

AMERY, J. P.



10 DOWNING STREET

Personal and Confidential. 2nd March, 1981

Thank you so much for your letter of 19th February.

I am most grateful to you for your thoughtful and informative letter, which was of real value to me as I prepared for my visit to Washington.

I really am most grateful.

The Rt. Hon. Julian Amery, M.P.

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FROM: THE RT. HON. JULIAN AMERY, M.P.

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Personal & Confidential

19th February, 1981.

Dear Margaret,

I venture to send some thoughts on your forthcoming visit to Washington. I doubt if they will add much to what you will already have heard from Nicko Henderson but as they are based on talks with members of the "transition team" last December and since then on telephone talks with members of the Senate, retired officers and one or two columnists there could be some differences of emphasis.

As I am sure you know you are held in very high regard by the Republican leaders. Among other things they are hopeful that your influence in the European Community may help to offset what some see as a neutralist trend among the political leaders on the Continent. I detect, however, two credibility gaps. You are doubtless aware of them but perhaps I should repeat them.

1. Economic policy

When I was in Washington in December I found myself entertaining at lunch the Head of the "transition team" in the Budget Office now headed by Mr. Stockman. His opening gambit to me was "Why has Thatcherism failed?". He meant by this, how had it happened that our policies of cutting public expenditure and controlling the money supply had not been more successful. How was a Republican Administration to avoid the brunt of similar policies following on the private sector? The criticism is one which will be familiar but I had not myself expected that it would be so clearly appreciated on the other side of the Atlantic.

2. Defence

Your earlier speeches in Opposition and some made since including notably your speech to the Pilgrims Dinner have



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been much admired. I have had several messages and comments on the latter. There is, however, a distinct uneasiness about the recent changes in the Department of Defence and John Nott's statement to the House that our response to the threat of Soviet Imperialism can be contained within the cash limits. For all I know the new American Administration may well be forced to pull in their horns on the defence budget but at the moment they appear to consider that the extent of the Soviet threat is the only yardstick by which their defence effort should be measured. Senator Tower, Chairman of the Armed Forces Committee tells me that he hopes to see you in Washington. He had talks with both Francis Pym and John Nott while he was here last week and I think anything you could do to reassure him would be helpful. The Senators, as you know, still tend to regard themselves as the Board of Directors of the U.S.A. Corporation and the President as their General Manager. Tower and our old friend Jesse Helms are now very powerful figures.

I would mention two other points with which you will already be familiar but there is perhaps no harm in their being repeated from an independent source.

The new Administration unlike Mr. Carter's team, tend to see most international problems in terms of the confrontation between East and West. I happen to think they are right in this but that is neither here nor there. I simply record what my conservative friends in Washington have said to me.

a. Middle East

The Arab/Israeli problem is seen as important only because it is the one issue on which all Arab states, both pro West and pro East can agree. It is not however, considered, in any way, the most urgent of the Middle East problems such as the defence of the Gulf, the Iran-Iraq war or the danger presented by President Gadaffi.



3.

The PLO is seen as largely under Syrian control, physically and ideologically under strong Russian influence. There is therefore not much sympathy for the Venice Declaration policy of involving the PLO any more than there would be for involving the Soviets themselves.

King Hussein has of course repeatedly gone public in saying that he is not interested in a Jordan solution but there is a strong feeling in Washington that this is not what he really means but is simply the line that he has to take until the Begin Government falls. (My own information for what it is worth rather confirms this).

I would judge from this that anything we can offer by way of contributing to the Rapid Development Force for the defence of the Gulf would be most welcome but that there would be some impatience with any attempt to press a European initiative over the Palestinian problem. To quote Senator Tower again "the Administration would welcome some months of quiet on the part of the European powers over the Middle East while they assess the situation for themselves".

b. Southern Africa

Rather similar considerations apply to Southern Africa. The euphoria which the Carter Administration felt over the Rhodesia settlement is not shared by the Senate Foreign Affairs Committee or I suspect other members of the President's entourage. Nor do they share the Foreign Office view that the encouragement of SWAPO in Namibia would be the most effective way of blocking Soviet penetration of South Africa. The naval and military influence which is much stronger today than it was under Mr. Carter is also keen about the importance of the Cape route as a link between the existing Western commitment in the Atlantic and the growing one in the Indian Ocean.



4.

I realise that what I have said in this letter corresponds closely with my own personal views but I would not have bothered you with it at this juncture if I had not been satisfied that it corresponds with a good deal of influential American opinion on the Hill and among the President's personal friends though not necessarily in the State Department.

With every good wish for the success of your journey. *and*

depends on it.

*Yours ever,
Julian.*

Julian Amery

The Rt.Hon. Mrs. Margaret Thatcher, M.P.