

ow  
CONFIDENTIAL



APC  
Foreign and Commonwealth Office

London SW1A 2AH

NBM  
CDP  
22 November 1984

Dear Charles,

Portugal: Dr Mario Soares

/ You may have seen Lisbon telno 365 (copy enclosed for ease of reference) describing some unfortunate remarks attributed to Dr Mario Soares.

Our Embassy in Lisbon have reported that Dr Soares claims to have been misrepresented and that he will rectify matters at a meeting this evening with Diplomatic Press correspondents. We are taking steps to ensure that the importance of doing so is passed on to him.

Meanwhile, it may be an encouraging straw in the wind that Dr Soares was willing to make special arrangements in the course of his programme to see the representative of Wiggins Teape.

Yours ever,  
Colin Budd

(C R Budd)  
Private Secretary

C D Powell Esq  
10 Downing Street

CONFIDENTIAL



IMMEDIATE

1226/22

ADVANCE COPY

LISFO 003/22

00 FCO

00 UKREP BRUSSELS to rectify matters at his request

GRS 170

RESTRICTED

FM LISBON 221130Z NOV 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 365 OF 22 NOVEMBER

AND TO IMMEDIATE UKREP BRUSSELS

*Mr Neilson*

*Mr. Brighty has telephoned to say that Mr Soares claims to have been misreported, and hopes*

*to rectify matters at his request with the Diplomatic Press Comps this evening. I have told copy addresses*

*W. Houston 22/11*

X3

MR JENKINS

MR PENWICK

HD SED

ECI(E)

SOARES IN LONDON: ACCESSION AND INVESTMENTS

1. TODAY'S PORTUGUESE PRESS REPORTS COMMENTS MADE IN LONDON BY PRIME MINISTER SOARES ON PROSPECTS FOR BRITISH INVESTMENT. ONE REPORT SAYS THAT BARCLAYS BANK CAN OPEN IN PORTUGAL QUOTE AS SOON AS THERE IS A CLEAR SIGN OF CONCLUSION TO THE NEGOTIATIONS FOR ENTRY INTO THE EEC UNQUOTE. THE REPORT SAYS THAT THE BANK OF PORTUGAL IS FAVOURABLE TO BARCLAYS SETTING UP HERE, BUT THAT A POLITICAL DECISION NEEDS TO BE TAKEN WHEN THERE IS CONCRETE EVIDENCE OF THE OUTCOME OF THE ENLARGEMENT NEGOTIATIONS.

2. DIARIO DE NOTICIAS (STATE OWNED) REPEATS THIS STORY, AND REFERS TO INVESTMENTS IN THE PULP AND COPPER SECTORS (WIGGINS TEAPE AND RTZ). IT SAYS THAT IN THESE CASES TOO A DEFINITIVE SOLUTION WILL BE AFFECTED BY AN QUOTE OVERALL OFFSETTING PACKAGE UNQUOTE (ESQUEMA DE CONTRAPARTIDAS GLOBAIS) OF WHICH EC ACCESSION IS A PART.

3. I HAVE ALREADY BEEN ASKED BY MY FRENCH COLLEAGUE ABOUT THESE REPORTS. SIMILAR PRESSURE HAS BEEN PUT ON THEM OVER THE WOULD-BE OPENING OF A FRENCH BANK HERE. THE FINANCIAL TIMES CORRESPONDENT HAS ALSO SPOKEN TO ME, AND IS LIKELY TO FILE A STORY ABOUT PORTUGUESE ATTEMPTS TO USE INWARD INVESTMENT APPROVALS AS CRUDE LEVERAGE TO ACCELERATE THE ACCESSION NEGOTIATIONS.

BRIGHTY



SPEECH BY THE PORTUGUESE PRIME MINISTER

DR MARIO SOARES

AT THE DINNER HOSTED BY THE PRIME MINISTER

MRS MARGARET THATCHER

London, 10 Downing Street, the 21st of November, 1984

(Free Translation)

Prime Minister,

I would like to begin by thanking you for the warm welcome extended to my wife, my delegation and to myself. It is for me a great pleasure to be in London following your invitation to visit officially the United Kingdom in the course of this year. Please allow me to recall the success of your visit to Portugal and how it contributed to emphasise the vitality of the Anglo-Portuguese friendship which we would like to see translated into new initiatives.

Prime Minister,

In our talks we have always been in agreement about the main issues of international politics and the means of solving the major problems that threaten peace and security in the world. The similarity of our foreign policies stems from the deep and ancient bounds that unite our two countries. The Alliance between the United Kingdom and Portugal, the oldest bilateral Alliance in force in the world, enshrines the cultural and geo-political affinity that throughout history has brought our people together in a way possibly without parallel in Europe. The ties between our two countries, reinforced by our membership of NATO for 35 years, will soon be strengthened by Portugal's accession to the EEC. This event will be a major step in the democratization process of Portugal which was implemented with considerable effort and during a time of great difficulties, but always guided by the high ideals of freedom, social justice and respect for human rights. Portugal's accession to the EEC strengthens the European option of my country and the democratic system established in

... /2



1974. It will also be, allow me to say so, a non negligible enrichment for Europe because it will mean an enlargement of the ideal of European unity. The Community can not forsake its privileged position and the knowledge and experience gained for centuries by its members. For that reason the enlargement of the EEC is a factor of mutual enrichment which will benefit the Community on the whole. I am aware that the British Government has always held the same point of view. I therefore avail myself of the opportunity to express my thanks for the support of the British Government in this matter. The "constat d'accord", signed in Dublin on the 25th of October 1984, recognising the irreversible nature of our accession was a very important step in the process started in 1977. I am proud of being personally linked with the two most meaningful moments of Portugal's accession to the EEC: the application for membership of the Communities and the signing of the "constat d'accord", both of which took place during my term of office.

Prime Minister,

The pursuit of the European ideal in which we both believe goes beyond its purely economic dimension. It will lead to the reinforcement and the enlargement of Europe's role in the search for peace and international security. Conditions will thus be created for a more efficient and balanced cooperation between Europe and the United States which both of us consider essential. A united Europe will also have a fundamental role to fulfill in the correction of the serious economic and social imbalances which grieve vast areas in the world.

The overseas expansion of our two countries and the contacts we always maintained with other cultures and civilizations

... /3



brought us together and led us to have interests and responsibilities in the same areas. For our part, Portugal maintains close links of friendship with the Portuguese speaking countries of Africa, to which we feel bound by a common spiritual and cultural heritage. It was thus natural for the Portuguese Government to show its determination in contributing to solve the problems which have arisen in Southern Africa, and make available its experience for mutually agreed solutions which may satisfy the interests of the countries and of the populations concerned. In this spirit, the Portuguese Government was pleased with the way in which the issue of Hong-Kong's future was resolved. It sets an example of how two great countries can solve in a peaceful and constructive way questions of the greatest complexity.

The optimism with which we face the evolution of the world scene is, however, tarnished by the regrettable recurrence of acts of violence and terrorism. A few weeks ago we met in New Dehli to pay homage to a great world leader, victim of hatred and intolerance which should have no place in contemporary society.

Less than two months ago, you and your Government were the victims of an intolerable outrage, which Portugal utterly condemned. We must put an end to this escalation of violence. As you so rightly have said, acts of this nature, when aimed against freely elected Governments, are an attack against democracy itself. We must, therefore, not only condemn but most of all act together, firmly and with determination, against all attacks on the free and tolerant societies in which we wish to live.

In this area, as in all other areas of international relationship, the agreement between the United Kingdom and Portugal is indeed considerable. Our centuries old friendship is not only a bequest from the past. It is, on the contrary, the solid foundation for a continuing and even closer cooperation that will enable us to face together the challenges of the future. Among these challenges I would like to underline the development of new



technologies, which should be used to consolidate the freedom and the moral and material welfare of all peoples.

Prime Minister,

Portugal and the United Kingdom have in common a long and fruitful experience in the field of trade that we would like to broaden and intensify. At a time of economic recovery in Portugal any contribution from the United Kingdom - through its businessmen and official institutions - will be welcomed either to promote Portuguese products in the British market, where some of them have a long established position, or to encourage British investment in Portugal. Our country offers favourable conditions to foreign investment. Non-European investors are already taking advantage of them. The fact that my delegation includes experts in the areas of external trade and finance in Portugal is an indication of our will to intensify the Anglo-Portuguese cooperation in those fields.

Prime Minister,

I would like to end by referring to the announced visit of Her Majesty the Queen to Portugal. Her Majesty's visit gives rise to sincere joy amidst the Portuguese people and will be a high point in the history of our multi-secular relationship.