CONFIDENTIAL

Ref. A01196

PRIME MINISTER

## OD: Afghanistan

#### BACKGROUND

Your ad hoc meeting on 16th January invited the Foreign and Commonwealth Secretary to put forward a paper on issues for decision on the Afghanistan crisis.

Lord Carrington's minute to you of 19th January (PM/80/5) is the result, both of that remit and of his travels in the area from 9th-18th January. It is strong on general diplomatic and political measures. But it skates lightly over Economic measures against the Soviet Union (over which the Cabinet on 10th January expressed serious doubts, in relation to Lord Carrington's earlier minute of 8th January). It contains no firm proposal on the Olympic Games; but see paragraph 4 below.

- 2. Your 16th January meeting decided
  - (i) that the case for helping the Americans over Afghanistan was stronger because of our comparative inability to help over Iran;
  - (ii) that on economic measures against the Soviet Union we should
    - (a) keep in step with our allies;
    - (b) limit <u>credit</u> to consensus terms;
    - (c) not renew the Anglo-Soviet Credit Agreement;
    - (d) explore tightening and widening of COCOM restrictions;
    - (e) oppose subsidised Community sales of butter, sugar or meat;
- (iii) that on the Olympic Games
  - (a) we should think further about lobbying for transfer away from Moscow;
  - (b) failing that, we should think further about advising athletes to boycott;
  - (c) there should be <u>no official British presence</u> if the Games are in Moscow.
- 3. The <u>Cabinet discussion</u> on 17th January took no further decisions.

### CONFIDENTIAL

- 4. President Carter has now written to the United States Olympic Committee. Lord Carrington is to send you and OD this evening a <u>draft letter</u> to the British Olympic Committee urging them to lobby the IOC in favour of transfer (but not boycott); and a draft letter to President Carter reporting this action.
- 5. Lord Carrington is to make a <u>statement in Parliament</u> on 22nd January. He will circulate a text to OD today.
- 6. You owe <u>President Carter</u> a reply to the message delivered by Mr. Christopher on 14th January. The draft on the Olympics (paragraph 4 above) is likely to cover some but not all of this.

### HANDLING

- 7. You will wish to begin with the general argument in paragraph 2(i) above.
- 8. Lord Carrington should then be invited to introduce his paper.

  Discussion should centre on the 15 recommendations in his paragraph 4:-
  - (a) This subsumes economic measures and the Olympics. You may wish to recall the economic decisions at paragraph 2(ii)(a)-(e) above, to which there should be little to add; and to agree to revert to the Olympics at the end of the meeting (see paragraph 10 below).
  - (b) Moslem opinion. Agree. Foreign and Commonwealth Office lead.
  - (c) Pakistan/United States. Agree. Foreign and Commonwealth Office lead.
  - (d) Defence sales. Agree. Foreign and Commonwealth Office lead.

    There will be Treasury and ECGD problems.
  - (e) Arab/Israel. A major subject, not yet considered by OD. The Foreign and Commonwealth Secretary should be invited to produce a paper.
  - (f) Information policy. Agree. Foreign and Commonwealth Office lead.
  - (g) Counter-subversion. Agree, within financial limits of Aid programme.

    For eign and Commonwealth Office lead.
  - (h) Gulf co-operation. Agree. Foreign and Commonwealth Office lead.
  - (i) EEC/Gulf. Agree. Foreign and Commonwealth Office lead.
  - (j) YAR. Agree. Foreign and Commonwealth Office lead.
  - (k) Anti-Soviet insurgency. Agree. Foreign and Commonwealth Office lead. Financial implications?

# CONFIDENTIAL

- (1) Aid to Turkey. Agree, within limits of Aid programme. Foreign and Commonwealth Office lead. Note that an interdepartmental group of officials under CPRS chairmanship has also been established.
- (m) India-Pakistan. Agree. Foreign and Commonwealth Office lead.
- (n) China. Agree. Foreign and Commonwealth Office lead.
- (o) Yugoslavia. Agree. Foreign and Commonwealth Office lead.
- 9. It should be noted that, in most of these areas, the policy recommendation is blameless but its implementation will be far from easy.
- 10. Olympics. Discussion should focus on the draft letter to the British Olympics Committee. Does the Committee endorse this? Do they agree that boycott should not be further considered, at least until attempts at transfer have failed? (The Americans are reported to be considering withholding passports. Could we?) Is it the case that the Government has little chance in practice of making any real headway on either?
- 11. <u>Parliament</u>. Is the Committee content with <u>Lord Carrington's statement</u>? Note that the Commons debate on 28th January will call for a further statement. CONCLUSION
- 12. You may wish to aim at agreement as follows.
  - (a) <u>Diplomatic measures</u>. Endorse Lord Carrington's proposals, but not expect easy results.
  - (b) Economic measures. Endorse decisions of 16th January meeting.
  - (c) Olympics. Endorse letters to British Olympic Committee and to President Carter.
  - (d) Parliament. Endorse Lord Carrington's statement.
  - (e) <u>President Carter</u>. Lord Carrington to send you a draft reply, on non-Olympic matters, to the Christopher message.

(Robert Armstrong)