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THE PRIME MINISTER'S VISIT TO PORTUGAL, 17 - 19 APRIL 1984

Her Majesty's Ambassador at Lisbon to the
Secretary of State for Foreign and Commonwealth Affairs

SUMMARY

1. The Prime Minister undertook a very full programme during three days in Lisbon and Oporto. The Portuguese regarded this visit as a special event and gave Mrs Thatcher a welcome quite unlike that accorded to other European Heads of Government. She responded exactly to their expectations showing interest in their experience since 1974 and giving much needed encouragement. The visit, a personal triumph for the Prime Minister, has breathed new life into a centuries old relationship. (Paragraphs 1 - 3)
2. Unequivocal support for Portuguese accession to the European Community in 1986 and completion of negotiations this year. Looked forward to working with Portugal. Shared interest in a satisfactory system for Community financing. (Paragraph 4)
3. Promise of a more aggressive attitude by British businessmen to the Portuguese market. (Paragraph 5)
4. The official talks wide-ranging but predictable. (Paragraph 6)
5. Public aspects of the visit were especially rewarding. Soares wanted the Prime Minister to see something of Portugal, both the old and the new. He also wanted the Portuguese to see as much as possible of a European leader for whom he repeatedly expressed admiration. Media interest was intense. The Prime Minister attracted crowds wherever she went. There were a number of happy informal moments. (Paragraphs 7 - 9)
6. Meetings with the CDS leaders and with President Eanes filled out the political picture. (Paragraphs 10 - 11)
7. Portugal matters to us as a market and in terms of Europe, Atlantic facilities and as a country with a potential role in Southern Africa. (Paragraph 12)

Lisbon
9 May 1984

Sir,

1. The Prime Minister visited Portugal from 17 - 19 April at the invitation of Dr Mario Soares. She undertook a very full programme in Lisbon and Oporto, only leaving Portugal at 11pm on 19 April. The programme is at Annex.

2. The Portuguese Government have recently played host to other Heads of Government, including those of France, the Federal German Republic, and Italy; but there is no doubt that they regarded Mrs Thatcher's visit as a special event. The people of Lisbon and Oporto made this quite clear, gathering along her route in growing numbers as the visit progressed. The Prime Minister's determination and directness exactly fulfilled Portuguese expectations. From her various speeches they glimpsed her interest in their experience since the 1974 revolution, and her respect for the innate good sense of ordinary Portuguese people in opting for a democratic system, and sticking to it. That went to their hearts. From it they drew much needed encouragement at a grey moment of economic austerity and frustration. Their response was a personal triumph for the Prime Minister which has given an important impetus to the British position.

3. Mrs Thatcher's visit can fairly be said to have been the first official visit by a serving British Prime Minister. Mr Asquith, it is true, landed briefly from a yacht en route for Morocco in 1910. The Prime Minister referred to this fact. Mr Asquith lunched with King Manuel, shortly to go into exile at Twickenham, and then sailed on. The event seems to have done little to breathe new life into a centuries old relationship whereas the present visit has done just that. Setting what she had to say in a historical context of shared experience of empire, commerce and the sea, the Prime Minister reminded the Portuguese that we are modern allies with work to be done in a modern world as like-minded peoples with many common interests.

4. The Prime Minister concentrated upon Portuguese entry into the European Community, and her hosts got the unequivocal statement of public support and encouragement for which they had hoped. Portugal, the Prime Minister said, should be a member of the Community by 1 January 1986. Entry had been "too long delayed. Negotiations must be concluded this year. No country will be more delighted than Britain when that happens". Turning to the future she told the Portuguese that she looked forward to working with them on the reforms the Community needs. Dr Soares said that he was determined to enter "a new, more intense phase" of bilateral relations once Portugal signs its Treaty of Accession. The Prime Minister also praised Portuguese determination not to be shaken from the pursuit of greater democratic stability, despite economic difficulties. Her firm commitment both to NATO and to the relationship with the United States was enthusiastically endorsed by Mario Soares and his colleagues.

5. Mrs Thatcher's promise of a more aggressive attitude by British businessmen to Portuguese markets was taken as a compliment by her hosts. It is a challenge to which British industry and commerce should respond if Britain's share of this long-established market is not to slip further. The text of her speech to the British-Portuguese Chamber of Commerce in Lisbon is being printed in the Department of Trade's journal - "British Business".

6. The official talks with Dr Soares, his Vice Prime Minister Professor Mota Pinto, the Foreign Minister Dr Jaime Gama, and Dr Antonio Marta, President of the European Integration Commission, followed predictable, rather protracted lines and produced no surprises. Much of the ground was covered at the initial private lunch with Dr Soares and Professor Mota Pinto. Mario Soares likes to survey wide horizons as far as possible unburdened by detail, and he gave his Ministers little or no chance to contribute. This was particularly noticeable with his able thirty-six year old Foreign Minister who had been accompanying President Eanes on a visit to Canada and had flown back expressly to be present for the Prime Minister's visit. Two sessions of formal talks each lasting over an hour ranged over NATO and the European Community, Southern Africa, the Middle East, and Central America. Dr Soares did not raise the question of relations with Argentina. The Prime Minister reminded Dr Soares of the importance for Portugal of a satisfactory system for Community financing.

7. Dr Soares was, I think, wise to concentrate on the public aspects of the visit rather than the official talks. He wanted his visitor to see Portugal and for the Portuguese to see as much as possible of an international leader of whose "determination, firmness, and statesmanlike qualities" he repeatedly paid tribute. It was this aspect which proved so rewarding.

8. The Prime Minister saw something of modern Portugal and Britain's part in its construction. At the National Civil Engineering Laboratory she saw British equipment in use worth over £600,000 and donated in the past two years under the ODA's Technical Assistance Programme. In the British Council's new premises she met a cross section of Portuguese former Council Scholars of diverse ages, and other representatives of Portuguese cultural life. The Council began work in Portugal in 1936: one result is that today a high proportion of leading Portuguese, doctors, engineers and scientists have a British postgraduate qualification. At the same time the British Institute helps meet a growing demand for English language classes. At the Gulbenkian Foundation she met the directors of a body which last year made grants of over £1 million to diverse organisations in Britain. An older more traditional Portugal was shown to her at the Sintra Palace, scene of Dr Soares's dinner in her honour; at the Town Halls of Lisbon and Oporto where she inspected ceremonial guards mounted by firemen in uniforms unchanged since the last century; and at Messrs Crofts Port Wine Lodge — now become a subsidiary of Grand Metropolitan Hotels. Everywhere she went interest was intense and the sun shone.

9. The media fell over themselves, sometimes literally, for new pictures. The television gave quite exceptional coverage, including a fifty minute profile of the Prime Minister shown at peak time. Happily there were also several occasions when protocol arrangements went by the board: a host of Portuguese toddlers appeared unexpectedly at the Engineering Laboratory; three alarmingly bright school children showed the Prime Minister what they could do with some of the 100 Sinclair computers she presented to Dr Soares for use in Portuguese schools; thousands of Lisbon's citizens joined the Prime Minister in a walk down cobbled pavements in the shopping area — this was wonderfully well received in a city which does not usually see so much of its distinguished visitors. To a lunch by the British-Portuguese Chamber of Commerce the Prime Minister gave a splendidly vigorous speech and some forthright answers to questions. By contrast, I think, she found her final press conference with Dr Soares rather unchallenging. By the final day crowds were lining the streets of Oporto and Lisbon to catch a glimpse of the visitor. They could not have guessed that the situation at the Libyan Embassy in London remained a continuing concern for her.

10. Mrs Thatcher received both the former and the present leader of the Centre Democratic (Conservative) Party at the Embassy — Professor Freitas do Amaral, and Professor Lucas Pires. The former spoke of his reasons for quitting the Party leadership and his hope of running for the Presidency in 1985; the latter of the problems of reviving a right of centre party in Portugal.

11. The Prime Minister's final call, at the end of a long day in Oporto, was upon the President, just returned from a visit to Canada. She found General Eanes interesting and sharper than her genial host. However I believe she appreciated Soares's underlying courage, and that of his wife, which led them first to oppose Salazar and then to defend Portugal's new found democracy from capture by the Communist left, which still commands around 20% of the vote in Portugal.

12. Portugal matters to us in Europe in these terms. It matters also in terms of access to strategic facilities in the Atlantic; as a market for British goods worth around £400 million last year, but in which we could do better; as a useful like-minded potential partner once inside the European Community; and as a friend and ally with relevant information and a potentially important role in resolving the difficult problems of Southern Africa. The Prime Minister gave the Portuguese Government important public encouragement to see their present economic policies through to

success, thereby helping to underpin political stability. She has also encouraged them to think about longer term objectives. The Portuguese people responded so warmly not just because they are a naturally hospitable people, but because Mrs Thatcher showed she cared about their future. The visit has given a major reinforcement to British interest and the British position in Portugal, and we must now build upon it.

13. I am sending copies of this despatch to Her Majesty's Ambassadors in NATO capitals and at Dublin, and to UKREP Brussels.

I am, Sir,
Yours faithfully

H C Byatt

SPEECH GIVEN BY THE PRESIDENT OF PORTUGAL'S NATIONAL ASSEMBLY,
ENG. TITO DE MORAIS ON THE OCCASION OF THE "SESSAO SOLENE" FOR
THE BRITISH PRIME MINISTER, THE RT HON MARGARET THATCHER FRS MP,
17 APRIL 1984.

"Madame Prime Minister,

You have come to our country at the invitation of the Portuguese government and have given us the honour of visiting our Parliament. With such distinction, allow us to offer to Your Excellency, in the name of the Portuguese people whom we represent, our most respectful words of welcome.

Portugal and the United Kingdom have been united by ties of friendship and cooperation since the 14 Century, that is already for over 600 years. Your Excellency's presence today in our House shows that the spirit which made Edward III of England and King Don Ferdinando of Portugal to sign on 16 June 1373 a Treaty of friendship, defence and reciprocal support - this same spirit - still exists unchanged, despite the currents of history. This Treaty was the corollary of the merchantile charter signed in 1303 by Edward I, which gave certain privileges to Portuguese merchants, and which in its turn was reinforced in 1308 by an agreement between Edward II and Don Diniz. This Treaty itself was reinforced by the Treaty of Windsor in 1386 and was "sanctified" in 1387 by the marriage of Don Joao I with Filippa of Lancaster, a noble and cultured, if austere lady, who has never been forgotten in Portuguese history.

This short historical description of remote examples of friendship and cooperation between our two countries - in contrast to the periodic rivalries between other nationalities such as, for example, between England and France and Portugal and Castile - leads to the present time when perhaps more than ever, those responsible for the destinies of our countries must combine their efforts with a view to international detente, in the face of the political, social and economic situation which worries all of us greatly.

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It is this process of detente that the Portuguese and Spanish objective of joining the European Communities must be viewed, as an external expression of determination that a united democratic Europe will constitute a factor of major importance for the safeguarding of peace and progress in the world.

In this respect the support already assured by your government leads to the conclusion that the date set for our full integration into the European Community will be maintained and consequently, all remaining difficulties will be overcome.

Madame Prime Minister, your presence in this House as a representative of a country which is justly proud of possessing one of the most famous ancient and prestigious Parliaments in the world is a great honour for our Parliament."

PRESIDENCY OF THE COUNCIL OF MINISTERS

OFFICE OF THE PRIME MINISTER

SPEECH

BY THE PRIME MINISTER OF PORTUGAL, DR MARIO SOARES, AT A DINNER
IN HONOUR OF THE PRIME MINISTER, THE RT HON MARGARET THATCHER,
AT THE PALACIO DA VILA DE SINTRA, 17 APRIL 1984

Prime Minister,

It is a great honour, for me, on behalf of the people and Government of Portugal, to extend to you, Madame Prime Minister, my warmest welcome and to express the deep admiration of the Portuguese nation for your country. I am also particularly happy to be the host to the first British Head of Government to pay an official visit to Portugal. As a democrat, and as a politician who believes in the values on which free regimes are based, I want to salute the British people for the dignity with which they practise the fundamental values of freedom, justice and parliamentary systems, which inspire modern democracies. I also want to pay homage to you, Prime Minister, for your determination, your firmness and your undeniable statesmanlike qualities.

Prime Minister, it may be surprising that, despite a firm alliance over 600 years old between our two countries, this is the first official visit to Portugal by a British Prime Minister. However, we know that the best friends are often not those who visit each other most frequently, and that the understanding and friendship that have been established

/between us

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between us over the centuries, do not need to be reaffirmed regularly by visits of this nature, because they are so sure. On the other hand, there have been contacts between leaders of our two countries, in particular the visit to Portugal by Her Majesty Queen Elizabeth II, and the visit to Britain by the President of the Republic of Portugal. However, we thought that the visit by the British Prime Minister was particularly important at this specific moment. This gap is now superbly remedied with your presence among us.

Prime Minister, the British/Portuguese alliance has endured along the centuries through the vicissitudes of historic development and the political changes undergone by both our countries. This proves that the Alliance is responding to deep needs turning it into a permanent feature of the foreign policy of our countries. Today, more than ever, democracy having been restored in Portugal, after a long and unremitting struggle against dictatorship, the conditions have been created so that our relations can be extended and strengthened in order to reinforce the ties that bind us, based on a continually growing common experience. Therefore it is important to revive the spirit of the old alliance, which is not incompatible with the commitments of both countries in a wider international context, and which may even help to achieve a better reciprocal understanding of

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the problems we have to face, in the urgent efforts which Europe is making to become more united, and in support of our joint interests and intentions, sharing as we do the same ideals of freedom and justice. We were united in the past to defend our territories against expansionist threats and to safeguard our identity as independent and sovereign nations. More recently, already in this century, Great Britain has benefitted from our support - although weakened by the authoritarian ideological prejudices of our former regime and by the calculated nature of the gesture which is foreign to all democrats - but which, nevertheless, was somehow important in the defence against the Hitlerian madness - an awful memory. The adversaries of today are different, but this does not make it less important for us to join together once again, as the threats against the democratic system which we share are not lesser, nor are the aspirations for world determination less frightening. The interdependence, which is an undeniable rule of international life today, requires us to fight against excessive isolationism, and nationalistic protectionism, against the selfish tendency of men and nations. Our future can only be built on solidarity, our strength can only be founded on unity, and the indispensable means to ensure prosperity and social justice can only be built through progress.

/Having

Having emerged from a long period of isolation, Portugal is well aware of the backwardness which falls to those who deny the trends of History and try to avoid making the necessary contribution to the common effort, which is also a requirement of living peacefully together. Therefore today we want to join the Europe which is now being established and we are certain that it will bring a guarantee of a future lived with greater solidarity and, through it, a fairer distribution of collective wealth and greater prosperity to all those who make their contribution towards it. The United Kingdom has, since the beginning, supported Portugal's accession to the European Economic Community. I want to stress this fact here and to make a supplementary effort to remove once and for all the few obstacles which still hinder and delay the clear definition of a position. We know how difficult it is sometimes to reconcile interests or to overcome strong habits and prejudices of any kind. But it is to be hoped that the political leaders will have the courage to eliminate major obstacles and contribute by their example towards the victory of the European spirit which History, despite all the difficulties, defined and implemented. Portugal believes that your Government, and the courage with which it has previously shown in face of difficult situations, will put the defence of those values above all considerations of other kinds and thus help the European Community find the indispensable means for the revival of Europe that is a task of the utmost urgency.

/Prime

Prime Minister, in view of the centuries old relationship that our two peoples have had with peoples from other continents, through their history, we are in a better position to understand other peoples' problems and it is our duty not to ignore them and to help in finding a solution to them. My Government has followed closely the developments in Southern Africa and is happy that it has finally been possible to establish an atmosphere of dialogue favourable to peace and progress, which may bring about important benefits for the peoples in that part. This development, which good sense has ultimately produced, needs to be supported, so that it may lead to a new momentum for understanding among races which is indispensable to progress and peace in Southern Africa. On the other hand, there are situations of flagrant violation of the most elementary human rights, which create moral misery and may be the origin of violent conflicts in the future. The situations of hunger, ignorance and deprivation, which characterise the backward South, and which were discussed in detail at the Conference promoted by the Council of Europe in Lisbon, need to be prevented. Europe will have to be, once again, the vanguard force in this new struggle to defend higher moral values and a new global balance. In order to achieve this, Europe must quickly overcome its internal differences and gain a new impetus so that it may become an audible voice for international consensus, which today is the province only of the superpowers.

/Prime Minister,

Prime Minister, if we do not want the bilateral relations between our two countries to enter a phase of stagnation, they must be viewed anew in the light of the future that we will share within the EC. We must revive our trade, eliminating all the obstacles that still exist; we must develop our industrial and technological cooperation, now that the mechanisms and conditions favourable to foreign investment in Portugal have been created; we must increase the flow of tourists which for a long time has played an important role in the mutual understanding between our two peoples; we must promote cultural exchange so that the existing barriers limiting understanding may disappear, particularly among the younger generations. All this can be more easily achieved, I am sure, if there is on the part of our two Governments the common will and political determination to move forwards without prejudices and with a true spirit of solidarity. I can reassure you now that this is the firm determination of my Government.

The fact that our two Governments share views on major international problems and on the way to search for their solutions, makes the relationship between us easier. Therefore I think that the joint work to be carried out in the future in the context of a more regular political consultation, will be very fruitful. We support peace in freedom and justice, we support simultaneous disarmament involving negotiations, which can only be achieved in a
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sincere atmosphere of dialogue. During your recent visit to Hungary, Prime Minister, you said that "it is not the time to leave empty chairs in Geneva. It is a time to talk, to negotiate and to produce results". I fully agree with this position because I know how deep is the concern shared by all thinking men who have constantly lived under the nuclear threat since the last War. The atmosphere of the forthcoming Stockholm Conference may offer an important opportunity to judge whether there is a true desire to control the arms race. However, any agreement to be made in that Conference should not be considered as an alternative to the negotiations which should be resumed in Geneva and Vienna. Only these negotiations can produce results which can revive among all peace-loving peoples hope for a better world, freer and more united.

Prime Minister, I want to renew my welcome and wish that you and your party leave Portugal with the image of a Nation that wants to make its contribution today, as it has done throughout its long history, towards the expansion of European ideals and towards the reinforcement of the values which gave our continent the moral strength everyone recognises in it, and which have to be preserved and continued.

/I ask everyone

I ask everyone present to join me in a toast to

Her Majesty Queen Elizabeth II,

To your personal happiness, Prime Minister, and

To the future of relations between our two
countries.