



USA

10 DOWNING STREET

THE PRIME MINISTER

Sunday 16 Nov.

Dear Paul.

A note to thank you
for your assessment of the Reagan
victory. It is most valuable and I
couldn't have got it anywhere else.

One day you must do the
same about the significance of Mitchell
Jones leader of the Opposition. I think
it will start with not only a
attempt to create disorder. In haste
Yours sincerely
Raymond Thatcher



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November 10, 1980

RIS/11
Bonnie Ruster

Private and Confidential

The Rt. Hon. Margaret Thatcher PC MP.
10 Downing St,
London SW1.

Some good points - tho' I think it is a little old fashioned to suppose that many of Reagan's advisors regard us as likely to be able to "take them for a ride".

Dear Prime Minister,

Although the Embassy here will have given you a full analysis of the US elections, including the crucial committee changes which will follow the Republican capture of the Senate, I thought you might welcome the thoughts of an independent observer. As I told you at the end of August, I thought Mr. Reagan would win easily and possibly by a landslide. This was also the view taken by Mr. Nixon, though not by most media people or pundits, including the American Enterprise Institute. Why did Mr. Reagan win so heavily? Broadly speaking, he won for exactly the same reasons you won in Britain in 1979: a rejection of a poor economic performance, a fear of high inflation, a dislike of big government and bureaucracy, and a belief in old-fashioned values. In the swing states of the North East, like New York, Pennsylvania, Ohio, Illinois etc., it is likely that purely economic factors such as high unemployment combined with high inflation were determining factors. But the margins by which Mr. Reagan won in these states were not very great; and in some of them (ie New York) there were extraneous considerations, such as a fury among the Jews about Billy Carter's dealings with the Libyans and the apparently condonation of these dealings by Mr. Carter himself and his Attorney-General, Mr. Civiletti.

Where the US 1980 election differed from your victory in 1979, and where I was quite mistaken in my prognosis, was my guess, expressed in an article in the Daily Telegraph in September, that there would be a sharp division between the voting in the Sun States of the West and South -- the natural Reagan territory -- and the old industrial states of the North-East. This happened in Britain in 1979 where the traditional Labour seats in industrial Lancashire, Yorkshire, Durham, etc. -- and still more so in industrial Scotland, where there were actually swings against us -- held pretty solid, but where you made a complete sweep of the newer industrial areas of the South-East and West Midlands. This North-South division in Britain, was not, as I anticipated, completely reproduced here, with a South-West North-East division, although

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this judgment must be qualified by the observation that the swings in the North-East were very much smaller than in other parts of the country. For a Republican, Reagan did spectacularly well among Jews and Catholics, and this ought to be attributed to moral rather than economic issues -- a large number of Jews and Catholics still believe in God and the Ten Commandments, and therefore, think it wrong to murder unborn children, use four letter words and enact obscenities on stage.

The election is unquestionably an excellent result for Great Britain, first because Governor Reagan believes in the international and domestic principles for which, under your leadership, the United Kingdom stands, secondly because he has a great personal admiration for yourself, and thirdly because his desire that America should reassert her world political and military leadership in the most determined and unmistakable fashion corresponds with our national interests. He is a decent and truthful man and I have no doubt that you will be able to establish a friendly and fruitful relationship with him.

However, it is important that you should not be under any illusions about a Reagan Presidency. Mr. Reagan is not an American version of Margaret Thatcher; he is not a right-wing ideologue; he is not really a member of the radical right; though he has been associated with such notions as the Kemp-Roth Tax Reforms, these do not -- in my opinion -- go to the heart of his political emotions. At bottom, Mr. Reagan is an old-fashioned Roosevelt Democrat. He thinks America has been good to him -- as it has -- and has given him wealth and prosperity; he believes he has an obligation to share this prosperity with other Americans. In other words he suffers from exactly the same sort of guilt which is to be found among people like Harold Macmillan and R.A. Butler, and is so strongly represented in your own cabinet! So beware of Mr. Reagan.

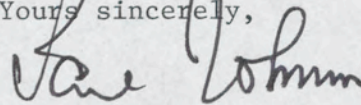
You should also remember that there is within the Republican Party a strong element of Isolationism, which will become quickly apparent now that they have recaptured the Senate. Added to this is a deep-rooted feeling that the British are a very clever, cunning people who will take the poor, innocent Americans for a ride, unless the said Americans are very vigilant and business-minded. You must be aware of this emotion too.

I have no means of knowing whom Mr. Reagan is going to appoint to the key posts which affect our relationships with them. I would like him to make Mrs. Armstrong Secretary of State, and to send Mrs. Jeane Kirkpatrick, who is one of our AEI palladians, to the UN. Both would be admirable appointments. But I have no authority for making these suggestions.

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I hope you will find this letter helpful. Please do not bother to reply to it -- I know you have much more important things to do. So far as Britain is concerned, you seem to be doing all the right things, and avoiding all the old errors. Trust your own judgment and take no notice of the fainthearts and pusillanimists in your cabinet!

Yours sincerely,

A handwritten signature in cursive script that reads "Paul Johnson". The signature is written in dark ink and is positioned directly below the typed name.

Paul Johnson

PJ/pl