

Were Margaret Thatcher and Ronald Reagan Inseparable Political Allies?

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The historical consensus relating to the relationship between Prime Minister Margaret Thatcher and President Ronald Reagan is that the two were ‘ideological soul-mates’ who collaborated extremely closely to wage the Cold War.¹ This perception arose because they employed aggressive, vehemently anti-communist language in their foreign policy statements, espoused neo-liberal economic theories, sought to portray themselves as conviction politicians and shared a close personal friendship. This essay will demonstrate that Reagan and Thatcher’s close personal friendship and political expediency allowed the leaders to minimise the appearance of fractures in their united public façade. It will be demonstrated that Thatcher and Reagan were neither inseparable allies nor ideologically indistinguishable. The popular conception that Reagan and Thatcher were ideologically indistinguishable is rebutted by differences in their governments’ responses to the AIDS epidemic, abortion, divorce and the domestic economic consequences of their foreign policy. Similarly, the notion that Thatcher and Reagan were inseparable allies is inconsistent with their positions with respect to the Falklands War, the US invasion of Grenada, State sponsored terrorism, arms control, and the Strategic Defence Initiative. Thatcher’s generally liberal social agenda was incompatible with Reagan’s social conservatism. Both leaders’ foreign policy prioritised national interest over the Anglo-American alliance.

Thatcher and Reagan’s differing approach to social policy is most evident in their response to the AIDS epidemic. Whilst Thatcher was lauded for her progressive, or at least intensely pragmatic, response to tackle the AIDS epidemic, Reagan failed to take significant action to address the issue. In October 1986, Thatcher began with the exceptional step of establishing the Special Cabinet Committee on AIDS.² Thatcher’s government followed through on policy discussion with a twenty million

¹Heidi Blake, ‘How the “special relationship” between Britain and the US became something to fret over,’ *The Telegraph*, 20 July, 2012, <http://www.telegraph.co.uk/news/worldnews/northamerica/usa/789926/How-the-special-relationship-between-Britain-and-the-US-became-something-to-fret-over.html>, accessed 13 August 2013.

²Virginia Berridge and Phillip Strong, ‘AIDS policies in the United Kingdom: a preliminary analysis’ in *AIDS: The Making of a Chronic Disease*, ed. Elizabeth Fee and Daniel Fox, (Berkeley: University of California Press, 1992), 308.

pound awareness campaign titled ‘don’t die of ignorance’, which highlighted the real risk of AIDS to both heterosexual and homosexual persons.³ She approved the ‘frank wording of the AIDS household leaflet’⁴ which was distributed to every house in the country and addressed ‘the nature of the virus, how it appears to spread, and identifies those who seem most at risk. Precautions such as the avoidance of intravenous drug abuse and *merits of the condom as a prophylactic* [emphasis added] are stressed’.⁵ Government endorsement of the use of condoms, approved by the Prime Minister herself, would have been unthinkable in America. Thatcher defended the strategy of promoting safe sexual behaviour rather than advocating abstinence to halt the spread of AIDS because ‘there will be some people who will get together in any event and it is our duty to tell them of the dangers if they do’.⁶ Thatcher further distanced herself from her supposed ideological soul-mate Reagan by allowing the Special Cabinet Committee to implement a highly controversial needle exchange program in a bid to prevent the spread of HIV amongst intravenous drug users.⁷ She was criticised as ‘scattering free needles and cut-price condoms in her wake’ by the *Mail on Sunday* for yielding political capital with her ‘natural constituency’ in the lead up to an election.⁸ Thatcher also addressed the issue of AIDS on the international stage. In her 1986 speech to the European Parliament on the work of the European Council and Commission, she devoted a greater portion of her speech to addressing the AIDS epidemic than cancer. She promoted ‘a concerted exchange of information between the Member States’ focussing on ‘prevention’ and ‘treatment’. She also appealed for ‘further international cooperative measures, including in research’.⁹ Although the UK was not the world leader in AIDS research or policy responses, Thatcher cannot be criticised for inaction. Thatcher demonstrated she was willing to endure political backlash from key conservative groups amongst her constituency in order to fully address the AIDS epidemic. This difference between the responses of Thatcher and Reagan to the AIDS epidemic was enormous. Whilst Reagan was unwilling to address AIDS explicitly in major forums, Thatcher helped bring the issue to the world stage.

Reagan’s response to AIDS differs from Thatcher’s because it was not extensive nor was it widely promoted. According to Cannon, ‘Reagan’s principal legacy in dealing with AIDS was one of missed opportunity.’¹⁰ Reagan rejected the notion that AIDS ‘was a wrathful God’s punishment for homosexual conduct’.¹¹ Nevertheless, he failed to exercise the authority of the Presidency to focus government action and public opinion on tackling the epidemic. Reagan refused to discuss AIDS with television interviewers or to include the subject in a major address.¹² Without explanation he excluded a planned announcement of a national study into AIDS from the 1986 State of the Union address.¹³ Furthermore, when his close friend and prominent actor Rock Hudson died of AIDS in October 1985, Reagan’s

³ *Ibid.*, 311.

⁴ Virginia Berridge, *AIDS in the UK: The making of policy, 1981-1994*, (Oxford: Oxford University Press, 1996), 134.

⁵ UK Department of Health and Social Security, *AIDS: Don’t Die of Ignorance*, 1987, Source: ‘UK government AIDS information leaflet’, Science Photo Library, <http://www.sciencephoto.com/media/251407/enlarge>, accessed 13 August 2013.

⁶ Margaret Thatcher, interview by Douglas Keay, *Woman’s Own*, IPC Media, 23 September 1987.

⁷ ‘Needle Exchange Programs Worked in Preventing Spread of HIV/AIDS’, AIDS Response Effort, <http://www.aidsresponseeffort.org/2012/08/02/needle-exchange-programs-worked-in-preventing-spread-of-hiv-aids/>, accessed 13 August 2013.

⁸ Fee and Fox, *AIDS: The Making of a Chronic Disease*, 134.

⁹ Margaret Thatcher, ‘Speech to European Parliament,’ speech given at European Parliament, Strasbourg, 9 December 1986.

¹⁰ Lou Cannon, *President Reagan: The Role of a Lifetime*, (New York: Public Affairs, 2000), 735.

¹¹ *Ibid.*

¹² Richard Reeves, *President Reagan: The Triumph of Imagination*, (New York: Simon & Schuster, 2005), 211.

¹³ *Ibid.*, 306.

statement of sympathy and tribute neglected to mention AIDS.¹⁴ Reagan's limited public discourse excluded an explanation to the American public about key aspects of the disease. Reagan refused to propagate the frank advice of Surgeon General Dr C. Everett Koop (a deeply conservative anti-abortion advocate) who proposed to prevent the spread of the disease by means of: 'one, abstinence; two, monogamy; three, condoms',¹⁵ and education in schools starting at the earliest possible age.¹⁶ Reagan's advisors were against giving 'multimillion-dollar free publicity' to condom producers and using schools to 'teach children how to engage in safe sodomy and safe fornication'.¹⁷ Though sympathetic to the plight of AIDS victims, Reagan was unwilling to endorse the use of condoms because it was 'distasteful',¹⁸ he would ineffectually refer to 'prevention' instead.¹⁹ Unlike Thatcher, Reagan refused to place pragmatism above the politics of conservative morality.²⁰

Reagan's limited action was often ineffectual or detrimental to tackling AIDS. In 1987, Reagan established an AIDS Commission including members who opposed schools teaching about AIDS, and lacked doctors who treated or researched AIDS.²¹ In a speech to the American Foundation for AIDS Research, Reagan announced policies allowing immigration officers to refuse AIDS sufferers entry to the US and permitting compulsory AIDS testing in federal prisons. These policies were criticised for stigmatising sufferers and not stemming the spread of the disease.²² This testing was deemed unconstitutional by the Supreme Court.²³ The speech was uninspiring and made no significant new contribution to public discourse about the disease.²⁴ Reagan's 1986 budget proposed reduced public funding for AIDS research.²⁵ That year, Congress, as it would again, appropriated more funds than proposed by Reagan for AIDS research.²⁶ In summary, Reagan unlike Thatcher was unwilling to use his position to inspire his people to combat the AIDS epidemic. He was unwilling to risk offending conservative constituents or appropriate significant public funds to combat an issue that disproportionately affected homosexuals, African-Americans and drug users. These groups tended not to support Republicans. By 31 December 1988, 46,344 Americans had succumbed to AIDS.²⁷ Reagan's apparent ignorance was either wilful or a product of his advisors' beliefs.

Thatcher and Reagan espoused different views on the issue of abortion. Margaret Thatcher is commonly described as supportive of 'liberal abortion laws'.²⁸ In 1967, Thatcher supported a private members bill, moved by Liberal leader David Steele, enacted as the *Abortion Act 1967*. The Act allowed the

¹⁴ Cannon, *President Reagan: The Role of a Lifetime*, 731.

¹⁵ C. Everett Koop quoted in Reeves, *President Reagan: The Triumph of Imagination*, 732.

¹⁶ *Ibid.*

¹⁷ Phyllis Schaffley quoted in Cannon, *President Reagan: The Role of a Lifetime*, 732.

¹⁸ Ronald Reagan quoted in Reeves, *President Reagan: The Triumph of Imagination*, 389.

¹⁹ *Ibid.*

²⁰ Cannon, *President Reagan: The Role of a Lifetime*, 733.

²¹ *Ibid.*, 736.

²² *Ibid.*, 734.

²³ *Ibid.*, 734.

²⁴ Ronald Reagan, 'Speech to the American Foundation for AIDS Research,' speech delivered in Washington DC, 31 May 1987.

²⁵ Cannon, *President Reagan: The Role of a Lifetime*, 732.

²⁶ *Ibid.*

²⁷ 'HIV/AIDS Surveillance Report: January 1989,' Centers for Disease Control, http://www.cdc.gov/hiv/pdf/statistics_surveillance88.pdf, accessed 13 August 2013, 12.

²⁸ Paul Halsall, 'Margaret Thatcher: Christianity and Wealth,' *Fordham University Modern History Sourcebook*, <http://www.fordham.edu/halsall/mod/1988thatcher.asp>, accessed 13 August 2013.

National Health Service to fund abortions to all women up to 28 weeks gestation (the point at which a foetus was then thought to be viable).²⁹ In a 1970 interview given to the BBC, Thatcher stated ‘I myself voted for the *Abortion Act* because I happen to think that one of the worst things anyone can do in this world is to bring an unwanted child into it.’³⁰ This opinion was a stark contrast to Reagan’s stated opinion on abortion. Reagan addressed the annual pro-life rally in Washington by telephone each year during his presidency.³¹ On the tenth anniversary of *Roe v Wade*, Reagan delivered a national radio address on domestic social issues. He stated ‘I too have always believed that God’s greatest gift is human life and that we have a duty to protect the life of an unborn child. Until someone can prove the unborn child is not a human life, shouldn’t we give it the benefit of the doubt and assume it is?’³² Reagan was prepared to publicise the cause by permitting an anti-abortion film titled *Silent Scream*, featuring sonogram images of a baby’s skull being crushed and removed from the uterus, to be shown in the White House auditorium to invited viewers.³³ Reagan’s endorsement garnered the film significant media coverage and major political impact.³⁴ This emphatic endorsement of anti-abortion campaigners signals a stark ideological difference with Thatcher’s liberal position. Nevertheless, Reagan, whilst Governor of California, signed the *Therapeutic Abortion Act 1967*, authorising abortions in several circumstances including when it would cause mental harm to the mother. This legislation was routinely exploited by doctors and saw the number of legal abortions in California jump from 518 in 1967 to 199,089 in 1980.³⁵ Upon comprehending the consequences of the Act, Reagan recanted his support for the Act, claiming he ‘would never have signed the bill if he had been more experienced as governor.’³⁶ It was after this time that he began actively espousing anti-abortion views. Despite lacking a clear position on abortion early in his career, Reagan’s views on abortion were irreconcilable with those of Thatcher.

Reagan and Thatcher also expressed vastly different views and voting records on divorce. This stems from their differing experiences of family life and their values. Thatcher ‘lauded the family as the essential basis for stable society’.³⁷ Conversely, Reagan is ‘the only President to have been divorced’.³⁸ Thatcher argued that divorce law reform was one aspect ‘of the liberal agenda, [which] even at the time, seemed to me to go too far’.³⁹ Thatcher feared ‘if divorce became too easy it might undermine marriages simply going through a bad patch’.⁴⁰ She was also concerned that simplifying divorce would undermine the seriousness of the decision to marry and that a committed spouse may be ‘deserted’.⁴¹ Thatcher was part of the 159-63 minority that opposed the passage of the *Divorce Reform Act 1969* which made divorce far more accessible.⁴² She also supported amendments, which were not

²⁹ *Abortion Act 1967* (Imp), ss 1, 5(1).

³⁰ Margaret Thatcher, interview by Joan Yorke, *Woman’s Hour*, BBC, 9 April 1970.

³¹ Cannon, *President Reagan: The Role of a Lifetime*, 729.

³² Ronald Reagan, ‘Radio Address to the Nation on Domestic Social Issues,’ speech given in Washington DC, 22 January 1983).

³³ Reeves, *President Reagan: The Triumph of Imagination*, 242.

³⁴ *Ibid.*

³⁵ Lou Cannon, *Governor Reagan: His Rise to Power*, (New York: Public Affairs, 2003), 213.

³⁶ *Ibid.*

³⁷ John Campbell, *Margaret Thatcher: Volume II: The Iron Lady*, (London: Random House, 2011), 250.

³⁸ Matt Slovick, ‘The American President,’ *The Washington Post*, 23 July 1997, <http://www.washingtonpost.com/wp-srv/style/longterm/movies/features/dcmovies/americanpresident.htm>, accessed 13 August 2013.

³⁹ Margaret Thatcher, *The Path to Power*, (London: Harper Collins, 1996), 151.

⁴⁰ *Ibid.*

⁴¹ *Ibid.*

⁴² Hansard, *Divorce Reform Bill 1968*, debated in the House of Commons 9 February 1968, <http://hansard.millbanksystems.com/>

enacted, allowing for ‘special form ... indissoluble (except by judicial separation)’ marriages and a law granting priority to the wife and any children of the first marriage in any court proceedings.⁴³ Conversely, Reagan supported access to simple divorce proceedings. As Governor of California, he signed the *Family Law Act 1969* which established the first no-fault divorce provisions anywhere in the United States. The *Act* was revolutionary for its time because it ‘it removed consideration of marital fault from the grounds for divorce, from the award of spousal support, and from the division of property’.⁴⁴ Reagan and Thatcher’s views on the legislative framework surrounding divorce could not be more different. However, their views are counter-intuitive. Thatcher’s social policy was typically significantly more progressive than Reagan’s. Nevertheless, on the issue of no-fault divorce, Thatcher adopted a very conservative opinion whilst Reagan’s position was extremely progressive for his era. Their divergent views on divorce demonstrate that Reagan was not a reactionary, nor was Thatcher an ultra-progressive reformer. Reagan’s social agenda whilst President was largely a product of his reliance on Evangelical Christian voters. Reagan’s stance on divorce whilst Governor demonstrates that Californian voters were not as conservative. Thus, he was able to pursue a liberal policy with respect to divorce. Thatcher’s social agenda was motivated by pragmatism; she was never a product of the Swinging Sixties. This pragmatism accounts for the significant variation in her stances on AIDS, abortion and divorce. The leaders’ utterly irreconcilable views on the legal framework surrounding divorce, a key social issue, reveal they did not share a uniform moral code or ideology.

Thatcher and Reagan both espoused strong anti-communist foreign policy rhetoric, however, they differed in their commitment to the principles of international law and their approaches to armed conflict. This difference is evident in their responses to the Falkland Island conflict. Whilst Thatcher responded decisively to the invasion, asserting that the rule of law and the Falkland Islanders right to self-determination superseded any Argentine claim to the islands, Reagan maintained ‘we have a policy of neutrality on the sovereignty issue’.⁴⁵ Similarly, Reagan was not immediately willing to support Thatcher’s ultimatum that Britain would retake the islands unless the Argentines withdrew. Reagan and his advisors were torn between the twin priorities of maintaining the Atlantic alliance and the policy of ‘hemispheric defence’ dictated by the 1947 *Inter-American Treaty of Reciprocal Assistance*. Reagan’s non-committal response to the National Security Planning Group was to dispatch Secretary of State Al Haig on a shuttle negotiation to attempt to secure a diplomatic solution to the crisis.⁴⁶ Privately, Reagan was scornful of what he perceived as a British overreaction to the loss of that ‘little ice-cold bunch of land down there’.⁴⁷ Reagan had little interest in assisting Thatcher in her most turbulent period as Prime Minister. American support for the British fleet was exclusively delivered by Secretary of Defence Caspar Weinberger without, as is apparent from Reagan’s diary entry of April 14 1982, any knowledge on Reagan’s part.⁴⁸ In summary, far from being inseparable political allies, the Falklands War revealed Reagan was willing to abandon Thatcher in her time of need.

Thatcher and Reagan also demonstrated their vastly different approaches to foreign policy throughout the coup in and subsequent invasion of Grenada, and their response to Syrian state sponsored ter-

[commons/1968/feb/09/divorce-reform-bill](https://www.commonsworld.org/1968/feb/09/divorce-reform-bill), accessed 13 August 2013.

⁴³ Thatcher, *The Path to Power*, 151.

⁴⁴ Herma Hill Kay, ‘An Appraisal of California’s No-Fault Divorce Law,’ *California Law Review*, Vol. 75, (1987), 291.

⁴⁵ Ronald Reagan quoted in Richard Aldous, *Reagan and Thatcher: The difficult relationship*, (New York: W W Norton and Company, 2012), 79.

⁴⁶ Aldous, *Reagan and Thatcher: The difficult relationship*, 83.

⁴⁷ Ronald Reagan quoted in Aldous, *Reagan and Thatcher: The difficult relationship*, 92.

⁴⁸ *Ibid.*, 95.

rorism. Reagan's response to the armed revolution in Grenada and the bombing of a US barracks in Beirut drew disapproval from Thatcher. Thatcher believed that the coup in Grenada was a matter of little concern because the island had little strategic value and that in any case, it would be inappropriate to meddle with the political machination of a small independent state, even a member of the Commonwealth with an unsavoury political system.⁴⁹ Conversely, Reagan feared the Grenadian drift into the Soviet Bloc, signalled by the presence of Cuban military forces and construction of a military airfield by Cuban workers, and the risk that a strongly communist Grenada could destabilise other countries in the Caribbean.⁵⁰ Reagan's decision to invade Grenada attracted a public condemnation by Thatcher. In an interview for the BBC World Service she declared, '[Western democracies use] force to defend our way of life ... We do not use it to walk into independent sovereign territories [to affect regime change in communist countries because, if we did] we are going to have really terrible wars in the world'.⁵¹ This demonstrates that Thatcher was willing to publically disagree with Reagan's foreign policy and would not be drawn into what she perceived to be an illegal invasion.

Thatcher believed in self defence against aggression, which she felt applied to the Falklands war, but not in retribution.⁵² On these grounds, she opposed retribution against Syria for the Beirut barracks bombing. When recounting her communication with Reagan, she stated 'I did not believe that retaliatory action was advisable'.⁵³ The gulf between Thatcher and Reagan is signified by the President's failure to notify the Prime Minister of the decision to launch an air strike against Syrian air defence positions in Lebanon or to invade Grenada. Feeling disenfranchised, Thatcher pursued a more independent foreign policy agenda, including independent relations with the Soviet leadership.⁵⁴ The lack of consultation between Reagan and Thatcher over military action and Thatcher's resultant independent foreign policy demonstrated the two leaders did not always present a united front to other governments.

The issue of nuclear arms control sharply divided Reagan and Thatcher. This division of opinion is most clearly enunciated by their differing views of the Reykjavík Summit, intermediate-range nuclear forces reductions, and the Strategic Defence Initiative. Reagan opposed the proliferation of nuclear weapons on moral grounds. On 18 November 1981, in the first speech by an American President ever broadcast live to Europe, Reagan proposed an agreement between the Soviet Union and United States to dismantle existing intermediate-range nuclear weapons and prohibit the future deployment of such weapons. Reagan stated that 'This would be a historic agreement. With Soviet support we could together substantially reduce the dread threat of nuclear war, which hangs over the people in Europe'.⁵⁵ Reagan espoused the moral imperative of his position in a later address, when he stated that 'my dream is to see the day when nuclear weapons will be banished from the face of the Earth'.⁵⁶ On the other hand, Thatcher's position on nuclear weapons was irreconcilable with Reagan's. Thatcher argued nuclear weapons were essential for NATO to counteract the significant conventional weapons disparity between itself and the Warsaw Pact countries. In her 1986 speech to the Lord Mayor's Banquet,

⁴⁹ Aldous, *Reagan and Thatcher: The difficult relationship*, 150.

⁵⁰ Reeves, *President Reagan: The Triumph of Imagination*, 144.

⁵¹ Margaret Thatcher, interview by Margaret Howard, *Radio Interview for BBC*, BBC, 30 October 1983.

⁵² Aldous, *Reagan and Thatcher: The difficult relationship*, 154-155.

⁵³ Margaret Thatcher quoted in Aldous, *Reagan and Thatcher: The difficult relationship*, 164.

⁵⁴ Aldous, *Reagan and Thatcher: The difficult relationship*, 162.

⁵⁵ Ronald Reagan, 'Speech on the Strategic Arms Reduction Talks,' speech given to the National Press Club, 18 November 1981.

⁵⁶ Ronald Reagan, 'Address to the Nation and Other Countries on United States-Soviet Relations,' speech delivered in the White House, Washington DC, 16 January 1984.

she stated 'The fact is that nuclear weapons have prevented not only nuclear war but conventional war in Europe for forty years'.⁵⁷ The Press Association summarised Thatcher's position thusly: Britain ought to maintain its 'independent nuclear deterrent', and make any agreement for 'the elimination of ballistic missiles [conditional upon] an end to the imbalance of conventional forces and chemical weapons'.⁵⁸ Thatcher's intensely pragmatic approach to defence policy was at odds with Reagan's utopian desires. She remarked it was 'the one issue on which I knew I could not take the Reagan administration's soundness for granted'.⁵⁹ The prolonged disagreement fractured the united front the leaders presented in negotiations with Soviet leader Mikhail Gorbachev and undermined trust between the two leaders.

The divide between Thatcher and Reagan over the importance of a nuclear deterrent was reflected in the diplomacy surrounding the Strategic Defence Initiative (SDI). Reagan characterised SDI research as part of the 'search for ways to build a more stable peace'.⁶⁰ Thatcher argued that 'balance gives us security' and 'strength is our best deterrence'.⁶¹ She perceived SDI as a severe risk to the détente between the NATO countries and the Soviet Union. The fundamental difference between Reagan and Thatcher's approach to Western-Soviet relations was that Thatcher valued détente over defence, placing her faith in the doctrine of mutually assured destruction, whilst Reagan valued defence over détente, and sought to defeat the Soviet Union.⁶² The Soviets exploited this difference of opinion. In 1984, Gorbachev engaged in brief talks with Thatcher prior to travelling to Washington to meet Reagan. Gorbachev attempted to influence Thatcher to exploit her personal relationship with Reagan to convince him to cancel the SDI. Gorbachev delivered a warning to Thatcher for Reagan: 'it is especially important to avert the transfer of the arms race to outer space. If it is not done it would be unreal to hope to stop the nuclear arms race'.⁶³ At the Camp David meeting of 22 December 1984, Thatcher delivered Gorbachev's warning during a hostile meeting with Reagan. Reagan terminated the meeting immediately.⁶⁴ This hostility reveals the significance of the leaders' foreign policy disagreements and its consequences for diplomatic relations between the two countries. Despite acceding to a joint statement wording proposed by Thatcher's staff, downplaying US commitment to SDI testing, Reagan had not relinquished his desire for a nuclear weapon free world or commitment to developing and deploying space based missile defence systems.⁶⁵ Reagan's second inauguration speech explicitly questioned the doctrine of 'mutually assured destruction', stating 'Is there either logic or morality in believing that if one side threatens to kill tens of millions of our people, our only recourse is to threaten killing tens of millions of theirs?'⁶⁶ This unambiguously rejects the principles upon which Thatcher's preference for preserving deterrence were built. He also reiterated his commitment to create 'a security shield that would destroy nuclear weapons before they reach their target [to] render nuclear weapons obsolete'.⁶⁷ Thatcher and Reagan's nuclear weapons policies and broad conception of Western-Soviet relations were entirely incompatible. This incompatibility threatened

⁵⁷ Margaret Thatcher, 'Speech at Lord Mayor's Banquet,' speech given at the Guild Hall, London, 10 November 1986.

⁵⁸ 'Western Europe fears Soviet conventional superiority if nuclear missiles are reduced,' *The Telegraph*, 14 November 1986, 3.

⁵⁹ Margaret Thatcher quoted in Campbell, *Margaret Thatcher: Volume II: The Iron Lady*, 296.

⁶⁰ Aldous, *Reagan and Thatcher: The difficult relationship*, 183.

⁶¹ *Ibid.*, 185.

⁶² *Ibid.*, 184-185.

⁶³ Mikhail Gorbachev quoted in Aldous, *Reagan and Thatcher: The difficult relationship*, 178.

⁶⁴ Aldous, *Reagan and Thatcher: The difficult relationship*, 184.

⁶⁵ *Ibid.*, 187.

⁶⁶ Ronald Reagan, 'Second Inaugural Address,' speech given in Washington DC, 21 January 1985.

⁶⁷ *Ibid.*

to undermine the Anglo-American special relationship and risked undermining Reagan's negotiating position at arms-reduction summits.

Thatcher and Reagan differed in their views on Western-Soviet relations and economic warfare. They prioritised the challenge of dismantling the Communist Bloc differently: Reagan was more willing to endure domestic economic hardship to achieve that objective. Reagan forsook his ideological dedication to supply-side economics and funded enormous defence spending programs, causing a severe budget deficit, to draw the Soviet Union into an arms race it could not afford.⁶⁸ This ballooning budget deficit demanded increasing taxation revenues. Reagan closed loopholes available to high income earners and broadened the tax base by deeming certain new business transactions to be taxable. He also enlarged the IRS and DOD bureaucracies.⁶⁹ These ideological transgressions were necessary to accelerate the arms-race and undermine the Soviet economy. Reagan, a staunch free trade proponent, was instrumental in laying the foundations of the North American Free Trade Agreement, then known as the 'North American Accord'.⁷⁰ He also undermined the position of Western businesses by ordering an embargo on contributions to the construction of the Siberia-Western Europe natural gas pipeline, affecting American companies, their foreign subsidiaries and international companies producing American designed products under license.⁷¹ This placed contracts, worth hundreds of millions of dollars, signed by Western businesses in jeopardy.⁷² Reagan incorrectly assumed Thatcher and the Europeans were equally willing to endure economic hardship to defeat the Soviet Union.

Thatcher's commitment to dismantling the Soviet Union did not supersede her commitment to reduce the size of government, deregulate national industries, eliminate the deficit and drastically reduce government spending. Nor was Thatcher willing to prejudice the interests of British businesses in pursuit of foreign policy objectives. Reagan's decision to target economic sanctions against the Soviet Union's Siberian natural gas pipeline (nominally in response to the Polish government's oppression of the Polish Solidarity movement and the imposition of martial law, but in fact a key prong in Reagan's strategy to starve the Soviet economy of hard currency)⁷³ provoked a forceful response from Thatcher because the strategy undermined the position of several major British businesses.⁷⁴ For example, the sanction robbed British engineers John Brown Limited of the capacity to complete \$279 million worth of contracts because they relied on parts supplied by American company General Electric.⁷⁵ Thatcher declared Britain felt 'particularly deeply wounded by a friend'⁷⁶ and agreed with interviewer James Cox that 'the Americans are out of line'.⁷⁷ John Brown risked US sanctions and completed the contract.⁷⁸ Thatcher publically supported the move, citing the company's importance in a region

⁶⁸ Ronald Reagan, *National Security Decision Directive 66: East-West Economic Relations & Poland-Related Sanctions*, signed at the White House, Washington DC, 29 November 1982, available from <http://www.fas.org/irp/offdocs/nsdd/23-1933t.gif>, accessed 13 August 2013.

⁶⁹ Jeanne Sahadi, 'Taxes: What people forget about Reagan,' *CNN Money*, http://money.cnn.com/2010/09/08/news/economy/reagan_years_taxes/index.htm, accessed 13 August 2013.

⁷⁰ Daniel Griswold, 'Reagan Embraced Free Trade and Immigration,' *CATO Institute*, <http://www.cato.org/publications/commentary/reagan-embraced-free-trade-immigration>, accessed 13 August 2013.

⁷¹ Aldous, *Reagan and Thatcher: The difficult relationship*, 64.

⁷² Ibid.

⁷³ Ibid., 63-5.

⁷⁴ Ibid., 121.

⁷⁵ Ibid., 121.

⁷⁶ Margaret Thatcher, interview by James Cox, *TV Interview for the BBC*, BBC, 1 September 1982.

⁷⁷ Ibid.

⁷⁸ Ibid.

with unemployment in excess of 10%.⁷⁹ Ultimately, Reagan caved to diplomatic pressure by Thatcher and other European leaders to apply lesser sanctions against the Soviet pipeline project.⁸⁰ Thatcher and Reagan's very public disagreement over economic sanctions targeting the project demonstrated Thatcher's prioritisation of British interests above all others, including the special relationship. The public nature of this disagreement and Thatcher's willingness to support a company violating a US trade sanction demonstrates the leaders resolved competing domestic and foreign policy incompatibilities very differently.

The historical consensus that Thatcher and Reagan shared a common ideology and were inseparable allies is unsustainable. Thatcher and Reagan's purportedly uniform ideology fractures on a variety of domestic issues including economic policy, their response to AIDS and the social issues of divorce and abortion. Thatcher and Reagan could not rely on one another in the sphere of international diplomacy and sometimes criticised each other publically. Although Thatcher and Reagan often collaborated to pursue common objectives, their alliance never superseded their own interests. Thatcher and Reagan followed Lord Palmerston's description of international cooperation: 'We have no eternal allies, and we have no perpetual enemies. Our interests are eternal and perpetual, and those interests it is our duty to follow'.⁸¹ Thatcher and Reagan's responses to the Falklands War, US invasion of Grenada, state sponsored terrorism and nuclear arms controls were incongruent. The supremacy of national interests over political allegiance was clearly apparent during the diplomatic disagreements arising from the Reykjavík Summit and the very public stoush between the leaders over John Brown Engineering's Soviet contract. The leaders' approaches to Western-Soviet relations were incompatible. Thatcher valued détente over defence, placing her faith in the doctrine of mutually assured destruction, whilst Reagan valued defence over détente, and sought to defeat the Soviet Union. This evidence does not challenge the notion that the leaders were close personal friends, as suggested by Thatcher's powerful eulogy for Reagan, whom she called the 'great man' demonstrated she had certainly 'lost a dear friend'.⁸² Despite the value of the Anglo-American alliance to Reagan and Thatcher, they were not inseparable political allies; domestic issues and their national interest were afforded greater weight in decision making than their personal affinity or a shared ideological code.

⁷⁹ Ibid.

⁸⁰ Aldous, *Reagan and Thatcher: The difficult relationship*, 70.

⁸¹ Henry John Temple, 3rd Viscount Palmerston, 'Speech to the House of Commons,' speech given in Parliament, London, 1 March 1848.

⁸² Margaret Thatcher, 'Eulogy to Ronald Reagan,' speech pre-recorded and delivered at Washington National Cathedral, Washington DC, 11 June 2004.
