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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

18 May 1989

Dear Sir,

PRIME MINISTER'S MEETING WITH SENOR VARGAS LLOSA

The Prime Minister had a talk with Senor Vargas Llosa this afternoon. She found him an impressive interlocutor.

Senor Vargas Llosa said that he was a great admirer of Britain and of the Prime Minister and her policies. He hoped to do something similar in Peru. However, the situation there was very difficult. The most encouraging feature was that even poor people were fed up with the present system and anxious for change. They knew that socialism had failed. If he was elected, he would look to Britain for advice and help.

The Prime Minister said that Senor Vargas Llosa's first task would be to restore the authority of Government. She hoped that he had assembled a good group of advisers so that he could go into the election with well-thought out policies. He would also need to give particular attention to the role of the military and police and to dealing with terrorism. Senor Vargas Llosa said that he would particularly welcome Britain's help and advice in this area. The Prime Minister said that we would do our best to provide it.

Senor Vargas Llosa said that the forthcoming election would be decisive for Peru's future. He was approaching it with great confidence. He believed the election would be fair and that the Army would not intervene. He sincerely believed that he would win by a substantial margin. He hoped that, as President, he would be able to welcome the Prime Minister to Peru. The Prime Minister wished Senor Vargas Llosa well.

Yours sincerely,

C. D. POWELL

R. N. Pierce, Esq.,
Foreign and Commonwealth Office

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