

THE SECRETARY OF STATE  
WASHINGTON

November 4, 1988

MEMORANDUM FOR: The President  
FROM: George P. Shultz *GPS*  
SUBJECT: Visit of British Prime Minister Thatcher  
November 16, 1988

I. WHERE DOES OUR RELATIONSHIP STAND?

- o Mrs. Thatcher's visit, her fifth here during your Presidency, will cap a period of extraordinarily close and harmonious relations with a major Ally. You most recently saw her in London in June on your way home from the Moscow Summit.
- o Due to her force of character, longevity in office, and the remarkable recovery of the British economy, Thatcher has emerged in the leading role among our NATO Allies and European Economic Community trading partners.
- o She has often used her position within NATO and the European Economic Community to explain and defend our common interests.
- o While the UK has strengthened ties to its European partners, the US-UK "Special Relationship" is as strong as ever and remains of fundamental importance to the foreign policy of both nations.
- o Although we agree on most foreign policy issues, there are areas of disagreement, such as US attempts to force UK firms to abide by US sanctions against third countries, the application of controls on technology, and the developing US security relationship with Argentina.

II. WHAT DO WE WANT FROM THIS VISIT?

- o To emphasize that the closeness, importance, and continuity of Anglo-American relations transcend changes of government and to thank the Prime Minister for her support of Administration policies.
- o To review bilateral cooperation on key Alliance, East-West, regional and multilateral issues.
- o To reaffirm our strong support for the Anglo-Irish Agreement and Mrs. Thatcher's efforts to work toward resolution of Northern Ireland's problems.

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- o To brief the Prime Minister on your recent decision regarding inspection/verification of strategic nuclear forces under a START agreement.
- o To remind the Prime Minister of our interest in improving ties with Latin American democracies, including Argentina and to urge that the UK continue its efforts to normalize relations with Buenos Aires.
- o To encourage Mrs. Thatcher in her efforts in the EC to assure that steps to establish a single internal market by 1992 do not result in increased external trade barriers.
- o To underline the necessity of maintaining Allied unity on COCOM policies.

III. WHAT DOES PRIME MINISTER THATCHER WANT FROM THIS VISIT?

- o To bid you farewell after eight years of close and exceptionally fruitful cooperation.
- o To begin her working relationship with the President-elect and to offer her views to him on a number of key East-West issues, international economic policy and other areas.
- o To reiterate her deep opposition to negotiations with the USSR on eliminating shorter range nuclear weapons from Europe and to explore what steps can be taken to win Allied agreement to proceed with SNF modernization.
- o To restate her misgivings about the USSR's desire to host a human rights conference in Moscow and to urge that the West hold firm to its decision to exact important concessions at the CSCE talks before agreeing to a meeting.
- o To get reaffirmation of the US commitment not to take actions to enhance the threat to the Falklands by our sales of military equipment and to consult with HMG prior to approving major arms sales or transfers.

IV. WHAT CAN BE ACHIEVED FROM THIS VISIT?

- o We can celebrate eight years of close, productive relations with an extremely close and valued ally.
- o We can remind Mrs. Thatcher of the need for close cooperation to assure that the Soviets do not succeed in lessening Western unity or resolve.
- o Mrs. Thatcher can be urged to continue her efforts within the EC and GATT against trade protectionism.

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