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Dear Such,

MRS THATCHER'S VISIT

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 Mrs Thatcher is now in Canada and I should let you have a report on the United States part of her tour.

- 2. Mrs Thatcher carried out fully the programme which you sent under cover of a departmental compliments slip on 18 September. There were one or two additions and I am therefore enclosing the final programmes of the visit as they were issued here and in New York and Chicago. The programmes constituted a pretty demanding schedule. The punishing pace which was set in New York was maintained for the first two days of her visit here and it was as well that Saturday and Sunday, 20 and 21 September, provided a chance for some relaxation and a break. Mrs Thatcher was showing some signs of tiredness by the end of her second day in Washington and the fact that she developed a cold here did not help. But she kept going well and to anyone meeting her gave no impression of a lack-lustre performance.
- The programmes (arranged at her request) went through virtually without a hitch. They enabled her to meet the senior members of the Administration including the President, Vice President and the top Cabinet Ministers, a good cross-section of Senators and Congressmen and other leading personalities such as Mayors Beame and Daley, Dr Witteveen, David Rockefeller and Dr Waldheim.
- 4. Mrs Thatcher received coverage in the media on a scale normally given only to major newsworthy figures. On television she appeared on the NBC morning "To-day" programme, which potentially made her face known to four million viewers, and on William Buckley's Firing Line, a highly influential one hour discussion programme. Eric Sevareid did a guardedly commendatory piece on her in his news programme. Although CBS finally decided for their Sunday programme "Face the Nation" in favour of Defense Secretary Schlesinger and his Pershing revelations, Mrs Thatcher, had she had the time, could also have appeared on Martin Agronsky's Evening Edition (PBS) and ABC's Panorama. The National Press Club Luncheon was a sell out, the attendance figures beating those for Mr Heath's recent luncheon. The New York Times and both Washington papers gave her prominent writeups, though angled as much towards her personality as to her political beliefs.



- engendered by her curiosity value as the first woman leader of a major political party in the western world; as well as by her forthright condemnation of socialism in her first public speech. Her effect on the media, as far as we can judge it, was to charm commentators with her appearance and to win their approval for her skill and steadiness under questioning. For many she corrected the impression that she was only a stop-gap leader. Those journalists we have talked to seemed less convinced that her ideas although sympathetically received by many American audiences provided the cure for what she described as the British sickness.
- 6. From Mrs Thatcher's point of view the visit must be counted an overall success. Americans were surprised at Mr Heath's defeat as Leader of the Conservative Party and wanted to know more about the politician who had succeeded in supplanting one of the two leading figures in British politics of the last decade. The fact that this politician was a woman, who could become the first woman Prime Minister of Britain, added spice to their curiosity. Mrs Thatcher herself professed irritation at the number of questions which laid stress on her being a successful woman in politics. But she was quite prepared to extract mileage from this in her replies and must have realised that it gave her publicity value which she would not otherwise have had. She is as aware as the next woman of the value of being well turned out and of photographing extremely well, as she did! In New York, Washington and Chicago she was the subject of much approving comment.
- 7. Apart from that, if her aim was to get herself known and to put herself across as a serious political leader, she largely succeeded. Although one could quibble at some of her replies to questions, in particular her tendency on occasions to slide off the real point at issue, to most of her listeners and viewers she would have given the impression of a strong personality, someone who knew her mind and had a distinct political philosophy. As one of her audience at the National Press Club luncheon said to me, "she is the first British Conservative politician I have heard here who actually sounds like a Conservative", and Mayor Daley in Chicago described her as "very brilliant and very interesting".
- 8. As far as her individual calls and meetings in Washington were concerned, those on Capitol Hill went well, particularly on the House side where the combination of an informal reception over coffee, at which she met a large number of Congressmen and women, and a smaller question and answer session restricted to members of the International Relations Committee, worked well. She personally enjoyed that rather more than the luncheon with the Senate Foreign Relations Committee which was a more ponderous affair. The fact that it was a sit-down luncheon and that she was therefore placed between the pedestrian Senators Sparkman and Case (the Chairman and the ranking Minority member) did not help. But there again we would judge the occasion valuable and a success.
- 9. Mrs Thatcher, at her own request, breakfasted alone with Dr Kissinger and she subsequently gave the Ambassador a brief account of some of the points discussed. The Ambassador, again at





Mrs Thatcher's request, accompanied her on her call on President Ford and recorded the main points of the conversation in a minute which I enclose.

- For the calls on Dr Schlesinger, Mr Simon and Dr Witteween she was accompanied (again at her request) by John Moreton and Anthony Rawlinson, respectively. She developed an immediate rapport with Simon, which was not surprising, since their views and economic thinking are close. But, that apart, it was clear that both developed a regard for each other. The call on Witteveen was somewhat less successful, in that Mrs Thatcher advanced rather dated ideas on the role of gold in international monetary affairs and Witteveen, when asked about problems confronting the IMF, did not develop the sort of wide-ranging discussion which might have been appropriate, but confined himself to the more prosaic details of the IMF schedule over the next few months. The up-shot was that Dr Witteveen may have been left with the impression that Mrs Thatcher had not been too well briefed on monetary affairs and Mrs Thatcher with the impression that Dr Witteveen was a rather dried-up and limited bureaucrat, in contrast to Dr Schweizer, whom Mrs Thatcher had known and liked. She commented to Anthony Rawlinson that the IMF must have been "more fun" under Schweizer: Dr Schlesinger too, may have gained the impression that Mrs Thatcher's knowledge of defence matters was rather limited. He himself painted a rather depressing picture of the tilting balance of military power, in which the Soviet Union was increasing its defence expenditure by 4% annually, while America was merely holding her level constant, and her European allies were allowing theirs to decline.
- 11. Mrs Thatcher, as you will have realised from the British press, made no bones about her political beliefs on such issues as public expenditure, nationalisation, egalitarianism, the limits of the welfare state and state intervention. This line lent itself rather easily to over-simplification as an outright attack on the welfare state. Mrs Thatcher subsequently had to answer a lot of questions arising from it and she took pains then to put her remarks into perspective, ie that she was not attacking the welfare state as such, but that, in her view, it had reached its practical limits, as had the pursuit of the re-distribution of wealth; and that more emphasis was now needed to be given to creating growth out of which future benefits could come. Mrs Thatcher also argued that she was here as a spokesman for the Conservative Party and that it was no part of her brief to defend socialism. These subsequent comments of hers received less publicity than the original speech (as one would have expected).
- 12. Her forthright remarks about her belief in Britain were helpful. She used her speech to the National Press Club, the text of which I enclose (together with the texts of her other speeches in New York and Washington) to good effect to this end. The same can be said of her comments on Capitol Hill (records of her meetings on Capitol Hill are also enclosed). She emphasised the positive aspects of our situation, the Referendum result, the rallying of public opinion behind moderate policies and behind the battle against inflation, the bright outlook for North Sea oil and energy (though she introduced an element of uncertainty into the oil scene by declaring the Conservatives'

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intention to denationalise oil, if they came to power) and our scientific and technological resources. She did not try to minimise the problems which we faced, but she repeatedly emphasised her belief that we would overcome them, even if we had left matters to the 11th hour before taking decisive action. It is true that she spoke on more than one occasion of the fact that we had lost 18 months in tackling inflation. But she also commented that timing in politics was crucial. She did not spell out the implication, but her listeners could have taken her to mean that it would have been difficult to move sooner. On Ireland she stressed her party's support for the government's policies and equally the Labour Party's support for the Conservative Government on Ireland when they (Labour) had been in opposition. Altogether, therefore, if one takes into account the purpose of her vist she struck a not unreasonable balance over its whole course.

> Tome wer, R M Russell

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