



#### 10 DOWNING STREET

From the Private Secretary

19 December 1979

#### PRIME MINISTER'S VISIT TO THE UNITED STATES

I enclose the record of the Prime Minister's talk, in plenary session, with the President of the United States in Washington on 17 December. I have broken the record into four parts, as follows:

Part I: Introductory remarks and Iran

Part II: Rhodesia, the Middle East and Energy

Part III: Northern Ireland

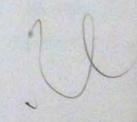
Part IV: Defence subjects (including Afghanistan).

I should be grateful if the record could be given the limited distribution appropriate to a record of this kind.

I am sending a copy of this letter, together with a copy of the entire record, to Martin Vile (Cabinet Office) and Brian Norbury (MOD). I am also sending copies of this letter to Tony Battishill (HM Treasury) with copies of Parts I, II and IV of the record; to Bill Burroughs (Department of Energy) with a copy of Part II of the record; and to Roy Harrington (Northern Ireland Office) with a copy of Part III.

M. O'D. B. ALEXANDER

G. G. H. Walden, Esq., Foreign and Commonwealth Office.



RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE UNITED STATES, MR JIMMY CARTER, AT THE WHITE HOUSE, ON 17 DECEMBER 1979 AT 1030 PART I

#### Present:

Prime Minister
Foreign and Commonwealth
Secretary
H.E. Sir Nicholas Henderson
Sir Robert Armstrong
Sir Michael Palliser
Sir Frank Cooper
Mr B Ingham
Mr MO'D Alexander
Mr G H Walden
Mr M A Pattison

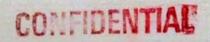
President of the United States
Vice President Mondale
Mr Cyrus Vance
Dr Zbigniew Brzezinski
Ambassador Henry Owen
Ambassador Kingman Brewster
Mr G S Vest
Dr David Aaron
Mr Blackwill

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#### Introductory

expressed his deep gratitude for the extraordinary help extended to the United States by the United Kingdom throughout the Iranian crisis. The crisis was of all consuming importance in the United States at present. The actions of the Iranian regime constituted a challenge not only to the United States but to the international community in general. In discussing the matter with other countries the United States had found unanimous condemnation of what had been done. The only exception seemed to be Albania:

/The President



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The President said that the help which Britain had extended had been typical of the country. So had been our handling of the Rhodesian problem for which the United States was full of admiration. There had been a "slight hiccough" on Saturday and the President was anxious to know about the latest developments. The US Government had lifted sanctions at midnight on Saturday, Britain should have no hesitation in asking for any further help that was needed from the United States. The approach of the Prime Minister and the Foreign Secretary to the Rhodesian question had shown great courage and was an example of what effective diplomacy could achieve. The President said that he hoped the discussion would range widely since he and the Prime Minister could talk easily and without restraint.

The Prime Minister expressed her gratitude for the President's reception. The ceremony on the White House lawn had been a great emotional experience. The close links and common language - happily makingit possible to do without interpreters - between the two countries made it easy to discuss problems together. Recalling her remarks on Iran at the arrival ceremony, the Prime Minister repeated that everything the British Government could do to help they would do. She was extremely grateful for everything that the American Government had done to help over Rhodesia. Thanks to the skill and perseverance of Lord Carrington the talks were on the verge of success. Difficulties had arisen on final details but the Prime Minister was hopeful these could be cleared out of the way. The future democracy in Southern Africa was at stake.

/Iran

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#### Iran

The Prime Minister said that she would be grateful if the President could say how he now saw the situation in Iran. The more she knew of his thinking, the more quickly she could respond in time of need. She had said in a TV interview earlier in the morning that if the President opted for action under Chapter 7, the British Government would, of course, support him. No other course of action was thinkable. But it was necessary to consider what would happen next. The wave of popular anger in the United States was only too natural. But every action had to be judged against the overriding need to get the hostages out safely. Toughness with the Iranian regime could take various forms.

The President said that he had been reasonably encouraged by the latest developments. At first there had seemed to be a real possibility of the rapid trial and even execution of some of the hostages. At that stage the US naval forces had been moved in. The US Government was prepared to use them. But they wished to avoid bloodshed if at all possible. As Mr. Vance had told European Governments on his recent visit. the US Government had plans to interrupt Iranian commerce if the hostages were put on trial. There were a range of options: further action against bank assets; foreclosure on mortgages: sanctions: a multilateral embargo; or a blockade. However it looked increasingly as though neither execution or trials would take place. There was some evidence that Khomeini had decided that holding the hostages was proving counterproductive. Iranian thinking now seemed to be turning to the possibility of a multinational tribunal. Qotozadeh had talked not of a trial but of a grand jury to decide

/whether

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whether there should be a trial. The students might not like this but the US Government's judgment was that Khomeini would prevail in a show-down with them. The tribunal might pass sentence on the Shah in abstentia and find the hostages guilty of offences meriting expulsion. The American Charge, Mr. Laingen, who was still in the Ministry of Foreign Affairs and with whom the State Department were now finding it easier to get in touch, thought that the Shah's departure would help. The Iranians had been able to claim that as a victory. The President said that he did not want the situation to be frozen or to become fixed as a sort of status quo. Later in the day he hoped to establish a timetable for the implementation of more stringent measures, including sanctions, against the Iranians. He would discuss the matter further with the Prime Minister at dinner.

Mr. Vance said that both Qotbzadeh and his representative. Farhang, had said that the Shah's departure might be a needed first step in finding a way out of the present situation. The President said that he had always meant to move the Shah out of the country once he was well enough. He deeply appreciated President Sadat's offer. But it would have been embarrassing for President Sadat if the Shah had gone to Egypt. Moreover there would have been danger in trying to move the Shah closer to Iran. The Panamarian Government had invited the Shah to go to Panama 9 or 10 months previously. It had been a courageous action on their part. It would be helpful if the British Government could find some way to show that they also appreciated what the Panamanians had done. The Panamanian decision contrasted with the disappointing performance of the Mexicans. President Portillo had "pulled the rug" from under the Americans.

/The Prime Minister

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The Prime Minister asked the President for his views of the nature of the trial or tribunal. What shape would it take and how long would it last? The West's strategy was presumably to assist the Iranians to extract themselves from their present position without humiliation. But were the Iranians looking for a way out? The President commented that there was little rationality apparent in Tehran. But he thought that Khomeini was indeed trying to save face. The Iranians had accepted that the American Government were prepared to take strong action. They might use a tribunal to reveal the adverse relationship which had existed between the United States and Iran since the time of Dr. Mosadeq. He hoped they would not call the hostages before the tribunal even as witnesses. There could be no question of the US Government lending any kind of authenticity to the tribunal.

Mr. Vance said that the Iranians were all at sea about the grand jury idea. The State Department had been in touch over the weekend with various Iranian academics. It was clear that confusion reigned. The Prime Minister commented that this did not make for speed. But it increased the possibility that the Iranians would feel humiliated and do something which would cause a strong reaction in the United States. None the less she understood that the US administration would neither support nor oppose a tribunal. The President said that they would deplore it and criticise it publicly. But behind the scenes they would acknowledge that it might be a way out. He repeated that if the Shah and the hostages were found guilty and the hostages expelled he would accept that. Khomeini found it difficult to admit mistakes. He was inclined to attack the US and the Soviet Union and anyone else he could plausibly blame for the situation in Iran. He had evidently been disappointed at the outcome of the referendum on the Constitution.

/Mr Brzezinski

Mr. Brzezinski said that during his trip to Europe, Mr. Vance had discussed specific steps which the allies could take prior to the passing of a Chapter 7 determination. The US Government hoped that these measures could be implemented without delay. As regards the trial or tribunal, the world was witnessing a struggle for the future of Iran. There was an internal contest going on: one of the groups involved was determined to sever links between the US and Iran. The future of Iran was at issue. There was a real risk that the country would become destablised and that it would begin to fragment at the periphery. The question for the West was how to influence events so that the country neither broke up nor became a satellite of the Soviet Union. The Foreign and Commonwealth Secretary said that if the tribunal were to go back to the time when the Shah was returned to power in the early 1950s, the United States would not be the only country in the dock. The British Government would have to think of their position. As for the specific steps mentioned by Mr. Brzezinski, these had been discussed at the quadripartite meeting in Brussels the previous week. It had been agreed then that it would be easier to take the actions in question after a Chapter 7 determination than before. None the less the British Government was examining them. How long did the American Government intend to wait after the judgement of the International Court at The Hague, given that the Security Council had already passed one resolution, before taking further action? The President said that it would be a matter of days. He hoped that the United Kingdom. France and Germany would back the United States from the outset. The Prime Minister asked what sanctions the United States would seek under Chapter 7. The President said he would decide in the course of the day and that his present inclination would be to take action in the United Nations towards the end of the week. Action in the UN at some stage was inevitable. The offence to the international community could not be ignored. The Soviet Union had voted with the United States in the Security Council and the International Court. Their attitude to a Chapter 7 determination was yet uncertain. Mr. Brzezinski asked again about financial measures in advance of UN action. The Prime Minister reminded him that Governments



would have more powers once Chapter 7 determination had been made. Mr. Brzezinski described Chapter 7 action as "a further stage".

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RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE USA July 79 for PRESIDENT OF THE UNITED STATES, MR JIMMY CARTER, AT THE WHITE HOUSE, ON 17 DECEMBER 1979 AT 1030: PART II

#### Present:

Prime Minister
Foreign and Commonwealth
Secretary:
H.E. Sir Nicholas Henderson
Sir Robert Armstrong
Sir Michael Palliser
Sir Frank Cooper
Mr B Ingham
Mr M O'D Alexander
Mr M A Pattison
Mr G G H Walden

President of the United States
Vice President Mondale
Mr Cyrus Vance
Dr Zbigniew Brzezinski
Ambassador Henry Owen
Ambassador Kingman Brewster
Mr G S Vest
Dr David Aaron
Mr Blackwill

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#### Rhodesia

The Prime Minister asked the Foreign and Commonwealth
Secretary to explain to the President the position reached
in the Lancaster House Conference. The Foreign and Commonwealth
Secretary said that the Conference had cleared all the major
hurdles. But the final hurdle was proving the most difficult. The
conference was sticking on the question of assembly areas between
the time the ceasefire was declared and the holding of the
election. Broadly speaking the areas controlled by the Patriotic
Front, and consequently their assembly areas, were around the
outside edge of the country. The Patriotic Front wanted assembly
areas nearer the centre. Also they were anxious not to be
surrounded by the Rhodesian Security Forces. We had thought
it right to locate the Patriotic Front assembly areas in areas
where they were already. The British assessment that there were

/17/18,000



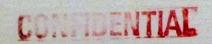
17/18,000 members of the Patriotic Front in Rhodesia.
This suggested that 15 assembly areas was about right.
Moreover since the British Government would be responsible for feeding and housing them, it would be difficult to take on a greater number.

The Foreign and Commonwealth Secretary said that he had been surprised at the Patriotic Frontsunwillingness to accept. The reason probably was that they saw political advantage in moving closer to the centre. The British compromise proposal consisted?-

- (a) of offering the Patriotic Front one additional assembly area nearer the centre of the country; and
- (b) taking advantage of the fact that the Patriotic Front's claim to have 35,000 guerrillas in the country was clearly unrealistic, of saying that if our assessment of the numbers was wrong, the Governor would reconsider the number of assembly areas.

There was a good chance that these offers would do the trick. President Michael had been extremely helpful and had told Mr Mugabe that he could not continue the struggle from Mozambique territory. President Kaunda had told Mr Nkomo to sign and Mr. Nkomo clearly wished to do so. President Nyerere had been more equivocable. Mr. Mugabe did not wish to sign but was under great pressure. The situation looked promising but throughout the negotiations it had proved difficult to bring the Patriotic Front to the point of decision. It had frequently been necessary to issue ultimata while denying it. The sending of Lord Soames to Salisbury had been the final ultimatum: the Patriotic Front knew that they risked getting left behind in the preparations for the election. The Foreign and Commonwealth Secretary said that he would be misleading the President if he gave the impression that even after a ceasefire the situation would be other than very uneasy. There was a strong risk that the Patriotic Front in the event would not assemble in their assigned areas. If so the

/Rhodesian



Rhodesian Security Forces could not be expected to ignore the situation. It was for these reasons that it was so urgent to hold the election. The President asked whether Bishop Muzorewa was genuinely opposed to any extension in the number of assembly areas or whether he regarded that as bargaining cards. The Foreign and Commonwealth Secretary said that it was a bit of both. On the whole he thought that the amended British position was fair. The Prime Minister commented that Bishop Muzorewa and his colleagues had throughout the negotiations done whatever had been asked of them. He had given up the post of Prime Minister and agreed to hold a new election a few months after having won one. Mr. Vance asked whether there would be a problem over the infiltration of Patriotic Front guerrillas during the period between the ceasefire and the election. The Foreign and Commonwealth Secretary said that he hoped that it would be possible to persuade President Michel and Kaunda to stop it. It was true that even if they agreed to do so a good deal of infiltration would continue. None the less there was no case for an expansion of the number of areas at present.

The <u>President</u> asked whether the British Government had ever approached the Soviet Government for help. The <u>Foreign</u> and <u>Commonwealth Secretary</u> said that the Soviet Union had throughout been very unhelpful. He had discussed the problem with Gromyko whose attitude had been hostile. The Russians and the Romanians were both supplying arms to the Patriotic Front. Trouble in the area suited them very well. Mr. Brzezinski queried the reference to the Romanians. The <u>Foreign and Commonwealth Secretary</u> confirmed it. (News of the Romanian involvement clearly came as a surprise to Mr. Brzezinski.)

The Prime Minister said that throughout the conference the tension in the relation between Mr Nkomo and Mr. Mugabe had been obvious. They had however decided not to break up the Patriotic Front at least while they were in London. It was difficult to predict what would happen when they returned to Rhodesia. In any case the British Government intended to go

/ahead



ahead. She believed that they would get through. Lord Soames' task would not be easy. It had been essential to send someone with a powerful personality. The Governor would have little material support to fall back on.

#### Middle East

The President said that Mr Linowitz had just returned from a visit to the Middle East during which he had seen President Sadat and Mr. Begin. He had been much encouraged. It might be a good idea for him to visit the United Kingdom soon to talk about the detailed position in the negotiation. The US Government wanted the Israelis and the Egyptians to continue with the implementation of the terms of the Camp David agreement with a minimum of interference. Israel's return of the oil wells had been a very important gesture. He hoped that it would now be possible to proceed without further complication to the return of the remaining territory and the exchange of ambassadors. It would be desirable to get the discussions off the differences between the two sides e.g. over the numbers of people who would serve on local government councils, and on to more positive matters e.g. what the local government councils might do. Mr. Vance said that there would be a critical point at the end of January. By then all the occupied land up to the Ras Mohammed line, as well as the oil wells, would have been returned. President said that the question of the exchange of ambassadors would then come to the forefront. Begin and Sadat had a remarkable relationship. Sadat was supremely confident. Whenever the President spoke to him on the telephone, he said that everything was going according to schedule.

The Foreign and Commonwealth Secretary asked whether, given the help the United States had received over the hostages from the PLO and King Hussein's wish to bring in a resolution amending or enlarging Resolution 242, the American Government was likely to change its position on the PLO and 242. The

/President

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President said that Resolution 242 was something of a bible. Amending it would be very difficult. But addenda or further resolutions might be possible. The Americans had explored the possibility six months previously, but had dropped the idea because of Israeli opposition. The US Government would not oppose a resolution building on 242. But if a new dimension were injected, e.g., Israeli withdrawal from the West Bank, the Americans would The Prime Minister asked whether it was public knowledge that the PLO had given help during the Iranian crisis. said the Congress had been informed and indeed he had mentioned the matter publicly. The President remarked that the present altercation between Qadhafi and the PLO stemmed from Qadhafi's view that the PLO had recently been too moderate. The Israelis were, of course, aware of the PLO's role and that it had been acknowledged. However the understanding that the United States would not recognise the PLO until the right of Israel to exist had been accepted was still valid.

The Foreign and Commonwealth Secretary asked whether there was any movement in the American position on the various formulae about recognition. The President said that Mr. Linowitz had ideas. The Camp David text, like 242, was sacrosanct. But it was also very far reaching. Although Mr. Begin had reversed himself on the question of autonomy and, by excluding land and water from the ambit of the agreement, the framework of the agreement remained very useful. Jerusalem was the most difficult issue. Progress had in fact been made at Camp David There was until a relatively late stage a on this question. paragraph on the subject agreed by both Mr. Begin and President But before the agreement was finalised, both men separately had asked for the removal of the paragraph because of the likely reactions in their own countries. be easy to keep the Camp David process going in an American election year and against the background of Mr. Begin's political But Mr. Linowitz thought that Mr. Begin was back to his old form.

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The Prime Minister asked whether the American policy was in fact to exhaust the Camp David process before trying something The President said it might be possible to reinvolve moderate Arabs, i.e. Saudi Arabia and Jordan. Some mechanism to make this possible would be very helpful. If the PLO would accept Resolution 242 and Israel's right to exist, that would absolve the US from its commitment to Israel. The Prime Minister said that the PLO could not be expected to accept Israel's right to exist without simultaneous compensation. She had found King Hussein helpful on these problems. The President said that despite King Hussein's earnest tone, he was the most unhelpful man in the Middle East. Mr. Vance commented that the reference in the President's speech at Aswan to the right of the Palestinian people "to participate in the determination of their own future" had been very carefully contrived. President Carter said that during his Middle East tour in 1978 he had met no Arab leader who was insisting on an independent Palestinian state. He thought that that concept, like the concept of total withdrawal from the occupied territories, was dead. The problem now was how to accommodate the remaining differences between Israel and the moderate Arabs.

The Foreign and Commonwealth Secretary said that the PLO bandwagon was rolling in Europe. The British Government was virtually the only Government not already on it. The reason for the reaction against Israel was their policy of establishing settlements on the West Bank. Mr. Brzezinski asked how the move in favour of the PLO would express itself. The President said that if it were to be in the United Nations he would not deplore this. The US Government was for the moment committed to Israel but the PLO had been very helpful of late. It would however be valuable if the isolation of Israel could be avoided where oil was concerned. He hoped that the United Kingdom, along with Norway and Mexico, might be prepared to sell the Israelis some oil if they asked for it. The Prime Minister pointed out that

/ Britain

Britain was a member of the IEA and of the EEC. We were committed to sharing our oil with the other members of those organisations if there was a shortfall of 7 per cent. The President repeated that it would help if the UK could sell Israel a few tens of thousands of barrels of oil. The Foreign and Commonwealth Secretary recalled that our EEC partners had made it plain in Dublin that they expected the UK to sell them whatever spare oil they had. The President said that it was necessary to overcome difficulties rather than to enumerate them.

#### Energy

The Prime Minister asked whether the West Bank issue affected the views of the major oil producers on price. Or were the producing Governments simply selling their oil for whatever they could get? The President said that in his view the Middle East problem now made a minor contribution to rising oil prices. He noted that there were signs that recent events in Iran and Saudi Arabia was causing a reassessment by Middle East countries of their strategic alignments. It was very important in everyone's interest that Egypt and Israel should be strong and on good terms with their neighbours. He had written in his own hand to both President Sadat and Crown Prince Fahd saying how helpful it would be if there could be some easing of the animosity existing between their respective governments. There were encouraging signs of movement on this front.

The American Government was determined to carry forward the discussion begun at the recent meeting of the IEA. They were seeking an arrangement at the next IEA meeting in March on the allocation of oil in a time of shortage. They did not want a free for all. They wanted a specific formula to in world production accommodate a shortfall of 1/1.5 million barrels per day/. The American Government thought that next year's production would fall below this year's level by that amount. They were ready

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for draconian action to keep imports under control. They already had the authority to impose import fees. The <a href="Prime Minister">Prime Minister</a> said that if consumption could be reduced imports would look after themselves. As prices moved upwards every household took steps to economise on their consumption. The present price rise was caused as much by uncertainty over future supply as by anything else.

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18 December 1979

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CONFIDENTIAL

RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE UNITED STATES, AT THE WHITE HOUSE, ON 17 DECEMBER 1979 AT 1030 - PART III

#### PRESENT:

Prime Minister

Foreign and Commonwealth Secretary

H.E. Sir Nicholas Henderson

Sir Robert Armstrong

Sir Michael Palliser

Sir Frank Cooper

Mr. B. Ingham

Mr. M. O'D. B. Alexander

Mr. G. H. Walden

Mr. M. A. Pattison

President of the United States

Vice President Mondale

Mr. Cyrus Vance

Mr. Zbigniew Brzezinski

Ambassador Henry Owen

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Dr. David Aaron

Mr. Blackwill

#### Northern Ireland

The Prime Minister said she was acutely aware of the difficulties the question of the supply of arms from the United States to the RUC raised for the President. But it also created difficulties for her. The RUC was not a sectarianism force. The last Chief Constable had been a Roman Catholic. Almost all the other police forces in the United Kingdom had similar US weapons to those which had been ordered for the RUC. The RUC itself already had 3,000 of the weapons in question. It seemed very strange to deny them the remainder of the order and thereby to deprive a significant number of members of the RUC of the right to defend themselves effectively. She herself had handled both the gun which the RUC at present used and that which was on order. There was no doubt that the American Ruger was much better. It had never occurred to her there would be a problem about completing the order. The difficulties created by the absence of weapons would begin to become acute in three or four months' time. Was the difficulty for the President one of

/principle

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principle or one of timing?

The President said the difficulty was one of timing. The administration was consulting the Congress: the approval of Congress would be necessary if the sale was to take place. Mr. Vance said that at the moment the administration did not have the votes to secure the approval of Congress. The Speaker, Mr. O'Neil, had sufficient votes to prevent approval going through and was prepared to use them. The Prime Minister asked how long this situation was likely to obtain. President suggested that she should talk to Speaker O'Neill later in the day. Mr. O'Neill had drafted a resolution on the subject and had already collected enough signatures to ensure that approval would be blocked. The President said that he himself would like to approve the sale but did not wish to be defeated in Congress or to have a major altercation with them. political problem of handling the Northern Ireland issue in the United States would be exacerbated if he took on Congress and lost. Speaker O'Neill rarely became personally involved in policy issues. But this problem was a personal one for him.

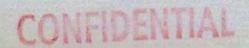
The <u>Prime Minister</u> asked about the basis of Mr. O'Neil's objections. There was nothing the British Government could do that would satisfy the IRA. The people of Ulster wished to remain part of the United Kingdom while the IRA wanted a united Ireland. Presumably Mr. O'Neil's attitude was essentially an emotional one. The <u>President</u> made it clear that he was persuaded of the merits of the Prime Minister's case but that he thought the only way to advance the position would be to talk to Mr. O'Neil. He added that Mr. O'Neil had in general supported the policy of the present British Government on Northern Ireland.



The Prime Minister said that it sounded as though it would be several months before the matter could be sorted out. If the sale of the revolvers was blocked, it would be a major propaganda victory for the IRA. It seemed a pity at a time co-operation with the Irish Government had been significantly improved. She expected that it would prove possible to continue with Mr. Haughey the close co-operation which had been begun with Mr. Lynch. The Foreign and Commonwealth Secretary said that if it became known that a Government request for a permit to export the arms had been rejected there would inevitably be a great deal of very adverse comment in Parliament. The President made it clear that he was aware of this. He repeated that the Prime Minister should discuss the matter with Speaker O'Neill. He would be interested to learn whether or not Mr. O'Neill showed any flexibility.

The President asked about the prospects for the forthcoming conference on Northern Ireland. The Prime Minister said that the Secretary of State for Northern Ireland had achieved a considerable diplomatic feat in securing Mr. Hume's agreement to attend the Conference without losing Dr. Paisley in the process. There was an outstanding difficulty about the official Unionist Party, who had been committed by their Party Conference to stay out of the Conference. However, it might be possible for them to agree to come into the Conference at a later stage. It was important for the Government to show both that they were trying to make political progress and how difficult it was to do so. The Conference would certainly be held. Once it was over, and whatever its outcome, the Government would have to take decisions. Some local government powers would have to be transferred to Northern Ireland. It was ridiculous to have a Secretary of State and six Junior Ministers working full time on Northern Ireland. The Government would have to look at whatever agreement was achieved at the Conference and decide in the light of that the way ahead.

/The President



The <u>President</u> asked whether there had been any reduction in the level of terrorism. The <u>Prime Minister</u> said that it was a question of a change of direction rather than a reduction in the level. The main focus of terrorist activity had now moved to the border. Targets were more specific: indiscriminate attacks had been abandoned in favour of attacks on the security forces. On the other hand, there were now areas where the police could cope without any help from the army. Overall co-ordination had been improved by the appointment of Sir Maurice Oldfield.

Nonetheless the terrorists, inevitably, still held the initiative. They could strike where they like. Moreover, the use of remotely controlled bombs had increased the threat from them.

Reverting to the Conference, the Foreign and Commonwealth Secretary said that the return of some form of representative Government was important because this was a forum in which moderates could work. In present circumstances no moderate leaders would emerge because there was nothing for them to do. It was true, however, that John Hume was a moderate politician. His agreement to participate in the proposed Conference was very encouraging. The President asked when the Conference would meet. The Prime Minister said it would probably be on 7 January. The Conference would no doubt see a good deal of disagreement but progress had to be made. The present situation could not be allowed to continue indefinitely. The Government was bound to explore every avenue.

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### SECRET

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RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE UNITED STATES, MR. JIMMY CARTER, AT THE WHITE HOUSE, ON 17 DECEMBER 1979 AT 1030: PART IV

#### Present:

Prime Minister

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Mr. B. Ingham

Mr. M O'D Alexander

Mr. M.A. Pattison

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President of the United States

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Mr. G.S. Vest

Dr. David Aaron

Mr. Blackwill

#### Defence

The Prime Minister asked whether the Soviet Union was still expanding its military capacity. The President said that the Soviet Union next year would be spending 13% of its GDP on defence. The American figure was nearer 5%. After the Prime Minister had said that Britain would be going up to about 5.5%, the President commented that he found it less difficult now than two or three years previously to adopt a strong military posture. There was public support for such a policy and less and less disparity between the line advocated by the administration and by Congress. The Foreign and Commonwealth Secretary noted that the decision to deploy GCLMS had caused no difficulty. The Prime Minister said that the only difficulty on defence in the UK lay within the Labour Party. She said that the American Government were being very generous in providing the GCLMS and thereby helping the UK to defend itself.

The <u>President</u> said that he had been very pleased about the Alliance's decision on TNF modernisation. It was a pity that it had been impossible to secure a unanimous decision. But the Belgian position, at least, was reasonably firm. His own conviction, based by now on a great deal of experience, was that one must negotiate with the Russians from a position of strength. The only consequence of negotiating from weakness was that Soviet demands increased.

SECRET

/ The President

The President thanked the Prime Minister for the help the British Government had given on SALT II. The Prime Minister asked about the timing of the ratification debate. The President said that Congress was bogged down on a number of very challenging pieces of legislation. He expected to get the SALT treaty on the floor of the Senate in the New Year and that five or six weeks of debate would follow. The issue was still in doubt. He himself thought that the treaty would be ratified but whatever the outcome, it would be March or April before a decision was reached. Mr. Vance said that he thought it might be possible to complete the process by the end of February.

The Foreign and Commonwealth Secretary said that there would be a timing difficulty if ratification was delayed until March or April. The weaker bretheren in NATO, who attached importance to the arms control side of the TNF modernisation agreement, would be upset. It might be necessary to set up an informal internal group. would be much worse than putting the matter into SALT III. President described the efforts he was putting in to getting progress. He had been meeting two Senators a day for some time to talk about the problems. But support for SALT was not as strong as it had been. The discovery of a Soviet brigade in Cuba had set matters back for several weeks. However there was now a good chance that Messrs. Kissinger and Ford would rally to support of the treaty. The President said that he had a genuine concern that if the SALT II was not ratified there might be a strong move in Europe towards neutralisation. Recognition of this was affecting the mood of the Senate. Moreover the rumours that Great Britain was not in favour of SALT had been disproved. It would of course be useful if the Prime Minister could make the strongest statement possible in favour of ratification. The Prime Minister said that she had already done this. She had assumed that ratification would take place. The President said that he hoped she was right. But the SALT decision was still in the balance.

#### Comprehensive Test Ban

The <u>President</u> asked whether there was any flexibility in the British position on acceptance of National Seismic Stations (NSS) in the context of the Comprehensive Test Ban negotiations. The

Prime Minister said that we could only afford to accept one NSS. If this was an insuperable difficulty, Britain was prepared to withdraw from the negotiations. The President said that he had talked to President Brezhnev in Vienna. Mr. Brezhnev had made it clear that he would object to Britain's withdrawal. The President, for his part, had told President Brezhnev, that it would be impossible for Britain to accept ten NSS. The President asked whether it would be possible for the Prime Minister either to agree to the deployment of four NSS on British territory or to try to induce the Soviet Union to agree to Britain's withdrawal from the talks. The United States would be prepared to help with the costs of the additional NSS. Both the Prime Minister and the Foreign and Commonwealth Secretary said that four NSS would be out of the question. The Prime Minister added that the United Kingdom had no wish to withdraw from the talks unless our continued presence at them was embarrassing. The President denied there was any question of embarrassment. He enquired about the cost of a NSS and on being told by Mr. Vance that it was about five million dollars per station made it clear that this was not a significant sum.

#### Afghanistan

The President said that Soviet troop levels in Afghanistan were building up. A new battalion had been flown in the previous day. Mr. Brzezinski said that two Soviet divisions which had previously been located just to the north of the Afghanistan frontier had disappeared. The evidence was derived from satellite photographs. It was not now known where the two divisions were but it was obviously possible they had moved into Afghanistan. The President said that the American Government had made the moves public and had expressed concern. It might be helpful if the Prime Minister could do the same e.g. by public statement or on the BBC. Mr. Vance said that the Russians now had four battalions in the area near the airstrip at Kabul, i.e. 1,800 men plus an HQ. The President noted that the group was equipped with aircraft and personnel carriers. The Soviet Union had shown they were increasingly prepared to act militarily in Afghanistan. There was evidence that they had participated in air-strikes and in suppressing groups of opposition guerrillas. If the Prime Minister would like to receive regularly reports through the CIA, this could be arranged. The Prime Minister said she

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would indeed be interested in seeing such reports. Mr. Brzezinski noted that in a recent incident a Soviet manned aircraft had dropped bombs on the Russian side of the border.

Ann A

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