

~~SECRET~~

~~SECRET~~

4322

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Telephone Conversation with Margaret Thatcher, Prime Minister of the United Kingdom

PARTICIPANTS: The President
Prime Minister Margaret Thatcher
Philip Zelikow, NSC Staff (notetaker)
Kay LaPlante, NSC Staff (stenographer)

DATE, TIME AND PLACE: June 5, 1989, 12:02 p.m. - 12:09 p.m.
Oval Office

The President, after thanking the Prime Minister again for her hospitality during the President's stay in London, said he wanted to discuss the situation in China. (U)

Prime Minister Thatcher congratulated the President on his trip to Europe and called it a marvelous success. On China, she mentioned her particular worry about the future of Hong Kong. (S)

The President called attention to the statement he had issued today (June 5) which, while it might not satisfy critics to the right or the left, deplored the violence and suspended certain military transactions. Before going further, the President wanted to "touch base" with the Prime Minister, knowing her sensitivities about the Hong Kong issue. (S)

Prime Minister Thatcher welcomed the call. She said she would strongly condemn the outrages perpetrated by the government and commented that "people here" were appalled. Hong Kong needed to be reassured; one can imagine the alarm there about these developments. The Prime Minister hoped that China would honor its agreement. If the Chinese did not, there would be no hope at all. She thought the President's actions had been absolutely right. (S)

The President said that he had talked to the U.S. Ambassador in Beijing about his concern for the lives of American students studying in China. There were rumors of a possible move by the military against the universities. The President said he was assured not to worry about the Americans. The President was reluctant to do more at this time because he did not know what was really happening inside the capital. (S)

~~SECRET~~

Declassify on: OADR

DECLASSIFIED
PER E.O. 13526

2000-0429-F
SCS 6/6/13

~~SECRET~~

~~SECRET~~

Prime Minister Thatcher observed that there was no one to talk to. (S)

The President agreed. (S)

Prime Minister Thatcher said that there was only a small number of British students in China, about 50-60, and they were all now in the British Embassy. She recalled, however, that, during the Cultural Revolution, the Embassy had not been safe either. (S)

The President said he thought the authorities would find a way to control any danger to foreign students. He also noted the factional divisions within the Chinese army. He assured the Prime Minister that, if the U.S. came across information that affected British interests, especially on Hong Kong, he would let the Prime Minister know about it. (S)

Prime Minister Thatcher commented that she had little information about what was going on, and most of it was from the press. Her impression was that the situation was reminiscent of the old warlord era, with rival groups vying for power. She reiterated her concern about the situation in Hong Kong, noting that the Hong Kong stock exchange had dropped sharply. She said that, the moment either she or the President prepared to move in responding to the situation, they should be in touch with each other. (S)

The President said that he had issued a modest statement. He emphasized the need to preserve the U.S.-China relationship. (S)

Prime Minister Thatcher suggested that the U.S. and the U.K. should condemn the violence, offer to help those who were suffering from it, and try to talk to someone in authority. The Chinese charge' d'affaires in London knew nothing. Until lines of communication were restored, it was hard to know what to do next. The Prime Minister said much was unknown, and uncertain. She thought such a situation was astonishing for a permanent member of the UN Security Council and wondered if UN Secretary General Perez de Cuellar might be able to help. (S)

The President said this was possible. He would talk to Secretary Baker and General Scowcroft about it. The situation in China was indeed appalling. (S)

Prime Minister Thatcher thought that Perez de Cuellar might be able to make some "inquiries." (S)

The President speculated about Deng Xiaoping's cancer condition. (S)

Prime Minister Thatcher observed that, when he met with Gorbachev, Deng had not appeared to be a fraction of the person he had been when the Prime Minister had met with him. (S)

~~SECRET~~

~~SECRET~~

3

~~SECRET~~

The President assured the Prime Minister that he would stay in touch. He wanted the Prime Minister to know that the U.S. was sensitive to the Hong Kong problem. If he saw something of general concern, or specifically pertaining to the Hong Kong issue, he would let the Prime Minister know. (S)

~~SECRET~~

~~SECRET~~