

Prime Minister.



Foreign and Commonwealth Office

London SW1A 2AH

Agree that

- (a) these ideas should be discussed with the Americans?
- (b) that thereafter they should be discussed in OD(D).

20 February 1984

Dear John,

A.F.C. 2 1/2

We need a lot more technical information before this is discussed

Controls on Anti-Satellite Systems (ASATs)

During her visit this month to Budapest the Prime Minister declared that "weapons that were fiction yesterday are fact today and will be overtaken tomorrow. There is a deep yearning amongst our peoples to halt and reverse this process, particularly in the nuclear field".

For some time HMG have been committed in principle to seeking further measures to prevent an arms race in outer space. Sir Geoffrey Howe and Mr Heseltine have therefore considered whether, in the spirit of the Prime Minister's remarks and as part of the further work on possible British arms control initiatives commissioned by OD(D) on 14 December, there would be advantage in encouraging the US Administration to take a more positive attitude towards possible controls on a related area of weapons technology, the development of anti-satellite systems. They believe that, for the purposes of near-term arms control, such systems can and should be kept separate from the wider issues of defences against ballistic missiles, known in Washington as the Strategic Defense Initiative (SDI).

?

Somehow for this from M.O. What happens to the document they were copying? not

They have concluded that on military, financial and political grounds British and Western interests could be well served by such controls. The arguments for these, and the background to current US and Soviet positions, are set out in the enclosed Annex.

Ministers recognise that the initial Administration reaction to any such approach on our part may not be sympathetic. Given our important interest in not risking any damage to our wider defence collaboration with the Americans, they believe that for the moment we should do no more than instruct our Embassy in Washington to explore with the Americans the ideas contained in the Annex; and to invite a considered US response. They have in mind the fact that recent statements by both President Reagan (on 16 January) and Mr Chernenko (when he met Mr Bush on 14 February) favouring active cooperation in the arms control

/field

SECRET



field among others strengthen the case for initiating this approach now; and for arguing that a moment of opportunity is there to be seized. Ministers propose that in the light of the Americans' reponse they should, perhaps in OD(D), then review the position, with a view to deciding whether HMG should adopt a more positive, public policy of the sort which the rest of our Allies have espoused, and from which the Soviet Union has already reaped propaganda advantage.

Although no change in policy at this stage is intended, Sir Geoffrey Howe believes that given the Prime Minister's interest in this area of policy she would wish to be informed of what is proposed.

I am sending copies of this letter to Richard Mottram (MOD) and to David Goodall (Cabinet Office).

*Y
ever,
Peter Ricketts*

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

SECRET



Arms Control and Anti-Satellite Systems (ASATs)

1. It is important to establish a firm British policy in this area of growing strategic importance and public interest. International attention on ASAT issues is increasing, with the Conference on Disarmament (CD) resuming its work this month in Geneva. At the moment the Government are on record as favouring measures of arms control in outer space. But this broad policy has yet to be translated into support for specific measures, in contrast to most of our Allies.
2. There are good grounds for believing that British and Western interests would be best served by agreement between the US and the Soviet Union (the only relevant countries at this stage) on a regime limiting each to a single low altitude (below 3,000 km) ASAT system, banning tests of ASATs at high altitude (around 36,000 km), and incorporating a series of confidence-building measures.
3. The strategic arguments in favour of such constraints are as follows:

- (i) the extent of Western employment of satellites for surveillance and communications purposes, which is higher than Soviet dependence upon similar systems and contains less provision for compensation by other means, points to a greater advantage to the West in affording some protection to these than in allowing a free-for-all in space;
- (ii) protection via arms control could well prove more dependable and less expensive than hardening or, /building



- building defensive capabilities into satellites, and/or providing for a high degree of redundancy;
- (iii) the development of effective ASAT capabilities, at both low and high altitudes, by either side or both could provide for much greater strategic instability at a time of rising tension. The temptation to destroy the other side's satellites, given a proven capability of one's own, would be great, and especially so when neither side could be confident that the other would resist it;
- (iv) given the vital role played now by satellites, which must increase in the future, neither the US nor the Soviet Union could contemplate living with a situation in which they could lose their strategic eyes and ears at the outset of hostilities, or even with the onset of a serious crisis. Failure to cap the development of ASATs would only result, therefore in the development of anti-ASATs and other costly and destabilising means of satellite protection - in other words, another spiral in weapons technology which would be most undesirable and could well be unnecessary.

4. There are also political arguments in favour of seeking new controls. Public interest in the military development of outer space, partly stimulated by President Reagan's "Star Wars" proposals, is on the rise. Parliament and broader public opinion would not easily understand it, at this difficult moment in East-West relations and when defence policy is a subject of increasing /controversy,



controversy, if HMG appeared inactive, or even hostile towards the arms control possibilities. Most of the Allies, including the French, Germans, Italians and Canadians, have already moved much further in that direction. At this year's UNGA the UK was alone in abstaining on a Warsaw Pact/Non-Aligned Resolution advocating further measures of arms control, with only the US voting against; 125 countries voted in favour of it.

5. There is a public perception that Governments have started to lose control of the arms race. Uninhibited development of military capabilities in space risks adding to this distorted but commonly held view. At the least HMG should be better placed to counter the Soviet propaganda initiative reflected in their comprehensive draft Treaty for outer space, especially satellites. A greater benefit could well accrue. But these presentational gains cannot be the determining factor. A new British position would only be justified if strategic interests were properly served by the sort of constraints suggested.

6. One other factor argues in favour of a more forthcoming approach to controls. Where other defence systems are concerned, arms control agreements are hampered by imbalances between the super-powers, and the reluctance of both to accept reductions in established arsenals or to make concessions in areas where one is significantly ahead of the other. However, in the case of ASATs, the development of the technology is still at a fairly primitive stage. The Russians hold a temporary lead, by virtue of the crude system they have already shown capable of operational deployment. But even they appear to recognise that with the testing of the US

/F-15



F-15 related system, due to be completed by 1986, the Americans will achieve an important edge. Once high altitude ASATs begin to be tested, protection for satellites by any form of verifiable agreement will become very much harder to achieve. Now, if ever, should therefore be the moment when both sides should see a strong self-interest in an agreement which, by limiting them to one low altitude system only and banning further development, would stabilise the competition, and enhance rather than endanger their own security.

7. A major British initiative in this field, such as the tabling of a draft ASAT Treaty at the CD, would be an eye-catching move, with appeal in this country and elsewhere. But the reservations the Americans have about this whole area must be recognised.

Furthermore, account must be taken of the direct importance to our entire range of defence and intelligence interests of our close collaboration with the Americans in space-related matters and more widely, and of the need not to risk damage to this collaboration by unnecessary confrontation over a single issue. Any new approach to Washington should therefore be conducted with discretion and with an eye on broader interests.

8. US reluctance to consider concrete measures for ASAT controls appears to stem from two main concerns:

- (i) that they would become locked into a permanent inferiority to the Soviet Union, as a result of any agreement such as that proposed by the Russians. There can be no question of such a position being allowed to arise. It is both a military and a

/political



political imperative that the US should reach the current stage of the Russians ie operational capability for one low altitude ASAT system. But this, equally, would be guaranteed under the sort of arrangements outlined in paragraph 2 above.

- (ii) that no ASAT agreement of any sort could be adequately verifiable. The difficulty in achieving this should not be underestimated. But the degree of progress made on an ASAT agreement during the earlier (1978-79) US-Soviet negotiations is not easily reconcilable with the idea that verification problems are in principle insoluble. UK officials take the view that, whereas verifying the elimination or reduction of already deployed systems is extremely difficult, testing of new systems can be verified with adequate confidence; and that new Soviet deployments without prior full system testing are inherently improbable.

9. A third US concern may be an important influence on current Washington attitudes. There is inevitably a technical link between systems (of a more advanced nature than those at present in development) designed to destroy satellites and those with a role of defence against ballistic missiles (DABM); with the passage of time, an ASAT could also become DABM-capable. Some of the US resistance to ASAT controls may therefore stem from a desire not to risk foreclosing on DABM options, although these may not be ripe for development until the next century. Such reservations would have to be taken seriously, and UK officials are already

/engaged



engaged in detailed exchanges with the Americans on the range of DABM issues. Should it be found desirable, probably in the next decade but no earlier, to develop the DABM potential, then some appropriate changes might have to be made to any ASAT agreement negotiated in the meantime (as would also be necessary with the present ABM Treaty). But it is unclear that this long-term possibility is sufficient grounds for ignoring the ASAT problem and its possible solutions within the next ten years. For the moment it should be possible and it is desirable to retain a distinction between the two subjects, for the purposes of policy-making and in any further exchanges with the Americans.

10. Despite these US concerns, the latest reports from Washington suggest that the Administration's mind is not closed towards some options for controls; and that some US officials are attracted towards a regime of confidence-building measures governing satellite deployments. If such measures were only of a declaratory nature, they could cause other problems. The West has always resisted Soviet and non-aligned proposals of this type on the grounds that they would add little of substance to security and could be actively damaging; we have insisted instead on seeking balanced and verifiable agreements with real military significance. Nonetheless the current trend in Washington may reflect an approach less totally negative than a few months ago.

11. Against this background, it appears desirable to engage the US Administration in a substantive dialogue about ASAT issues, with a view to eliciting from them more information (especially about their verification concerns than they have so far made

/available,

SECRET



available, and to outlining to them the reasons for favouring a more positive approach to controls.

Foreign and Commonwealth Office

15 February 1984

- 7 -
SECRET