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DEFENCE AND OVERSEA POLICY COMMITTEE

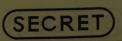
DEFENCE POLICY AND PROGRAMME

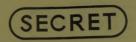
Memorandum by the Secretary of State for Defence

- 1. This memorandum reports on $my\ proposals$ following our last discussion on future UK Defence Policy.
- 2. I now have a new costing of the present programme; the Chiefs of Staff have examined priorities; and work has been completed on the need for an intervention capability outside Europe (0D(80)25).
- 3. The programme needs re-shaping because it cannot be contained within the money now allocated. In broad terms over each of the last three years of the PESC period it is between 5% and 7% (± 400 million ± 600 million) over the PESC allocation. A worrying factor is that the cost of new equipment continues to increase in real terms because qualitative as well as quantatitive improvements in Soviet capabilities need to be matched, although not in all areas.

Views of the Chiefs of Staff

- 4. The Chiefs of Staff do not believe that we can sensibly abandon any one of the four main interdependent contributions to NATO. They consider that:
 - a. the strategic nuclear successor system has a very high priority;
 - b. there is no scope for reduction in the direct defence of the UK base;
 - c. the impact of change would have to fall though not necessarily equally - on our contribution to the Eastern Atlantic and the Channel and the Central Region of Allied Command Europe and the flanks;
 - d. we should be prepared to act more flexibly outside the NATO area.





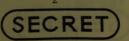
5. The Chiefs of Staff take this view because, despite the risks of dilution, it would be less harmful to make savings on a fairly broad basis than by some radical shift of emphasis, primarily because this runs the least risk of damaging the Atlantic Alliance and thus our own security.

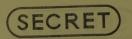
The Problem

- 6. Determining the changes that must be made will require a number of difficult decisions. There will be problems with our international position. There will be a substantial impact on parts of our own industry. There will be a domestic problem of how we present change because we shall be open to the charge that we are off on another round of cuts and that, despite the heightened tension in the world, we are doing less rather than more.
- 7. I believe that we must tackle these questions resolutely and firmly and make it plain that our intention is to put defence onto a sound and realistic basis for the future. We shall face some awkward choices in reshaping the programme in the years immediately ahead since much of our expenditure in these years is already committed and it may be difficult to make all the adjustments in the way which best suits our longer term plans. But this must be our aim. Moreover, defence is a long term business and we must seek to have a programme which we know we can sustain.
- 8. There is an urgent need to resolve uncertainty, to settle the way forward on a number of outstanding major equipment projects (which will inevitably cause problems in at least the shipbuilding and aerospace industries) and to answer questions from our Allies as part of the normal annual NATO processes.

The Approach

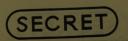
- 9. I have begun the necessary action to re-shape the programme and plan to put firm proposals to the Committee by the end of June. I am directing this myself; and my officials will keep in touch with and consult other Departments about aspects which particularly involve them. Some of the background is set out in the Annex.
- 10. In terms of policy I propose the following:
 - a. A new strategic nuclear force will replace Polaris;
 - b. There should be no cut back on plans for direct defence of the UK base, and in the longer term I intend to look at the possibilities of an increase;
 - c. We should continue to contribute to the Northern Flank, which has high political and military significance;
 - d. We should be ready to consider reducing our forces based in Germany, but not to an extent or at a pace that will de-stabilise NATO;
 - e. We should plan to reduce our non-garrison forces

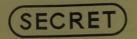




in Northern Ireland as soon as is practicable to the level sustainable by UK based units alone;

- f. We should look carefully at the cost of the maritime forces and their associated weapons which we contribute to the Eastlant area;
- g. We should maintain a small intervention capability from within forces earmarked for NATO and adopt a more flexible policy about visits overseas, training and similar activities;
- h. We should examine whether more use can be made of Reserves;
- i. The range of weapons and weapon systems will need to be reduced - we cannot afford everything and costs are continually rising;
- j. We should buy as much of our equipment as possible from British industry or, where practicable and advantageous, through collaborative arrangements with Europe. This will not exclude occasional purchases from the US. We should do all we can in defence sales;
- k. There should be no general cut-back of missile and ammunition stocks;
- We should intensify the drive already aimed at cutting out inessentials and making the most costeffective use of our resources;
- m. We should examine with our Allies the scope for more specialisation of tasks and equipment, and start a dialogue in this area.
- 11. NATO remains the keystone of our security. We must not forget that it has kept the European peace for 30 years; it stabilises Europe and contains Germany; it is the basis of the crucial American link; and it cannot be taken for granted. It is brittle in some areas.
- 12. Nevertheless, we need to secure more freedom for manoeuvre within it and be ready to persuade it to change some of its attitudes and habits.
- 13. Perhaps the most difficult question is the extent to which we should contemplate some change in our force levels in Germany. We must not rock the boat during the EEC negotiations but events outside Europe and the German concept of division of labour suggest that there could be some room for manoeuvre. This room will, however, disappear if it is seen against the background of a cuts exercise. It would be easier to persuade NATO that reductions should take place in our maritime contribution some will be necessary in any event but my own judgement is that we



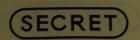


should also seek to find a way of adjusting our position in Germany. I would be glad of my colleagues' views on this point in particular.

14. I should be glad to have the Committee's views before I put forward specific proposals in June. Meanwhile we must have a clear public line.

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Ministry of Defence
14th March 1980



I - RESOURCES

- 1. The main management tool for planning the defence programme is the annual Long-Term Costing (LTC) which costs the programme for 10 years ahead the Estimates year and nine LTC years. We now have the results of LTC 80, initiated last summer, which covers the years up to 1989/90. The force levels reflected in the costing are described in broad terms at Appendix A. The costing did not include provision for a successor to Polaris but we have incorporated estimates for this, inevitably on a broad basis, in the figurework below.
- 2. LTC 80 had to be prepared in advance of Government decisions on public expenditure. We now have these for the years until 1983/84 and the result can be summarised as follows (in fM at 1979 Survey prices) (excluding the Estimates year on which executive action is already in hand):

	LTC 80 + nuclear costs	Defence Budget	Difference
1981/82	8677	8243	+ 434
1982/83	9032	8490	+ 542
1983/84	9375	8745	+ 630

As there are no PESC allocations beyond 1983/84 we cannot produce a similar table for the later years. Broadly, however, extrapolating the PESC column would produce gaps of the same general order, so the problem is not just a short-term "bulge".

3. The fact of a gap is quite normal, and it is our task here each year to adjust the programme to the budget. What is out of the ordinary this year is the size of the gap, and therefore of the changes needed. In broad terms, the gap foreseen is over double what we might reasonably expect to close by stringent management, including cutting back administrative expenditure and overheads, cutting out inessentials, and deleting or deferring less crucial new equipment. The existence of a residual gap which cannot be bridged in this way is not surprising. It results from the clash between two realities -growing Soviet power, to which the programme underlying column 1 in paragraph 2 sought to respond, and the country's economic

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difficulties, which the constraints of column 2 reflect. But it does mean that we cannot now solve the problem without modifying the planned size, structure, equipment or deployment of our frontline forces.

4. I have set work in hand on options for adjusting the programme, but I should welcome my colleagues' views on the broad thrust of the changes to be made.

II - ROLES AND PRIORITIES

General Approach

- 5. Our approach to defence, conventional as well as nuclear, is based upon deterrence through membership of NATO. The main test of our forces is not how well they deter in isolation but how well they help maximise NATO deterrence. This involves political as well as military considerations, and we cannot be the sole judges. We have no independent British strategy; we work within a NATO strategy, broadly drawn and with room for variation in implementation with changing circumstances. Its key features are crucial to binding in the US and the FRG, and I believe it would not be in our national interest nor politically realistic to try now to change it. Appendix B explains why.
- 6. We contribute forces to NATO in four main roles and one supplementary one. The main ones are our independent nuclear effort; direct defence of the UK base; a land/air contribution in the FRG for the Central Region; and a sea/air contribution in the East Atlantic and Channel. The supplementary contribution is a set of specialist mobile forces available to reinforce various parts of the NATO area, including the flanks.
- 7. We draw upon the forces provided for NATO both to sustain our Northern Ireland burden and to meet contingencies outside NATO. The specialist reinforcement forces can be especially useful for the latter.
- 8. Our Alliance contribution is more diverse than that of any other European member. It gives us flexibility to use our forces in support of our national interests and also gives us some insurance against the unforeseen the more necessary with the troubled world prospect. But it also means higher overheads and thinner spreading of resources than would be the case if we contributed to fewer roles, with a narrower spread of capabilities.
- 9. There are two general points to be borne in mind in looking at priorities among the roles of our forces. First, the roles do not exist in separate compartments, but interact

extensively; for example, the defence of the Central Region and the Eastern Atlantic aid the direct defence of the UK. Second, it is unreal to look for absolute priorities. None of the conventional roles we now have could be totally abandoned and we are committed as a Government to maintaining the nuclear one. The practical question is this; if some cutback in our planned NATO contribution is inescapable, in which role or roles would it least weaken the Alliance, taking account of where the Soviet threat is most acute?

Nuclear Forces

- 10. Our nuclear effort is centred upon our four nuclear submarines with Polaris missiles. The Chevaline improvement will carry the force through the 1980s, but it cannot last far into the 1990s. No other European country can make this contribution to the Alliance. Large though the capital cost is, it is far less than that of our other major roles, and our strategic nuclear force is extremely cheap in running costs and in Service manpower. I am sure that we must regard the provision of a successor force as a settled element in our programme.
- 11. Below the strategic level, we have agreed to accept the stationing of US ground-launched cruise missiles. In due course we shall have to decide about replacing our own current non-strategic free-fall nuclear weapons.

Direct Defence of the UK Base

- 12. Our provision for the direct defence of the UK base still derives in part from decisions taken in times of a different strategy and less effective Soviet capability, when the threat of direct conventional attack was judged unlikely or not formidable. This is no longer valid. The most evident and immediate threat is from modern long-range bombers, missile-armed. There is also a serious threat from mining and from covert attack on key points on land. Our capabilities against these threats is everywhere limited and in some respects scanty.
- 13. The current defence programme contains useful improvements for all three Services. I am quite clear, as are the Chiefs of Staff, that it would be wrong to cut back on the modest plans we have in this area. Indeed, I should like to do more, but there are physical as well as financial constraints. We have made a start on using reserves more effectively and have plans to do more.

Specialist Reinforcement Forces

14. Our specialist reinforcement forces comprise some 23,000 regulars and reservists with associated sealift and airlift.

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In addition to our contribution to the ACE Mobile Force (AMF), these include Royal Marines Commandos, the United Kingdom Mobile Force (including parachute-trained troops and Harrier, Jaguar and helicopter squadrons of the RAF), and elements of the Special Air Service Regiment (SAS). All are based in the UK.

15. These forces are available to reinforce several of the NATO theatres. They are particularly important to the Northern Flank, which in turn is strategically important to us. They represent a direct deterrent and have high value politically as well as militarily. No other European country could replace them. Their high mobility also makes them suitable for varied contingencies outside NATO. We can probably use and exploit them more.

Capability for Intervention Outside NATO

- 16. The report by officials (OD(80) 25) gives a useful appraisal of the purposes which capability to intervene outside NATO can serve. We clearly face a new situation and a new climate of opinion after events in Iran and Afghanistan. My general view is that we ought to maintain the intervention capability we now have, and the companion efforts we make by way of defence assistance and military presence in key areas like the Indian Ocean and the Caribbean. We should present and exercise our capabilities more positively than in recent years. I believe our NATO Allies will now be much more receptive to such an approach.
- 17. We could invest in new or re-built capabilities in this field only at the expense of our NATO contributions, which I believe better supports our fundamental security interests. But I believe it would be worth undertaking a modest shift of expenditure to enable us to exploit existing forces more freely. Possibilities include maintaining a better parachute capability; small stockpiles of key items like landrovers and radio sets; and improving our arrangements for command and control. It will also be necessary to look again at our transport aircraft capability. Once we have considered the priority to be attached to our intervention capability, I will prepare plans accordingly.

The Balance: Continental and Maritime Effort

18. There remain our major maritime and Continental contributions to the Alliance, which absorb most of the defence budget. The fundamental question which we need to address at this stage is whether we should reduce the resources committed to one role rather than the other. The alternative of spreading economies between them need not mean "equal misery", but it would involve general dilution of our effort. Neither course is attractive. But we must recognise that if we find the savings in one area alone, this will involve a major emasculation of our present

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effort there. There would be severe military and political effects within the Alliance and upon Soviet views of NATO's confidence and cohesion. I set out below some of these military and political implications and discuss the alternative possibility of limited adjustments to our contribution in both areas.

British Forces Germany

- 19. BAOR covers 65 km. of the Central Region front under the forward defence concept. It is fairly well equipped, but not as well as its prospective adversary or (in the opinion of CINCENT) its US and FRG partners in the line. We are committed under the Brussels Treaty to maintaining it at four divisions which is interpreted as a minimum figure (negotiated in 1958) of 55,000, though because of undermanning and Northern Ireland the real strength in Germany is considerably less. For war BAOR's strength has to be doubled by reinforcement from the UK.
- 20. Cuts in BAOR look attractive. Stationing in Germany is expensive in both budgetary and foreign exchange terms, especially with the expiry of bilateral offset. Militarily, our present task is an awkward one, since cross-Channel reinforcement inevitably takes time but there may be only short warning of a Soviet attack. It would suit us better to provide a strong corps in reserve rather than man part of the front.
- 21. The difficulties of radical change are however formidable. Cuts in BAOR would be more conspicuous and disruptive politically to the Alliance than those made anywhere else. Large reductions would make 1(British) Corps unable to man its assigned frontage before reinforcements arrive. The difficulties of getting any of our Allies to take over would be acute. Though there are grounds for regarding the current tactical interpretation of what "forward defence" requires as militarily imperfect, it is of cardinal political concern to the FRG. They and others would view any UK withdrawal from our current forward commitment as gravely disturbing. In addition, a unilateral cut would cause problems for the Alliance in MBFR.
- 22. If we are not prepared to cut numbers we could find major savings only by foregoing most of our plans for improving BAOR's equipment. There are particular problems about tank procurement. But in view of the advances in Warsaw Pact capability, and criticism already being heard in the Alliance, we must sustain capabilities which are effective.
- . 23. We must therefore consider some cut in strength, though not to the point where we would have to give up frontage.

Possible approaches might be to remove the non-mechanised elements (about 3,000 men) which have been kept partly for post-MBFR withdrawal: to press the FRG to take over some support functions; and to cut back on headquarters structure, for example by organising our stationed forces under three divisional headquarters instead of four. We might undertake that, special emergencies apart, we would cease to draw on BAOR for Northern Ireland. (This would mean cutting temporary that is, non-garrison - deployments in Northern Ireland to the level sustainable from GB-based units alone; I should indeed like to aim at ending such deployments altogether). I am having such ideas studied further. If we could cut BAOR's stationed strength, and reduce the Army's planned total manpower accordingly, this would bring big long-run savings (around £10M per year eventually for each 1,000 men), though to sustain thereafter from the UK our increased need for BAOR's reinforcement in war - which may itself warrant a fresh look - might mean cuts in other UK-based Army tasks, such as specialist reinforcement.

24. We are also committed by the Brussels Treaty to maintaining RAF Germany. No numbers are specified, but at present we station some 160 aircraft. Cuts or withdrawals would be much criticised in the Alliance, and (as with BAOR) withdrawals alone would save little or nothing because of re-basing costs. We might modify current plans for increasing the number of combat aircraft, which would save running costs though not much capital cost. Beyond this, the main line of approach would have to lie through pruning equipment costs. I am sure that Harrier modernisation should proceed, though the best option needs further study. Jaguar replacement is more questionable. Conclusions on it now would be premature, but it is increasingly doubtful whether we can afford participation in a collaborative project with the FRG and France (assessed in LTC 80 as likely to cost us eventually over £2Bn, including £77M over the next four years.

Maritime Capability

- 25. Though the measure of our maritime task is less clearcut than with BAOR, our contribution to the Alliance stands far ahead of what any other European member could provide. It is, because of geography, readier and better deployed than US forces to counter growing Soviet power well forward. It will moreover remain essential that the Soviet Union should not have easy use of the sea, for example to attack the UK or threaten our Polaris force.
- 26. The US are planning a major increase in their ability to reinforce Europe rapidly by a combination of equipment prestocking and air movement. If implemented (which will need time and much European co-operation, to which we may have to contribute) this will make NATO resistance in the early phases

of war on the Continent less dependent upon reinforcement by sea. But it will not make sea-borne reinforcement unimportant. The aim of the US policy is to improve NATO's conventional staying-power, and follow-on support by sea will remain crucial for this.

27. Savings would have to come from a mixture of reduction in planned RN and RAF equipment and in numbers of new vessels. I shall not wish to cut numbers sharply, especially at a time when there is a case for more frequent deployment farther afield; but to concentrate savings on equipment alone would mean too abrupt a reduction in planned quality. We shall have to accept that new boats for any submarine-borne successor to Polaris will displace planned orders for nuclear-powered hunter-killer submarines rather than be built in addition to them. Some orders for new surface ships will have to go, and older ones to be run on. Further studies are in progress on what would be the best balance of measures.

Support and Overheads

28. Proper levels of support and war stocks are not a luxury; they provide the front-line with readiness and staying power, and to dispense with them is to provide "shop-window" deterrence and to assume that war will never really happen. It would be wrong to cut away the underpinning of our combat capability in terms of ammunition stocks and the like. I am not, however, satisfied that our support effort as a whole - including such fields as stores provisioning, Service training, Service hospitals, Headquarters organisation and so on - is being run on the most economical basis possible. There are no easy pickings left here, but I am following up a range of possibilities at the same time as we are looking at the front line.

Industrial Implications

29. Although I am determined to attack overheads, on any view large scale adjustments will be needed to the planned equipment programme, the great bulk of which is bought from UK industry. Industry's morale is likely to be dealt a severe blow and, depending upon which plans we decide to modify, there could be particular problems for Westlands (helicopters), British Aerospace Dynamics (missiles) and some specialist areas of the electronics industry. The implications for Rolls-Royce (engines for armoured vehicles) and the Royal Ordnance Factories may also be serious. Difficult issues for British Aerospace (aircraft) and Rolls-Royce (aero-engines) will arise on the issues of Harrier improvement and, still more, of Jaguar replacement. Parts of the shipbuilding industry depend heavily on work for the Royal Navy, and there could be closures of a number of small firms and significant effects on yards carrying out both naval and civil work. The effects on the specialist warshipbuilders

should be manageable, being confined to reduction in the rate of expected growth. We shall have to draw back from some projects which we had planned to carry out in collaboration with our Allies.

30. Industrial, military and Alliance-political considerations will sometimes clash, and we shall have to weigh trade-offs across the programme as a whole. While, at least in the short and medium term, the cheapest way to maintain military capability is often to buy American, this would not be consistent with the view we reached recently on public purchasing policy (though in a few areas like a Polaris successor it is unavoidable). Equally, we cannot allow the rephasing of the programme to be determined by industrial considerations irrespective of defence priorities and value for money. There is no single panacea and I shall consult my colleagues on particular areas of difficulty. We must exploit defence sales opportunities vigorously to ease our problems.

Presentation

- 31. Programme adjustment will need most careful handling domestically in the Services and with our Allies. We must seek
 to project a coherent thrust of policy and stress the positive
 elements in our planning including 3% budget growth. We must
 not let the process of adjusting the programme be seen as
 cutback and retrenchment. Some difficulties are unavoidable
 when the Alliance generally and the US particularly are stressing as we ourselves have been the momentum of the Long-Term
 Defence Programme and robust response to Afghanistan. We ought
 to decide by the end of June how much of our hand to declare
 in the normal NATO planning cycle. We shall need to deal
 especially carefully and in advance with the US (notably to
 avoid new problems over a Polaris successor) and the FRG.
 Interactions with non-defence issues will need watching.
- 32. We will need to have a clear line for use both within NATO and with domestic public opinion. I suggest it should be that, against the background of our commitment to provide additional resources for defence, we are looking at how the forward programme might best be shaped to take account of recent events and of our longer term defence needs.

FORMATION OF THE ARMED FORCES

Because of the flexibility of many of the units and the equipments of the armed forces and of the interlocking character of the main war roles that they discharge, there is bound to be an element of artificiality in attributing major units among these. The following notes nevertheless attempt to do this in summary form, taking where relevant the primary purpose of the units concerned. The problem of attribution is particularly acute in the case of the Navy where forces shown under Eastern Atlantic and Channel would provide support for the Strategic Nuclear Forces, defence of the Home Base and operations out of the NATO area.

Strategic Nuclear Forces

Four Submarines each with 16 Polaris missiles, at least one of the four being on patrol at any time, supported by a varying proportion of the vessels described under Eastern Atlantic and Channel.

British Forces Stationed in Germany BAOR

forming four armoured and one artillery divisions, together with part of a field force. Between them these formations dispose of nearly 600 tanks, 200 guns and artillery rocket launchers, 450 armoured reconnaissance vehicles, 1,100 armoured personnel carriers, and 120 helicopters. They also have some 70 Rapier surface-to-air guided weapon launchers. In addition, BAOR is reinforced from the UK Base in war.

1 of 4 SECRET

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RAF Germany

140 combat aircraft organised into two squadrons of air defence aircraft (Phantoms), and nine of strike/attack/reconnaissance (Buccaneers, Harriers and Jaguars). RAF(G) also deploy one squadron of 16 support helicopters, four squadrons of Rapier surface-to-air weapons (32 launchers and 960 missiles available), and 1 squadron of Bloodhound surface-to-air missiles (48 launchers and 96 missiles).

Eastern Atlantic and Channel

The Royal Navy has some 12 nuclear powered and 16 conventional attack submarines for anti-submarine and anti-surface ship operations. The major surface units are three carriers which operate Sea King anti-submarine helicopters and two of which also carry Sea Harrier VSTOL fighters (in due course all three). These ships are supported by a total strength of 66 multi-role destroyers and frigates armed with a variety of weapons including helicopters. Replenishment and supply at sea is provided by 29 Royal Fleet Auxiliaries. At any one time about a third of our ships and submarines are at reduced readiness in refit or reserve.

The total frontline naval aircraft strength is 58 Wasp and Lynx light helicopters, 54 Sea King and Wessex medium helicopters and 11 Sea Harriers.

For maritime operations in these areas, the RAF operates nine squadrons totalling 90 aircraft; 5 squadrons (28 Nimrod and 8 Vulcan aircraft) for maritime patrol and reconnaissance, two Buccaneer squadrons (24 aircraft) for the attack of hostile shipping and two Phantom squadrons (30 aircraft) for the air defence of surface forces and shipping.

Specialist Reinforcement Forces

Four RM commandos (each about 700 men) together with a brigade HQ and artillery, engineer and other supporting units, and with two specialist assault ships and two squadrons of naval helicopters (4 Sea Kings and 20 Wessex).

Some 8 major army units from which is found the British contribution (about 1,800 men) to NATO's Mobile Force and the Sixth Field Force and its logistic support group (about 13,500 Regulars) which constitute the land element of the UK Mobile Force declared to SACEUR.

4 Squadrons (48 aircraft) strike/attack/reconnaissance (Harrier and Jaguar), 5 squadrons (56 transport aircraft) (Hercules and VC 10) and 3 squadrons (50) helicopters (Wessex and Puma). In addition 1 squadron of Canberra aircraft would deploy to the Northern Flank, another to the Southern Flank and 1 squadron of Buccaneers operated from the United Kingdom in support of the Northern Flank.

UK Base Forces

36 mine counter-measure vessels and some 20 patrol and other craft; a proportion of the vessels described under Eastern Atlantic and Channel will also be deployed in defence of the UK base.

41 major army units (mainly infantry). From these would be found one field force to reinforce BAOR, elements to make up the part field force already there; another field force to act as a mobile reserve for home defence; and troops for guarding key points in the UK. In addition, 42,000 volunteers of the Territorial Army and 39,000 Regular Reservists move to the continent in war. A further 20,000 volunteers and 66,000 reservists support the regular troops in the home defence of the UK Base.

5 squadrons (62 aircraft) air defence (Phantom and Lightnings) together with an airborne early warning squadron of 11 Shackletons and 2 squadrons (16 aircraft) tankers (Victor). There are also two squadrons of search and rescue helicopters (25 aircraft), one squadron of Bloodhound surface-to-air weapons (48 launchers and 96 missiles), and two squadrons of Rapier surface-to-air weapons (16 launchers and 480 missiles). 6 squadrons of Vulcan aircraft would be used for missions on the European mainland.

Elsewhere Overseas

Ships of the Royal Navy regularly deploy overseas but no major vessels are at present permanently deployed outside EASTLANT/CHANNEL.

Some 2,800 men are stationed in Berlin and there are currently about 10,500 other British troops in Cyprus, Hong Kong, Gibraltar and Belize.

There is a detachment of four Harriers in Belize. Nine helicopters are stationed in Cyprus and fourteen in Hong Kong.

NATO STRATEGY

- 1. At present there is no such thing as a purely UK strategy: we subscribe to a NATO strategy. The only strategic option available to us in isolation might be a "Fortress UK" concept, in which we focussed upon direct conventional defence of the UK backed by nuclear deterrent power. This would not be cheap, and it would be much riskier. The Alliance might not survive a second major near-defection, France-style; and the consequences could reach well beyond defence. Even if we kept some US support and did not provoke the US into total isolationism, we might find ourselves off-shore to a Soviet-dominated Continent; and in war the main battle for our defence could no longer fall well clear of our homeland.
- 2. "Fortress UK" aside, options for strategic change must refer to changes in NATO strategy. Paragraphs 32-41 of OD(79) 29 explained the main features of NATOs current strategy, and the considerations underlying them. As the explanation shows, NATO strategy rests on broad concepts with room for wide variation of detailed implementation; change need not in theory mean directly challenging the concepts themselves. Change directed to easing the way for rebalancing the UK contribution would however have to seek reduced emphasis on forward defence or flexible response or both.
- 3. Less literal emphasis on forward defence in the Central Region would be militarily welcome. Changes initiated by SACEUR in 1976 made the defence task more difficult by reducing both space available to absorb initial attack and freedom to choose the best ground; for example, 1 British Corps cannot now concentrate its main defence on the River Weser. But any reversal of emphasis would have to be very large before it changed our requirements for in-place forces we did not increase forces to meet the 1976 plan, and could not claim an automatic decrease were it rescinded. In any event, to take direct issue with forward defence would meet passionate opposition from the FRG.*
- 4. Flexible response is a matter of degree; there is a spectrum ranging from a near-tripwire posture to a capability to hold on and win without escalation in almost any mode of conflict. Where NATO stands on this spectrum at a particular time or in a particular theatre depends on the relationship between NATO forces and Warsaw Pact forces, not on the first alone. Warsaw Pact efforts can push NATO further down the spectrum, and this happened in the 1970s. The LTDP seeks to arrest and if possible reverse the drop, as is unquestionably desirable on military and deterrent grounds. Reductions in the

size, capability, readiness or staying power of particular elements of our NATO-committed sea/air and land/air conventional forces would in the long run release resources for application elsewhere. They would also, if uncompensated by others - and still more if imitated by them - push the Alliance back down the spectrum in the area affected; they would lower the nuclear threshold by reducing the time for which, in some or all situations, NATO could hold aggression conventionally. Such a trend would reduce the credibility of NATO deterrence, and there is no likelihood that the US - or several others - would accept it. More generally, changes in this or any other direction that would gear NATOs plans and force provision more narrowly to particular expectations on the nature or duration of conflict must tend to heighten risk, by increasing the attraction to the Soviet Union of exploiting different possibilities.