

00 D.T.G. 081033Z
FROM CABINET OFFICE LONDON
TO WHITEHOUSE

FEBRUARY 1984

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 29/84.....**

BT

S E C R E T

cc MASTER
ops.

MESSAGE FROM THE PRIME MINISTER TO PRESIDENT REAGAN

DEAR RON,
YOU MAY LIKE TO HAVE SOME IMPRESSIONS OF MY VISIT TO
HUNGARY FROM 2-4 FEBRUARY.

I HAD A FULL SESSION OF TALKS WITH PRIME MINISTER LAZAR
AND SAW A GOOD DEAL OF DEPUTY PRIME MINISTER MARJAI BUT THE
CENTREPIECE WAS A DISCUSSION OF MORE THAN TWO HOURS WITH FIRST
SECRETARY KADAR.

I MADE IT PLAIN TO ALL - AND PUBLICLY AS WELL - THAT I
STOOD FOR WESTERN VALUES OF FREEDOM, JUSTICE AND POLITICAL
DEMOCRACY AND WOULD DEFEND AND ADVOCATE THEM ANYWHERE. BY
EMPHASISING BRITAIN'S LOYALTY TO AND SOLIDARITY WITH NATO
I SIGNALLED THAT THE USUAL SOVIET BLOC ATTEMPTS AT WEDGE-
DRIVING WOULD NOT WORK.

MY MAIN MESSAGE WAS THAT, ALTHOUGH I COULD SPEAK FOR NO-ONE
EXCEPT BRITAIN, THE WEST IN GENERAL AND YOU PERSONALLY WERE
ABSOLUTELY SINCERE IN THEIR DESIRE TO ACHIEVE ARMS REDUCTIONS
AND SECURITY AT A LOWER LEVEL OF WEAPONRY. I TOLD KADAR THAT
YOU HAD DESCRIBED TO ME HOW YOU HAD SENT A HAND-WRITTEN MESSAGE
TO BREZHNEV AND HAD BEEN DISAPPOINTED TO RECEIVE A STANDARD REPLY.
I ALSO EMPHASISED THE SIGNIFICANCE OF YOUR SPEECH OF 16 JANUARY
AND THE INADEQUACY OF ANDROPOV'S REPLY IN HIS PRAVDA INTERVIEW.
THEN, I CALLED PUBLICLY FOR THE SOVIET UNION TO RETURN TO THE
GENEVA ARMS NEGOTIATIONS.

KADAR WAS AS CAUTIOUS AS YOU WOULD EXPECT. HE MADE MUCH
OF THE SOVIET UNION'S HISTORY OF BEING ATTACKED AND THREATENED
AND SAID THAT THE KEY TO PROGRESS WAS THAT THE EAST AND WEST
SHOULD TAKE INTO ACCOUNT THE JUSTIFIED SECURITY CONCERNS OF BOTH
SIDES. IN REPLY, I REHEARSED THE HISTORY OF SOVIET EXPANSION -
STARTING FROM A FAIRLY LIMITED AREA AROUND MOSCOW AND PROGRESSING
UP TO THE BORDERS OF CHINA AND IRAN AND AS FAR AS BERLIN - AND
DREW ATTENTION TO THE BENEFITS WHICH NATO HAD BROUGHT TO WORLD
SECURITY BY STOPPING THAT ADVANCE.

KADAR SAID WITH SOME CONVICTION THAT HE BELIEVED THE WEST COULD DO BUSINESS WITH THE SOVIET UNION ON THE BASIS OF MUTUAL INTEREST, ON THE CONDIDTION THAT WE SHOWED PATIENCE AND UNDERSTANDING. HE PROVIDED LITTLE NEW INSIGHT ON ANDROPOV BUT SAID THAT HIS CONDITION WAS IMPROVING AND THAT HE WAS +CROSSING HIS FINGERS+ FOR HIM. ON THE ECONOMY, THE HUNGARIANS SAID THAT TWO THINGS WOULD HELP THEM PARTICULARLY: AN UPTURN IN THE WESTERN ECONOMIES, WITH WHICH NEARLY HALF THEIR TRADE IS LINKED= AND AN IMPROVEMENT IN EAST/WEST RELATIONS, CAUSING THE RUSSIANS TO LOOK WITH LESS MISTRUST AT THE HUNGARIAN ECONOMIC EXPERIMENT AS A POTENTIAL TROJAN HORSE WITHIN THEIR EMPIRE.

THAT ECONOMIC EXPERIMET IS CONDUCTED WITHIN VERY STRICT LIMITS: THE SINGLE POLITICAL PARTY, THE CONTROLLED PRESS, THE SHAM PARLIAMENT, THE STATE OWNERSHIP OF ALL BUT THE SMALLEST ECONOMIC UNITS, BUT ABOVE ALL THE CLOSE ALLIANCE WITH MOSCOW. KADAR AND LAZAR MADE IT PERFECTLY PLAIN THAT THESE THINGS CANNOT CHANGE. I BELIEVE THAT IT IS REALISTIC TO FORMULATE OUR POLICIES ON THIS ASSUMPTION. IT FOLLOWS THAT FOR AS FAR AHEAD AS WE CAN SEE WE HAVE TO FIND A WAY OF LIVING SIDE BY SIDE WITH THE COMMUNIST SYSTEM, REPUGNANT AS IT IS.

I AM BECOMING CONVINCED THAT WE ARE MORE LIKELY TO MAKE PROGRESS ON THE DETAILED ARMS CONTROL NEGOTIATIONS IF WE CAN FIRST ESTABLISH A BROADER BASIS OF UNDERSTANDING BETWEEN EAST AND WEST. BUT I AM UNDER NO ILLUSIONS THAT IT WILL BE VERY HARD TO ACHIEVE THAT. IT WILL BE A SLOW AND GRADUAL PROCESS, DURING WHICH WE MUST NEVER LOWER OUR GUARD. HOWEVER, I BELIEVE THAT THE EFFORT HAS TO BE MADE. THAT IT WHY I THOUGHT IT RIGHT TO TAKE THE FIRST, SMALL STEP OF A VISIT TO HUNGARY. I AM BEING PRESSED BY THE MEDIA AND OTHERS TO SAY WHAT THE NEXT STEP IS. FOR THE MOMENT, I HAVE NOTHING IN MIND BEYOND THE POSSIBLE MEETING BETWEEN GEOFFREY HOWE AND GROMYKO IN THE NEXT FEW MONTHS. ?75 23 -43 GIVING CAREFUL THOUGHT TO THE PROBLEM AND I LOOK FORWARD TO A GOOD TALK WITH GEORGRE BUSH AT THE WEEKEND ABOUT THIS AND TO COMPARING NOTES ABOUT HIS AND MY VISITS TO HUNGARY.

WITH BEST WISHES
YOURS EVER
MARGARET THATCHER

BT

CCN MONTHS. BUT WE ARE GIVING.....

NNNN

K

RGRG MATE QSL AT 1142Z KKK
RGR MANI TKS CAY SEE U LATER K