RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND MEMBERS OF THE US CONGRESS AT THE US SENATE, WASHINGTON DC ON MONDAY, 17 DECEMBER 1979 AT 1600 HOURS

Those Present:

UK

US

The Rt Hon Margaret Thatcher MP

List attached.

The Rt Hon The Lord Carrington

Sir Michael Palliser (PUS, FCO)

Sir Nicholas Henderson (HMA, Washington)

Sir Frank Cooper (PUS, MOD)

Mr B Ingham (Press Secretary, No 10)

Mr G G H Walden (Private Secretary, FCO)

Mr M A Pattison (Private Secretary, No 10)

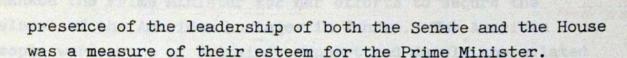
Mr D C Thomas HM Embassy, Washington

Mr J Davidson HM Embassy, Washington

Mr J S Wall HM Embassy, Washington

1. <u>Senator Church</u> (D Idaho, Chairman, Senate Foreign Relations Committee) said that the Prime Minister had come to Washington at a fortuitous time. The British Government had achieved a remarkable success over Rhodesia; the NATO decision on TNF modernisation and further measures of East/West arms control had opened the way to enhanced European security. The United States was much preoccupied by the Iranian situation and all in Congress were most grateful for Britain's support. The

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- 2. Senator Javits (R New York, Ranking Minority Member, Senate Foreign Relations Committee) said that he had met the Prime Minister some years previously and had established then that she was a "real comer"; he had taken great pleasure in her success. Senator Javits expressed gratitude for Britain's "unfailing and intelligent" support for the United States over Iran. There was much talk of a special relationship between Britain and the United States. This special relationship did exist: between the peoples of Britain and the United States. In a crunch, they understood each other and shared the same ideals.
- 3. Rep Zablocki (D Wisconsin, Chairman, House Foreign Affairs Committee) referred to common traditions linking Britain and the United States and the sympathy and wise counsel the United States was receiving from Britain on Iran. Despite America's current preoccupations with events in the Middle East, they were also following with heightened interest and awareness current events in Britain. Problems such as inflation. energy and unemployment were common to both Britain and America. In addressing members of Congress, the Prime Minister would be speaking to a concerned and important audience. He congratulated the Prime Minister and Lord Carrington on their success over Rhodesia.
  - 4. Speaker O'Neill (D Massachusetts) said that he had met
    Mrs Thatcher on the eve of the British General Election. He
    had often met US leaders on the eve of elections and they had
    always appeared nervous and preoccupied. Mrs Thatcher, by
    contrast, had effervesced with confidence and rightly so.
    It was what he liked to see in a leader. It was a privilege
    to welcome her to the United States Congress on her first visit
    as Prime Minister, a visit that was especially noteworthy since
    Mrs Thatcher, as well as being the first woman to lead a
    Western nation, was also the leader of a nation with which
    the United States had close and strong ties. Speaker O'Neill

thanked the Prime Minister for her efforts to secure the release of the American hostages in Tehran. The American people were aware of Britain's support and deeply appreciated it.

- 5. Speaker O'Neill commended the British Government for the progress they had achieved on Rhodesia and took note of their efforts to secure a political settlement in Northern Ireland. Such a settlement had hitherto proved an elusive goal, given the divisions within Northern Ireland which were deepened by the activities of men of violence. Nonetheless, the Speaker hoped for a just and workable solution which would lead to reconciliation. He constantly had in mind Mrs Thatcher's own dictum: "If you want anything said, ask a man; if you want anything done, ask a woman".
- The Prime Minister said that when she first entered No 10 she had thought that her main task would be dealing with the economy. She had in fact found that about half her time was taken up with foreign affairs - although in today's world foreign affairs had a direct and growing impact on domestic issues and the two were increasingly interlocked in their effects. In her first weeks in office, she had attended three international conferences - a European summit, the Tokyo summit and the Commonwealth meeting. Her approach to all these meetings, as to all her policies, was dominated by the belief that people in the West were privileged to live in free societies, with freedom under the law, which promoted both human dignity and economic prosperity. All that she did was dominated by her determination to protect and extend those freedoms. It was for that reason that she took such a staunch stand on defence and on British membership of the EEC.
- 7. The Prime Minister said there were three particular issues which she wished to talk about:
  - Iran dominated the thoughts of people in Britain as much as it did those of Americans as they listened attentively to the news in the hope of favourable developments. The Americans had

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recognised the efforts of our Embassy in Tehran, which had been very considerable. We had done everything possible despite the fact that our own Embassy had been sacked earlier in the year and briefly held hostage at the time of the takeover of the American Embassy. Britain was giving the United States all the help she could; we had sent no military equipment to Iran since the taking of the hostages; our trade was down and the herself had made clear to the President that if the United States decided to go to the Security Council to ask for further measures under Chapter 7, they could count on Britain's full support. The special relationship was indefinable, but it existed and it gave the Americans the right to expect to be able to count on Britain. Everything which the President did in the crisis must be related to securing the release of the hostages. It was very frustrating for a great nation to have to move slowly and steadily, particularly when it was swept by a wave of anger. But when one was in power, one had to concentrate on the objective and she was sure that the United States was following the right course and would succeed in the end.

## (b) Rhodesia

The Prime Minister said that she was delighted to have been able to announce in Washington the signing of the ceasefire agreement by the Patriotic Front that morning and she wanted to thank the United States for all the help that she had given. Rhodesia had been at the top of the agenda following the General Election. The British Government had been helped in their

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approach by the elections held in Rhodesia earlier in the year when, for the first time, people there had gone to the polls on the basis of one person, one vote. Some in Britain had advised the Government to recognise the outcome of those elections straightaway. Had Britain done so, however, the war would not have stopped and other nations would not have followed suit. Moreover, there were defects in the Rhodesian Constitution and the British Government had wished to cure those defects first. At the Commonwealth meeting in Lusaka in August, Britain had secured the agreement of her partners that she should handle the problem. In approaching the London conference, where Lord Carrington's chairmanship had been masterly, the British Government had decided that they must go all out to get agreement on the Constitution and not be sidetracked onto other issues. It had been difficult but they had eventually won agreement to an excellent Constitution and had then gone on to the transititional arrangements and later those for the ceasefire. The latter had proved very difficult, as was inevitable when there was an organised army on one side and guerilla forces on the other. The most difficult problem had been to bring both sides to the point of decision and it was for this reason that the pace had had to be forced from time to time. Lord Soames had now gone out to Salisbury to ensure that elections were freely and fairly held. What had been achieved was a tremendous advance for democracy in the heart of Africa and would have a tremendous influence on the Namibian problem and on the entire future of Southern Africa.

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### (c) Northern Ireland

The Prime Minister said that the British Government had enjoyed excellent cooperation with Mr Lynch. The police in the Republic had cooperated well with the RUC in trying to get rid of terrorism which must be condemned and deplored. She hoped and believed that good cooperation would continue under Mr Haughey. She was also grateful for the firm stand on terrorism taken by Speaker O'Neill and others in the United States. The Government's aim in Northern Ireland was now to find a way of giving people greater control over their affairs and not to restrict their democratic access to the Parliament at Westminster alone. This was the thinking behind the six options which the Government had put forward in their discussion paper in preparation for a conference. They had now secured the agreement of three of the Northern Ireland parties to attend that conference, which would start on about 7 January. The Government hoped that the conference would lead to the people of Northern Ireland having greater control over their own affairs; the aim was more devolved government in Ulster; it was bound to be difficult, but the Government must try to make progress.

The Prime Minister said that Ulster was part of the United Kingdom because that was the way its people wanted it. They had voted very strongly in that sense in a referendum in 1973. So long as there was terrorist violence, the Army must stay and the British Government's aim must be (1) to beat terrorism and (2) to bring about more political progress in the Province.

- 8. Senator Robert Byrd (D West Virginia, Senate Majority Leader) said that the Senate would be debating SALT II early in 1980 and the attitudes of the European allies would be an important factor. He would be grateful to know the Prime Minister's viewpoint. The Prime Minister said that she could give a clear, straight and short answer: the British Government hoped that SALT II would be ratified. Britain had been entirely satisfied by US assurances that she would receive the technology which might be necessary for her own deterrent and that access to such technology was not precluded by SALT II.
- 9. Rep Wright (D Texas) congratulated the Prime Minister on the success of the Rhodesian conference and asked about the remaining obstacles in the way of agreement on a ceasefire. The Prime Minister said that there were no outstanding issues. The problem had been that under the Government's proposals, the Patriotic Front were required to gather in assembly points which were, for the most part, dotted round Rhodesia's borders. This reflected the Patriotic Front's position on the ground and their wish to have a line of retreat. It had become clear that the Patriotic Front felt hard done by in not having an assembly point in the heart of Rhodesia. An assembly point near Gwelo had therefore been suggested and this had unblocked the deadlock. Full signature was expected to take place on 19 December and the way was now open for the monitoring - not peacekeeping forces to go in. Of course there would be problems, as this was the first time in Rhodesia's history that she had been under direct colonial rule. But the Governor would have the monitoring force as well as international observers at his disposal and would quickly set about organising the elections. The British Government had lifted sanctions and were grateful to the United States for doing the same.
- 10. Rep Michel (R Illinois) asked the Prime Minister for her views on the West's intelligence-gathering capabilities. The Prime Minister said that good intelligence was absolutely vital; but in Britain in general we did not talk about it very much we just tried to do it. Good intelligence was vital to the maintenance of a free society though one always had to bear



in mind that intelligence was much easier for our enemies because of the access which the free societies of the West afforded them.

ll. Senator Thurmond (R South Carolina) asked whether the Prime Minister believed that the Patriotic Front would observe the result of elections in Rhodesia if these went against them. The Prime Minister said that she did. The front line states had already brought great pressure to bear on the Patriotic Front and recognised that the results of the Rhodesia conference were in their own interest. The front line states would not wish to see a resumption of the guerilla war or even to maintain the guerilla forces on their territory. These and economic factors meant that the front line states had a strong interest in seeing that the outcome of free elections was respected.

12. Senator Pell (D Rhode Island) asked/the Prime Minister's economic policy. The Prime Minister said that her strategy was to reduce the role of the state in favour of that of the citizen, firstly be reducing public spending, which was difficult but necessary, and secondly by starting to give more incentives to individuals. Britain had become a wealthdistributing rather than a wealth-creating society. to be remembered that Governments did not create wealth; people did. It was not easy to implement policies to give effect to this philosophy, but the Prime Minister recognised that she had to take tough decisions: there would be times when she would rather be right than popular. She wanted to give encouragement to the private sector. She noted that there was only one private university in Britain and only 5% of education generally was in private hands. As people had more money, they would wish to do more for themselves.

13. Rep Fenwick (R New Jersey) offered the Prime Minister her warm congratulations on her appointment and her success to date and said that it was good to know that Britain and the United States were working together for freedom. The Prime Minister said that if ever Rep Fenwick was out of a job in the United States, her talents could be used to great advantage in Britain.

14. Senator Tower (R Texas) asked the Prime Minister's views on the SALT II Protocol. The <u>Prime Minister</u> thought that the Protocol must lapse at due date if subsequent problems were to be avoided.

15. Rep Bingham (D New York) asked about Britain's problems within the EEC. The Prime Minister said that Britain was only the seventh richest of the EEC member countries but was the highest contributor and she could not afford it. Germany and Britain were the big contributors while the other member states were beneficiaries. In five years Britain's net contribution had risen from £13 million to £1000 million, i.e. more than our entire aid contribution to the Third World. This did not make sense, particularly when public expenditure at home was having to be cut. The Prime Minister had said to her EEC colleagues that, as a believer in equity and fairness, she wanted her £1000 million back. Her colleagues had offered £350 million; this was genuinely not enough, either to meet our problems or in equity. There was deep resentment in Britain about the unfair treatment Britain was receiving. Either more Community money should be spent in the United Kingdom or the United Kingdom should contribute less. The Prime Minister hoped that there would be another meeting of heads of government at the end of February and that a much more equitable settlement than that hitherto proposed would emerge.

16. The Prime Minister said that the Common Agriculture Policy (CAP) was a difficult and expensive issue. The CAP had led to dear food and heavy surpluses of dairy products and meat which were being sold overseas at prices lower than those available to British housewives. Britain was not responsible for producing the surpluses but was required to finance them. Seventy-five per cent of the EEC budget was swallowed up by the CAP. The Prime Minister's whole approach to foreign affairs was based on an assessment of whether particular policies contributed to the maintenance of a free society. The key point at issue was that Britain could not be expected to incur such a financial penalty. The burden of member states of the EEC must be more equitable.

17. Senator Percy (R Illinois) said that on 14 December, in the midst of their preoccupations over the Windfall Profits Tax, the Senate had unanimously adopted a resolution commending the Prime Minister and Lord Carrington on their work over Rhodesia. They now hoped that Britain would achieve total and complete success on Rhodesia and that the House of Representatives would join the Senate in a verbal, concurrent resolution paying tribute to Britain's achievement.

18. The meeting ended at 1710 hours.

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British Embassy,
Washington

19 December 1979

MEMBERS OF THE UNITED STATES SENATE & HOUSE OF REPRESENTATIVES
ATTENDING THE MEETING WITH THE PRIME MINISTER ON CAPITOL HILL
ON MONDAY, 17 DECEMBER 1979.

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Majority Leader
Alan Cranston (Democrat, California)
Assistant Majority Leader
Ted Stevens (Republican, Alaska)
Minority Whip
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Jacob K. Javits (Republican, New York), Ranking Minority Member Charles H. Percy (Republican, Illinois) Jesse Helms (Republican, North Carolina) S. I. Hayakawa (Republican, California) Richard G. Lugar (Republican, Indiana)

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Carl Levin (Democrat, Michigan)

# ATTENDING THE MEETING WITH THE PRIME MINISTER ON CAPITOL HILL ON MONDAY, 17 DECEMBER 1979.

#### UNITED STATES HOUSE OF REPRESENTATIVES

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Majority Leader John T. Rhodes (Republican, Arizona)

Minority Leader John Brademas (Democrat, Indiana)

Majority Whip

Dan Rostenkowski (Democrat, Illinois) Deputy Whip

Thomas S. Foley Chairman, Democratic Caucus

Robert H. Michel (Republican, Illinois) Minority Whip COMMITTEE ON FOREIGN AFFAIRS

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Don Bonker (Democrat, Washington)

Gerry E. Studds (Democrat, Massachusetts)

Donald J. Pease (Democrat, Ohio)

Michael D. Barnes (Democrat, Maryland)

David R. Bowen (Democrat, Mississippi)

Larry Winn, Jr. (Republican, Kansas)

Robert J. Lagomarsino (Republican, California)

Millicent Fenwick (Republican, New Jersey)

# OTHER MEMBERS, HOUSE OF REPRESENTATIVES

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Silvio Conte (Republican, Massachusetts)

Melvin Price (Democrat, Illinois)

J. William Stanton (Republican, Ohio)

Henry Reuss (Democrat, Wisconsin)

Peter W. Rodino, Jr. (Democrat, New Jessey)

Harold Johnson (Democrat, California)

Don Fuqua (Democrat, Florida)

Al Ullman (Democrat, Oregon)