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cc Press Office Afghanistan

BF 16.1.80

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Prime Minister

Lord Carrington told you that he would be circulating this minute. Serious action is being taken in our response to the Soviet intervention in Afghanistan.

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PRIME MINISTER

Soviet Intervention in Afghanistan

1. Following my minute of 2 January to members of OD, we have been pressing on with the discussion of British and Western reactions to the Soviet intervention. The UK took the lead in calling for discussion in the United Nations Security Council, which resulted satisfactorily in the USSR having to veto a Resolution sponsored by the Non-Aligned. In view of the new importance, following Afghanistan, of developing our relations with countries in the region, I am off tomorrow on a visit to Turkey, Oman, Saudi Arabia, Pakistan and India. We are withdrawing our Ambassador from Afghanistan, reducing the Embassy staff, closing the British Council office and cutting off our aid apart from allowing Afghan students to stay in Britain.
2. I am firmly convinced that it is very important that Western countries should react to the invasion of Afghanistan in ways which will demonstrate to the Soviet Union, and to the Soviet people, that aggression brings penalties. The strength and durability of the Western reactions will influence the likelihood of further Soviet moves of this kind in the future. President Carter has already announced some important steps which should hurt the Russians, notably the restriction on grain sales. At British suggestion, discussion is taking place in NATO about the measures which the members of the Alliance could take in their relations with the USSR. Some of our Allies, notably the French, may well remain reluctant to do anything much. A meeting of the NATO Council with ministerial participation, which Douglas Hurd will be attending on 15 January, should show whether concerted action is possible.

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3. So far as the UK is concerned, I think there is inter-departmental agreement at official level that we can join in concerted moves by members of NATO to abstain from top level and ministerial and deputy ministerial contacts with the USSR for three months and perhaps longer; end the special preferential credit rates at present available to the Russians and not replace the Anglo-Soviet credit agreement which expires next month; cancel military exchanges, such as naval visits; and apply the full rigour of the COCOM restrictions on exports of sensitive technology to the USSR.

4. But I am not satisfied that these measures alone would meet the major need for a firm move against the Russians. I hope my colleagues will agree on further measures, in the economic field. I suggest that the UK should press in the European Community for moves to prevent any supply to the Soviet Union of grain which would help to replace that withheld by the United States; to halt butter exports to the Soviet Union by removing the much criticised export subsidy; and to consider restriction of sugar sales. I think we should also be ready to join with our Allies in a study of whether civil technology which the USSR needs from the West should be brought under restrictions. Officials, in urgently studying these measures, should also consider what scope the Soviet Union would have for counter-moves. It would of course be important, until joint decisions were taken in these fields, to take all precautions to prevent leaks to the press.

5. I believe that few things would hurt Soviet prestige more than the absence of a number of Western countries from the Olympic Games this year. But we face the major difficulty that the decision on British participation is not for the government. On the other hand, if we do not advise those concerned in Britain against participation in the Games, we could be criticised for inconsistency in the light of our advice that the rugby tour of South Africa should not go ahead. I should be interested to know Michael Heseltine's views on this problem.

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6. I am copying this minute to our colleagues in OD, to Keith Joseph, David Howell, Michael Heseltine, Peter Walker and Michael Havers, and to the Secretary to the Cabinet.

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(CARRINGTON)

Foreign and Commonwealth Office
8 January 1980