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## NATIONAL SECURITY COUNCIL

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December 3, 1979

MEMORANDUM FOR: ZBIGNIEW BRZEZINSKI

FROM: WESTERN EUROPE *Fin*

SUBJECT: Evening Report (U)

UK. Mrs. Thatcher will be coming here December 17 in the wake of the most serious disagreement between Britain and its EC partners since 1974. Her refusal in Dublin to accept a reduction of 350 million pounds in the UK's net contribution to the Community Budget, rather than her preferred figure of one billion pounds, angered an Eight already fed up with years of Labor Government recalcitrance on Community issues. At least for the present, there seems to be no reason to worry that Thatcher will follow Heath's trail away from Washington and toward Brussels. (C) (Blackwill)

Iran. Lunched with German DCM Fredo Dannenbring who expressed his hope that if we decide to tighten further the economic and financial screws on Iran, we will consult with the FRG. If we do so, Dannenbring believes Schmidt will come along. (C) (Blackwill)

Portugal. Dunned CIA for the "quick-reaction" analysis of the Portuguese "shift to the right" in yesterday's elections; though promised -- in DR form -- by midday today, delivery by tomorrow morning now seems more likely. Meanwhile, the results are probably the best we could hope for: a workable majority government committed to NATO, EEC membership, and an investment climate favoring U.S. interests. Despite some indications that he would prefer to challenge Eanes for the presidency in 1981, Social Democrat Leader Sa Carneiro looks to be Portugal's next Prime Minister. (C) (Rentschler)

Spain. Todman reports that Suarez' office has gone out of its way to disavow (privately) an earlier GOS spokesman's remarks to the effect that we would not be able to use our Spanish bases for actions related to military intervention in the Persian Gulf. A Suarez confidant asserted that Spain has not reached a decision one way or the other on the issue "because it has not arisen." Todman reiterated the view, however, that any use of the bases for Iran-related moves would have to be worked out via a personal message from the President to Suarez (given Suarez' multiple political and personal sensitivities, that view sounds accurate to me). (S) (Rentschler)

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Denmark. Niels Haagerup, international affairs correspondent for Berlingske Tiende and an old friend from USNATO days (David knows him), is helping us fight the good fight to turn Danish public opinion around on TNF. Recent pieces in the widely-circulated daily highlight the updated IISS study and the extent to which the Danish Government's position did not take that version into account in its public presentation of the East-West security equation. I will make sure that Niels gets a good readout of your December 7 meeting with Danish Foreign Minister Olesen. (C) (Rentschler)

Press Contacts. None for Cluster. (U)

*I know  
him.  
How does it  
relate to  
confrats.?*

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