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Foreign and Commonwealth Office

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John Austin,

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Anti-Satellite Systems (ASATs) and Arms Control

The Prime Minister is holding a meeting at 1700 on Monday 16 July to discuss with Sir Geoffrey Howe and Mr Heseltine the Joint Paper and covering minute which they sent to her on 19 June. In your letter of 2 July to Richard Mottram you indicated some of the Prime Minister's concerns and her desire for the restricted briefing which has now taken place. We have studied with great interest her comments on space arms control at the Guildhall on 11 July. In addition, there have been a number of other recent developments in terms of US-Soviet exchanges and in the context of Sir Geoffrey Howe's visit to Moscow. As further background for the 16 July meeting you may find it useful to have a brief summary of these.

As noted in para 35 of the Joint Paper and para 7 of the covering minute, the Russians have been on record for some years as favouring negotiations (on their terms) about ASAT controls. The Americans have been reluctant to negotiate on these, but earlier this year began to concede the possibility of informal discussions. President Reagan's Report to Congress in April stated that the US were continuing to study arms control possibilities. In a press conference in June he confirmed that, in the words of his Report, "the door is not closed" to negotiations on ASAT controls. Part of this US shift in policy was no doubt due to Congressional pressures. In May the House voted to block the further development of the US prototype ASAT unless the Russians resumed testing. The Senate laid less constraints on the US programme, but sought a Presidential commitment to negotiate with the Russians on ASATs. A compromise position has still to be settled between Congressional representatives.

On 29 June, just before Sir Geoffrey Howe left for Moscow, the Russians launched a formal proposal calling for negotiations in Vienna in September on measures to prevent "the militarisation of outer space". These they saw as including the banning of all anti-satellite and anti-missile defences, and of the use of force in any space-related manner.

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They also offered a reciprocal moratorium on testing and deployment of such weapons which they invited other countries to join. The White House response the same day indicated US willingness to meet the Russians to discuss: (i) ways in which the nuclear negotiations could be resumed; and (ii) "feasible negotiating approaches" which could lead to ASAT controls. They were also ready to discuss any other arms control concerns or other matters of interest to both sides.

In subsequent exchanges the Americans confirmed that these two aspects of their response were not integrally linked, and that they were prepared to meet in Vienna without pre-conditions. Sir Geoffrey Howe emphasised this point on several occasions to the Soviet leaders in Moscow. The Americans are, however, still anxious that in any Vienna discussions they should remain free to raise the resumption of nuclear talks, even if the Russians are unwilling to discuss this. Moreover, it is still unclear whether the American approach includes a willingness to engage in negotiations proper or merely "talks about talks"; and whether these will comprise only ASATs or the whole gamut of space issues proposed by the Russians.

For their part, the latter are still insisting in their latest public (6 July) statement and in further private exchanges that only "space-attack" (i.e. ASAT and BMD) weapons should be discussed in Vienna. They also want agreement reached on an agenda before the talks begin. They may also press for a moratorium on ASAT testing, which would bite directly on current US plans, as another pre-condition for the talks. The Americans, who are continuing to pursue these points of difference privately, are likely to be flexible about whether or not there should be an agreed agenda. But they will want it either to include nuclear arms control or to allow both sides to raise issues of interest.

There still seems to be an even chance that the Vienna talks will get off the ground. While the Russians no doubt saw potential propaganda advantage in their original proposal, and will continue to exploit this where possible, there appears to be some genuine interest in Moscow in seeking arms control limitations in this area. This was the impression gained by Sir Geoffrey Howe during his talks there. Despite continuing Pentagon reservations, the swift White House response and subsequent statements suggest that there is also a new US interest in the possibilities. We understand that the internal review in Washington on arms control options is due to be completed by 1 August, and will then be submitted to the President for pre-September decisions.

/Sir Geoffrey

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Sir Geoffrey Howe believes that it would be appropriate and timely for any Ministerial decisions reached as a result of the Prime Minister's meeting to be indicated to the US Administration as soon as possible, so that our views can be taken fully into account by the President and his officials before their own negotiating position becomes finally settled.

I am copying this letter to Richard Mottram (MOD) and Richard Hatfield (Cabinet Office).

A handwritten signature in dark ink, appearing to read 'R B Bone', written in a cursive style.

(R B Bone)
Private Secretary

C D Powell Esq
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