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RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT OF THE UNITED STATES OF AMERICA ON WEDNESDAY 9 JUNE 1982 AT 10 DOWNING STREET AT 0945

Present:

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| The Prime Minister | The President of the United States of America |
| The Foreign and Commonwealth Secretary | Secretary Haig |
| The Secretary of State for Defence | HE The Ambassador of the United States of America |
| Sir Robert Armstrong | The Hon. Edwin Meese III |
| Sir Antony Acland | The Hon. Michael K. Deaver |
| Mr. Clive Whitmore | The Hon. William P. Clark |
| Mr. Michael Scholar | |
| Mr. Bernard Ingham | |

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The Prime Minister said that the President's whole visit here had been a triumph. This had had much to do with his superb speech yesterday, which had been a success not only in Parliament but also with the nation as a whole. There was a new feeling here that we could^{not} afford to take freedom for granted. The message of the President's speech had chimed in perfectly with this. His visit added great strength to the Alliance, and had underlined the closeness of the relationship between our two countries.

The Prime Minister said that she would like to discuss three matters: the Falkland Islands, the Middle East and the prospects for the Bonn Summit. On the Falkland Islands, she wished again to thank the President for his magnificent support of the United Kingdom's position. Her grief was that she could not specify in public the extent of that support. The Prime Minister spoke of the difficulties which we would face after the battle for Port Stanley had been won, particularly with the Argentine prisoners of war. We hoped that they would provide a bargaining counter which would help us to achieve a lasting peace with Argentina. There would be serious logistic problems in feeding and looking after so

CONFIDENTIAL

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CONFIDENTIAL

- 2 -

large a number of prisoners, and we were grateful for the help that the United States would be able to offer us. Could we leave it that when we were able to see more clearly what help we could call on them to provide, we would make our request then? The President indicated assent.

On the Middle East, the Prime Minister said that she feared that the Israeli advance into the Lebanon would have a fundamental effect on the Arab world. The United States was the expert on this area, and she would be glad to know their thoughts on the matter. She herself had said in Parliament yesterday that there would have to be a ceasefire and that aggression would have to cease, both by the Israelis and also by those who had been attacking Israeli territory from neighbouring states. But it would be necessary for herself and the President to say something to the press after the present meeting. Mr. Haig said that he believed that the key was UN Resolution 508 which linked ceasefire and withdrawal. The President said that the US supported UN 508, and that he would call for a ceasefire, a removal of all forces and the end of bloodshed. The Prime Minister enquired what the US assessment was of Israeli intentions; and about the position of the Syrians. Mr. Haig said that some PLO positions were very close to Syrian positions, and were being protected by the Syrians. But the Israeli intention, which had been communicated to Mr. Habib, was not to engage the Syrians; they simply wished to create a 40 km sanitised zone with the PLO held further north. There could be a problem if the Israelis had found that their objectives had been so easily achieved that they had gone further than they had set out to. Much would hang on the character of the peace-keeping guarantee. The Prime Minister said that the history of UN peace-keeping forces had not been one of great success. In a sense, the notion of UN forces keeping the peace was a discredited one at present. Mr. Haig said that the President had asked all the participants in the UN Force in Lebanon not to pull out. The mandate was up for renewal on 15 June, and it would be helpful if the UK used its influence with the countries concerned - Ireland, France, the Netherlands, Norway and Fiji. The Prime Minister said that we would do what we could to help. She accepted that there was a role for UN forces there, following a ceasefire accompanied by withdrawal of the opposing forces. Mr. Haig said that the

CONFIDENTIAL

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CONFIDENTIAL

- 3 -

emphasis should be on ending the bloodshed and a ceasefire. The Prime Minister indicated that this might pose a problem for us. The trouble with a ceasefire was that it could leave the burglar in possession. She hoped that Mr. Habib would be successful. He had been most successful up till now.

After expressing worries about the effect of recent events on the position of the Saudis, the Prime Minister enquired about the line the President would be taking with Mr. Begin. The President said that he had scheduled a discussion with Mr. Begin at the UN Disarmament Conference. He was not quite clear now how this talk would go ahead. But he would have to make Mr. Begin understand that the US was not retreating from its friendship with Israel. Its aim was to forge a relationship with the more moderate Arabs, and to "create more Egypts". He planned to "beat him over the head with this". The Prime Minister said that the Israelis were making things very difficult for their friends. Mr. Meese said that it would be important not to be too specific in what was said to the press at the end of the meeting. The press would be seeking to engineer differences of emphasis between the United States and the United Kingdom on the one hand and the rest of the Alliance on the other.

On the Bonn Summit, the Foreign and Commonwealth Secretary said that our objective should be to achieve a balance, between the need for strength and the adequacy of deterrence, and the achievement of START. Mr. Haig said that the US was seeking a strong section in the communique on the need to maintain conventional military strength. They needed this with Congress, and because it was right in itself. The Germans had been reluctant to go along with this, but they now thought that they would do so. The objective was to put across the message that the Summit had reinforced solidarity in Western unity, building on the strength of the Alliance, together with a willingness for dialogue. The Prime Minister enquired whether this was a dialogue on arms reductions or on the wider philosophical issues addressed in the President's speech yesterday. Mr. Haig said that it was a dialogue towards restraint and responsibility in the overall political relationship between East and West. The Prime Minister noted that there was a difference between dialogue and detente. Afghanistan / had come in

CONFIDENTIAL

CONFIDENTIAL

- 4 -

had come in between. The Foreign and Commonwealth Secretary said that there could be no objections to dialogue, conducted from a position of strength. The Prime Minister said she hoped that we would be able to put a positive message over, about the shared ideals of the Alliance. Perhaps we would be able to achieve something with some of the Eastern European countries. She wondered whether we should identify the furthest away from Communism within the Eastern bloc. Should we arrange, for example, visits from Hungarian schoolchildren to this country? The President said that our aim should be to teach the emerging countries the nuts and bolts of democracy; we should do all we could to see if we could make this programme work. On conventional military strength, the Prime Minister said that the UK's problem was likely to be how to resist demands for an excessive concentration on conventional military expenditure within our defence programme. Mr. Haig commented that he hoped that there would not be any retreat from what was agreed at Luxembourg.

There followed a brief discussion on how to handle the press, and the plenary session concluded at 1020.

9 June 1982

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