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Polaris Successor: Memorandum

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In accordance with the conclusions reached at the meeting of MISC 7 on Monday, 2nd June, the Defence Secretary sent you a minute on 10th June with which he circulated to MISC 7 members a draft of the memorandum he proposes to publish when the Polaris successor decision is announced.

- 2. You will recall that at MISC 7 it was agreed, at the Chancellor of the Exchequer's suggestion, that this memorandum should not be shown in draft to the Americans until after negotiations on the broad financial arrangements had taken place. Those negotiations took place during my recent visit to Washington and their satisfactory outcome has been reported in MISC 7(80) 2. But the slightly slower timetable for the Exchange of Letters, which MISC 7(80) 2 also reports, means that we no longer need to show the draft of Mr Pym's paper to the Americans as early as 16th June (when there would have been a convenient opportunity in the margin of the 7 power meeting in Rome on political preparations for Venice). This gives us time to resolve the points raised by the Home Secretary and the Foreign and Commonwealth Secretary in their minutes of 11th and 12th June. The Chancellor of the Exchequer may also be commenting, though not before the weekend.
- Commons to publishing a memorandum in explanation of the Government's decision. He envisages that the memorandum will provide the Government's best answer to the inevitable complaints about the decision being taken without full preliminary public debate. The case for publishing a memorandum of some kind is therefore strong. But Mr Whitelaw questions whether it need go into as much detail as Mr Pym suggests. Sir Geoffrey Howe may make the same point. Mr Pym's view on this is that the Government's case is well based on coherent analysis; and that they will therefore gain politically by exposing it as fully as possible. You will probably wish to support him, since it is he who will carry the main burden of the public debate and since neither Mr Whitelaw nor Sir Geoffrey Howe seem to feel strongly on the point.

Sir Geoffrey Howe may wish to comment on one or two points of detail in the costs section (paragraphs 66-71). If so, Mr Pym should have no difficulty in redrafting to meet him. Treasury officials are advising him against commenting at all, either on this section or on the general point raised by Mr Whitelaw.

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Lord Carrington is content with the memorandum as it stands, subject 5. to two amendments designed to improve its international impact. He suggests a specific reference to the forthcoming Review Conference on the Non-Proliferation Treaty, which would be tactful and should cause Mr Pym no problems. He also wants to use more generalised language to gloss over the presentationally awkward fact that we discarded the French option without consulting the French Government. There is no perfect answer to that one. We had good military and financial reasons for acting as we did. But we will undoubtedly have left the French feeling a little prickly on the subject, not least because we were obliged to be unresponsive to the tentative feelers which President Giscard and his Foreign and Defence Ministers put out last summer (cf in particular the Carrington -Francois Poncet conversation reported in Mr Walden's letter to Mr Alexander of 5th September). Subject to one minor modification Mr Pym is being advised to agree to Lord Carrington's redrafts. I recommend that you should do the same.

- 6. In sum I suggest you
 - support Mr Pym on the principle of having a full memorandum;
 - invite him to settle any detailed drafting points bilaterally

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R L WADE-GERY R 13/6/80