family's home in Ireland."
Clarke said that an American

genealogical tour operator has been in touch about the possibilities of showing tourists over the Messing area and showing them things such as the parish register



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Nov. 30 deadline for objections to UK tax on worldwide income

US citizens who have lived in the UK for seven years, and those who plan to keep their residence in the UK for at least that many years, have until the end of this month to write to the Inland Revenue and express their concerns over a proposed British tax on their worldwide earnings.

The changes to the UK tax code were proposed earlier this year in a discussion paper that has been given relatively little public exposure. At the Nov. 15 American Chamber of Commerce (UK) luncheon, AmCham President Charles Alexander called attention to the paper, noting that it appeared almost inevitable that some of its recommendations would be enacted.

He nevertheless encouraged people who would be affected to let their feelings be known.

Miss Roxanne Wruble is

periods that are covered by the proposed changes, and who would find their US assets taxed by the British Government if the proposals become law. She said the group is urging those people to write to the Board of Inland Revenue, Room S7, West Wing, Somerset House, Strand, London WC2R 1LB. The Inland Revenue has stated in the paper that it is important for people who would be affected to respond to the proposals by Nov. 30.

Much of the paper is dedicated to unspecified changes in the tax

an individual's worldwide income rather than just their UK income. Two possibilities are suggested: taxation on a receipts basis on which income received in the UK regardless of their source; or on a proportion of worldwide income, stairstepped up over a period of eight years to include the person's entire income. The latter is the paper's preferred structure.

Persons involved in efforts to block or influence the changes suggest that a system based on remittance but structured as much like the paper's preferred method as possible, would be the best option if some type of change is inevitable.

They also note that one option for avoiding the tax may be for the individual to ensure he is not

The American Nov 25, 1988

2e

OUTLINE PROGRAMME FOR PRESIDENT BUSH'S VISIT TO THE UK AS AT 7 APRIL

WEDNESDAY 31 MAY

after 1800 Possible arrival at Heathrow
Quiet dinner with Catts
Night at Winfield House

or

THURSDAY 1 JUNE

Arrive Heathrow
1015-1215 Talks with Prime Minister
1300-1430 Lunch with HM The Queen at Buckingham Palace
? Visit village of Messing, Essex
1930 for 2000 Prime Minister's dinner at No 10
Night at Winfield House

FRIDAY 2 JUNE

? Fly to Prestwick by AF 1
Helicopter to Lockerbie
(1 hour) Visit Lockerbie
1200 Helicopter to Prestwick
Fly to Washington by AF 1

PRIME MINISTER

PRESIDENT BUSH'S VISIT

We have now had the American's proposals for President Bush's visit. They are:

- arrival on the evening of 31 May. You would certainly want to meet him. But we should try to arrange the timing of his arrival so that it does not clash with your dinner for Prince Sultan that evening.
- talks. President Bush has suggested 30 minutes with just one adviser/note-taker present, followed by 90 minutes with a slightly larger group. You may prefer to keep our side down to just you and a note-taker as you did with President Reagan, leaving him to add one or two on his side if he wishes. I think it would be a good idea to establish this pattern from the start. Agree? *Yes m*
- Lunch with The Queen. The Queen has offered lunch at the Palace that day.
- Visit to Messing. Messing is a village in Essex - in John Wakeham's constituency - with which the President believes his family has a connection (albeit a fairly tenuous one). There are also several USAF bases in the area. There are two questions: are you happy for him to go, subject to security advice? And would you want to accompany him? *No unless he wishes,*
Bernard and I don't see much point in your going: its very much a personal thing.
- Lockerbie. President Bush would like to pay a brief visit to Lockerbie - as I mentioned to you - on the morning of 2 June, before flying back to Washington. This would help

him politically. He would like to meet the people of Lockerbie in the town square and speak to them, and lay a wreath at the cemetery. I can see no objection to this, indeed I think it is desirable, although the local police will be anxious that there should be no implied criticism of their investigation. Once again, the question arises whether you should accompany him. The American advance team thought that he might rather welcome this. On the other hand, you have done very well by the people of Lockerbie: and there is not much to be gained by getting drawn into the American domestic controversy about this. Bernard and I both feel that it would be better not to go, unless the President himself presses you to do so. The Secretary of State for Scotland is the appropriate Minister to be present. Agree this advice?

No
if he is going
I ought to go.

C.D.P.

C. D. POWELL
10 April 1989

TELEGRAM

CONFIDENTIAL

FCO IMMEDIATE DESKBY 30 0800Z

Repeat for information immediate to Washington and New Delhi (for Secretary of State's party).

Following from Charles Powell.

Your tel no 272: proposed visit to London by President Bush.

I have discussed this with the Prime Minister who is content for the visit to take place on 31 May/2 June. She has pointed out that a speech in the Royal Gallery of Parliament might be difficult because Parliament will be in Recess. At the least, the views of the House authorities would need to be obtained. The alternative would be a speech at the Guildhall. On the whole, the Prime Minister thinks this may be the better option on this occasion.

The Prime Minister is content to have the first session of talks with the President on the morning of 1 June, a second session in the late afternoon if the President so wishes, and to give a dinner in his honour at No 10.

Please pass advance copy to Morris, No 10 Downing Street.

EDP

300129Z

ADVANCE COPY FOR MR MORRIS. NO 10 DOWNING ST.

LNMDAN 8033 HGHAN 9515

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DD 300800Z FCOLN

FM HARAR TO FCOLN

300001Z MAR

GRS 161

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FM HARARE

TO DESKBY 300800Z FCO

TELNO 211

OF 300001Z MARCH 89

INFO IMMEDIATE WASHINGTON. NEW DELHI

NEW DELHI FOR SECRETARY OF STATE'S PARTY

FOLLOWING FROM CHARLES POWELL.

YOUR TELNO 272: PROPOSED VISIT TO LONDON BY PRESIDENT BUSH

I HAVE DISCUSSED THIS WITH THE PRIME MINISTER WHO IS CONTENT FOR THE VISIT TO TAKE PLACE ON 31 MAY/2 JUNE. SHE HAS POINTED OUT THAT A SPEECH IN THE ROYAL GALLERY OF PARLIAMENT MIGHT BE DIFFICULT BECAUSE PARLIAMENT WILL BE IN RECESS. AT THE LEAST. THE VIEWS OF THE HOUSE AUTHORITIES WOULD NEED TO BE OBTAINED. THE ALTERNATIVE WOULD BE A SPEECH AT THE GUILDHALL. ON THE WHOLE. THE PRIME MINISTER THINKS THIS MAY BE THE BETTER OPTION ON THIS OCCASION.

THE PRIME MINISTER IS CONTENT TO HAVE THE FIRST SESSION OF TALKS WITH THE PRESIDENT ON THE MORNING OF 1 JUNE. A SECOND SESSION IN THE LATE AFTERNOON IF THE PRESIDENT SO WISHES. AND TO GIVE A DINNER IN HIS HONOUR AT NO. 10.

PLEASE PASS ADVANCE COPY TO MORRIS. NO. 10 DOWNING STREET.

MELHUSH

YYYY

HGHAN 9515

SECRET

FOLLOWING FOR MR. CHARLES POWELL, PRIME MINISTER'S PARTY,
ZIMBABWE

POSSIBLE VISIT BY PRESIDENT BUSH

I attach a copy of Washington's telegram and of the relevant page in the long term diary.

Further soundings from FCO suggest President Bush would prefer to arrive late afternoon 31 May and then have a quiet dinner with the US Ambassador, concentrating the business in the following day. They will be looking for a major speaking engagement before lunch, followed by lunch with The Queen. That suggests talks with the Prime Minister in the afternoon followed by dinner here.

The diary is free, but it means using up one of only four days the Prime Minister has free between now and the Summer Recess. I assume she will wish to do so nonetheless?

It would be helpful to know if the Prime Minister is in principle content. We can then ask FCO to go back to the Americans with outline proposals.



DOMINIC MORRIS

29 March 1989

Wednesday 24 May

am Keep free for speech
 Lunch in flat
 ? ADDRESS WOMEN'S CONFERENCE ?
 ? RETURN TO NO 10
 Keep free for speech + AT

Thursday 25 May HOUSE RISES?

0830 Hair
 0900 Questions Briefing Team
 0930 Sir Y K Pao + CDP
 1000 Cabinet
 After Keep free for speech + AT
 1300 Lunch and Questions Briefing
 1515 QUESTIONS
 1545 KEEP FREE FOR MPs
 1645-1730 Meet international cancer experts + DM? No. 10
 Change
 ? KEEP FREE + JW and MLB
 RETURN TO NO 10
 Work on speech + AT

Friday 26 May

RECEIVE FREEDOM OF THE CITY OF LONDON
TO CHEQUERS

Monday 29 May

BANK HOLIDAY
Hair
KEEP FREE

Tuesday 30 May

KEEP FREE

Wednesday 31 May

REGIONAL TOUR
 1830 AUDIENCE?
 ? Return dinner for Prince Sultan

Thursday 1 - Sunday 4 June

Keep free

Monday 5 June

HOUSE RESUMES?
 0830 Hair
 1000 Week Ahead Meeting
 1030 Diary Meeting
 1230 Meeting with colleagues
 1300 Followed by lunch
 1430-1730 Keep free for speech + JW
 ? DEPART NO. 10
 1830 LOOK IN AT RECEPTION FOR ACADEMICS, +MLB CARLTON CLUB
 ? ATTEND DINNER FOR LORDS TAVERNERS + DT GORING HOTEL

CONFIDENTIAL

CONFIDENTIAL

074263
MDHIAN 8300

CONFIDENTIAL
FM WASHINGTON
TO IMMEDIATE FCO
TELNO 864
OF 290010Z MARCH 89

OUR TELNO 856: PROPOSED POST-NATO SUMMIT VISIT TO LONDON BY
PRESIDENT BUSH

1. WE NOW UNDERSTAND THAT SEITZ (US EMBASSY) HAS BEEN, OR WILL
BE, IN TOUCH WITH THE DEPARTMENT ABOUT A PROPOSED TWO NIGHT
VISIT TO LONDON BY PRESIDENT BUSH, WITH A SUGGESTION OF A PRIVATE
DINNER ON THE FIRST EVENING WITH THE SUBSTANCE OF THE VISIT TO BE
CONCENTRATED INTO THE THURSDAY. UNLESS YOU INSTRUCT TO THE CONTRARY,
WE WILL LEAVE ALL THIS TO BE FOLLOWED UP AT YOUR END

ACLAND

YYYY

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PAGE 1
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FM WASHINGTON
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TELNO 856
OF 280356Z MARCH 89

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GM.
How definite is the Prince Sultan
dinner? - if lined

PROPOSED POST-NATO SUMMIT VISIT TO LONDON BY PRESIDENT BUSH

1. WHEN THE MINISTER CALLED ON BLACKWILL (SENIOR DIRECTOR, EUROPEAN AND SOVIET AFFAIRS, NSC) ON OTHER BUSINESS ON 24 MARCH, BLACKWILL RAISED THE QUESTION OF A VISIT TO LONDON BY THE PRESIDENT FOLLOWING THE NATO SUMMIT. BLACKWILL SAID THAT **THE PRESIDENT WAS THINKING OF VISITING ITALY BEFORE THE SUMMIT, AND GERMANY AND THE UK (IN THAT ORDER) THEREAFTER.** HE WOULD PROBABLY ONLY SPEND ONE NIGHT EACH IN ROME AND BONN, BUT **IT HAD NOT BEEN DECIDED WHETHER HE SHOULD SPEND ONE NIGHT OR TWO IN LONDON.** BLACKWILL WONDERED HOW THE PROGRAMME IN LONDON MIGHT DEVELOP IF THE DECISION WERE TO BE FOR A TWO NIGHT VISIT.
2. **IT IS CLEAR THAT IF WE WISH TO PURSUE THE IDEA OF A SLIGHTLY LONGER VISIT TO LONDON, WE WILL NEED TO PRESENT SOME EARLY SUGGESTIONS TO THE WHITE HOUSE FOR A PROGRAMME.** ON TIMING, ASSUMING THAT THE PRESIDENT WOULD SPEND THE NIGHT OF TUESDAY 30 MAY IN BONN, **HE COULD TRAVEL TO LONDON ON WEDNESDAY 31 MAY.** **THE AMERICANS WOULD PROBABLY WELCOME IT IF, DEPENDING ON COMMITMENTS ELSEWHERE, THE PRIME MINISTER WERE ABLE TO OFFER TALKS AND DINNER THAT EVENING.** THE PRESIDENT WOULD ALSO, I AM SURE, VERY MUCH LIKE TO SEE THE QUEEN DURING HIS VISIT. HE IS VERY DISAPPOINTED THAT THE DATES OF THE NATO SUMMIT WILL PREVENT HIM FROM SEEING HER DURING HER PRIVATE VISIT TO KENTUCKY ON 26-30 MAY. **SUBJECT TO THE QUEEN'S OWN PLANS, THEREFORE, PERHAPS A SMALL LUNCH COULD BE OFFERED AT BUCKINGHAM PALACE ON THURSDAY 1 JUNE.** THAT WOULD LEAVE THE EVENING OF 1 JUNE FREE FOR ANOTHER ENGAGEMENT, PERHAPS A SPEECH, AND THE PRESIDENT WOULD THEN RETURN TO WASHINGTON ON FRIDAY 2 JUNE. BLACKWILL MENTIONED THAT THERE IS A SLIGHT PROTOCOL COMPLICATION IN THAT THE PRESIDENT WOULD BE SPENDING TWO DAYS IN LONDON AND ONLY ONE DAY IN BONN AND ROME. THERE MIGHT THEREFORE BE ADVANTAGE IN PRESENTING PART OF THE VISIT AS A REST PERIOD, AND CONCENTRATING THE SUBSTANTIVE TALKS INTO THE THURSDAY. BUT THIS CAN BE DISCUSSED FURTHER IF NECESSARY.
3. ON SPEECHES, WE KNOW THAT LORD CARRINGTON AND THE PILGRIMS HAVE BEEN ANXIOUS TO ARRANGE A PILGRIM DINNER AT WHICH THE PRESIDENT MIGHT SPEAK. THIS WOULD PROBABLY IN ANY CASE NEED TO BE COMBINED WITH ANOTHER GROUP TO PROVIDE A SUFFICIENTLY PRESTIGIOUS PLATFORM,

we can't
cancel it
me

BUT ON THIS OCCASION THE AMERICANS WILL BE PARTICULARLY CONSCIOUS THAT, COMING SO SOON AFTER GORBACHEV'S VISIT TO LONDON DURING WHICH I UNDERSTAND THAT HE MAY SPEAK AT GUILDHALL (AS PRESIDENT REAGAN DID IN 1988), THE PRESIDENT WOULD NEED A PLATFORM OF EQUAL STATURE IF HE WERE TO MAKE A SPEECH.

4. THE AMERICANS ARE WELL DISPOSED TOWARDS THE IDEA OF A TWO-DAY VISIT TO LONDON, BUT THEY ARE ANXIOUS FOR ASSURANCE THAT A SUITABLY BALANCED PROGRAMME CAN BE LAID ON BEFORE COMMITTING THE PRESIDENT FURTHER. FOR NOW, IT WOULD BE HELPFUL TO KNOW WHETHER IN PRINCIPLE THE PRIME MINISTER AND THE QUEEN WOULD BE FREE TO SEE PRESIDENT BUSH, AND FOR ANY GUIDANCE ON A SUITABLE PLATFORM FOR A SPEECH, WHICH WE MIGHT RECOMMEND TO BLACKWILL.

ACLAND

YYYY

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PROPOSED POST-NATO SUMMIT VISIT TO LONDON BY PRESIDENT BUSH

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3. ON SPEECHES, WE KNOW THAT LORD CARRINGTON AND THE PILGRIMS HAVE BEEN ANXIOUS TO ARRANGE A PILGRIM DINNER AT WHICH THE PRESIDENT MIGHT SPEAK. THIS WOULD PROBABLY IN ANY CASE NEED TO BE COMBINED WITH ANOTHER GROUP TO PROVIDE A SUFFICIENTLY PRESTIGIOUS PLATFORM,

BUT ON THIS OCCASION THE AMERICANS WILL BE PARTICULARLY CONSCIOUS THAT, COMING SO SOON AFTER GORBACHEV'S VISIT TO LONDON DURING WHICH I UNDERSTAND THAT HE MAY SPEAK AT GUILDHALL (AS PRESIDENT REAGAN DID IN 1988), THE PRESIDENT WOULD NEED A PLATFORM OF EQUAL STATURE IF HE WERE TO MAKE A SPEECH.

4. ~~THE AMERICANS ARE WELL DISPOSED TOWARDS THE IDEA OF A TWO DAY VISIT TO LONDON, BUT THEY ARE ANXIOUS FOR ASSURANCE THAT A SUITABLY BALANCED PROGRAMME CAN BE LAID ON BEFORE COMMITTING THE PRESIDENT FURTHER. FOR NOW, IT WOULD BE HELPEUL TO KNOW WHETHER IN PRINCIPLE THE PRIME MINISTER AND THE QUEEN WOULD BE FREE TO SEE PRESIDENT BUSH AND FOR ANY GUIDANCE ON A SUITABLE PLATFORM FOR A SPEECH, WHICH WE MIGHT RECOMMEND TO BLACKWILL.~~

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Grey Scale #13



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