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ASJ 31/5

cc Mr. Jackling

Sir A. Parsons

MR. COLES (see by Prime Minister).
WILLIAMSBURG

Report submitted via post
I have copied to you my 2 letters to Mr. Fall about (a) the Prime Minister's talks with President Reagan and (b) anti-Americanism. A.F.C. 31/5

It looks as though the Prime Minister will have a 45 minute bilateral with President Reagan. I have seen the FCO political briefs and the suggestions which Oliver Wright has made. There will be very little time for discussion of purely foreign policy question. If I were in the Prime Minister's shoes, I would concentrate on at most three issues. I would speak on the following lines.

Anglo/US Relations

There is nothing wrong with our relationship at Government to Government level. Of course we are bound to disagree from time to time, particularly over trading questions. There is no harm in that. What worries me is public opinion in Britain. There is a new wave of anti-Americanism. This is different to the anti-Americanism of the immediate post war years: that arose mainly out of jealousy - you were emerging as a super power and we were losing our Empire. I am not bothered about the "peace lobby". They are unconvertible and the polls are showing a healthy rejection of unilateralism. The anti-Americanism that concerns me is emerging amongst more serious and moderate sections of public opinion. I think that the fiery rhetoric directed at the Soviet Union from the US has a lot to do with it. Andropov is handling this situation intelligently. He returns as good as he gets in the transatlantic exchanges. But he addresses Western Europe with a different, more conciliatory and softer voice. This is having its effect. People who should know better are beginning to ask awkward questions. Is the present American attitude towards the Russians paying dividends in terms of Western security or is it setting us all at greater risk? Should we not make absolutely certain, beyond all shadow of doubt, that we are in control of American missiles stationed in this country - dual key? Are we wise to align our defence policies so closely behind those of the United States? These questions, and others like them, are symptomatic of a general anxiety, a feeling that everything is moving dangerously out of control. Andropov is quick to exploit these openings.

I suggest that we ought to look at this problem together and see if we can come up with some answers. Perhaps it would be helpful if you and I each appointed someone whom we trust to open a continuing dialogue and report to us periodically.

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/I know that

I know that two foreign policy issues which are particularly on your mind are Central America and the Middle East.

On Central America I have great sympathy with your problems. I can assure you that we will not make life difficult for you. We will not strike unhelpful attitudes in public. We will continue to play our part in the Eastern Caribbean and may be able to do a bit more. Our problem is Belize. We have no intention of pulling out our troops there in such a way as to leave a vacuum which might be filled by the Cubans. But we have no business to have formed units on the Central American mainland in an independent state for the indefinite future. We cannot help feeling that an American guarantee of Belizean territorial integrity, if firmly enough stated to the Guatemalans, should be enough to restrain the Guatemalans from crossing the frontier after our withdrawal. Equally, without the cushion of the British military presence, Price might be more accommodating with the Guatemalans over minimal territorial concessions for the sake of a settlement. We ought to discuss this at a high level in the near future.

Still in the Western hemisphere, I cannot hold out any hope of negotiation with Argentina over the Falklands. Pressure from eg the United Nations and from our friends and allies to negotiate will make no difference. We are not going to talk to Argentina about a transfer of sovereignty, which is almost certainly the only thing they would talk about. Before there can be any question of negotiations, there must be a formal cessation of hostilities and a full restoration of normal relations between ourselves and Argentina. We do not kid ourselves that this is likely to happen in the near future. Meanwhile we stand pat.

As regards the Middle East, I see a dangerous situation developing. For 30 years, Syria, with or without the Soviet Union, has had the power to block developments favourable to the West in the Middle East. They have done so again. So long as the Syrians and the Israelis are hard up against each other in Lebanon, there will be a risk of war either by accident or by the design of one side or the other. If the Syrians remain adamant, the Israelis will be disposed either to kick them out of Lebanon militarily, or to withdraw to Southern Lebanon, thus perpetuating the partition of that country. Neither option is acceptable. I do not agree with those who argue that a Syria/Israel war could be contained and would clear the air. The Russians are

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too closely involved and a serious clash could have dangerous consequences. I appreciate the difficulties, but it seems to me that a maximal effort must be made to bring the Syrians on board. We cannot count on much help from the so-called "moderate" Arabs. We do not over-estimate our own influence, but we are prepared, both nationally and within the EC, to do everything we can to help you to resolve this impasse.



A.D. PARSONS
25 May 1983

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