## THE WHITE HOUSE WASHINGTON

## MEMORANDUM OF CONVERSATION

SUBJECT:

Telephone Conversation with Prime Minister Margaret Thatcher of the United Kingdom (\$\varphi\$)

PARTICIPANTS:

The President

Margaret Thatcher, Prime Minister Notetaker: Philip Zelikow, NSC Staff

DATE, TIME

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August 2, 1989, 10:11 a.m. - 10:21 a.m.

AND PLACE:

Oval Office

The President telephoned Prime Minister Thatcher concerning the situation in Lebanon. (U)

The Prime Minister commented that the President was having an extremely difficult time.  $(\mathcal{C})$ 

The President said he had been thinking of the Prime Minister, and of his affection for Terry Waite, and wanted to call, wring hands, and talk about U.S. thinking on the issue. (2)

The Prime Minister expressed sympathy for the family of LTC Higgins and said she thought the President had been handling the problem extremely well. The real culprits, she said, were those who take hostages. There was no magic wand; direct action would imperil lives. (3)

Continuing, the <u>Prime Minister</u> said her government was worried about Terry Waite, and about others. The key was a sustained diplomatic and public offensive, targeted at the UN, Syria, and Iran, to condemn such terrorist activities and make it clear that these hostage-takers were uncivilized, operating contrary to all rules of international behavior. (£)

The President said a more concerted international effort was a good idea and that we could do a better job of keeping this issue before world opinion. (2)

The Prime Minister felt the President had already enjoyed considerable success in his diplomatic efforts with Iran and Syria, since these countries did not want to be tarred publicly with guilt for terrorist acts. (2)

The President thought it might be too soon to be sure of success, but so far the signs were promising. He had asked Secretary

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General Perez de Cuellar and the Pope for help in recovering Higgins' body, a gesture that should be seen as humanitarian in any culture.  $(\not L)$ 

The Prime Minister noted that since no body had been recovered, it was difficult to be certain about what had actually happened and when. The failure to return the body strengthened the hypothesis that the killing was done at a different time. (£)

The President agreed, observing that one country hoped that it had happened earlier. The President praised the courage and stoicism of Mrs. Higgins. (2)

The Prime Minister remarked that the President was handling this episode extremely well. She would continue to watch the situation, remained concerned about Terry Waite, and said the terrorists have little to hold them back, except for Iran and Syria. The need for a settlement in Lebanon was clear. (2)

The President referred to the Prime Minister's recent letter on the Middle East and said it was a good letter that would get a good reply. He wanted to keep these lines of communication open. He was concerned about escalating violence. He would talk to King Fahd soon, but the negotiating effort in Lebanon seemed to be bogged down. The King would be coming to the US later, but that would be too late for the effort that was needed now. (2)

On the Arab-Israeli situation, the President hoped to force the PLO to give a green light to dialogue, but there was no great progress there. (%)

The Prime Minister said there should be no condemnation of Israel over the current hostage situation. She noted that the President had not done this. Such a condemnation would not help. She recalled that, in defending the strike against Libya, the US and Britain had argued that if people can go on committing terrorist acts with impunity, the situation will not get better. The West should also do more to condemn hostage-taking when it was not in the news. (2)

The President said that even Washington's judicious statement on releasing all hostages was taken by some as anti-Israeli. This was not so, but was a little problem for the Administration. A call to release people held against their will was a valid humanitarian call, which did not bash any one country.

The Prime Minister recalled that, after the Libya raid, two British hostages were killed. She knew what the President was going through. The real guilt was with the original hostagetakers. (2)

The President hoped there would be no escalation and no further

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The Prime Minister hoped the diplomatic strategy could work, carrying on to bring an end to the situation.  $(\mathbf{Z})$ 

The President said he felt terrible about the overall picture in Lebanon, heart-broken and frustrated.  $(\mathcal{Z})$ 

The Prime Minister said the President was handling the situation absolutely right and admired his approach. (2)

The President promised to keep in touch about any new developments, especially on the fate of Terry Waite. (2)

-- End of Conversation --

The President phoned the Prime Minister again, thirty minutes later, to suggest that the Prime Minister call Mrs. Higgins. The Prime Minister welcomed the suggestion and immediately agreed to make the call. The President provided Mrs. Higgins' phone number at the Pentagon. (4)

