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PRIME MINISTER

Ballistic Missile Defence (BMD): UK Policy towards the US Strategic Initiative

This is the long-awaited MOD/FCO paper. It is a thorough piece of work. You will want to read it in full. Annex B on the technical aspects and Annex C on Soviet attainments and capabilities are particularly important.

The paper sets out the pros and cons quite fairly but in drawing conclusions comes down heavily against BMD on every count. Quite apart from the question whether it is sensible to draw categorical conclusions at this early stage, there are several points to be made the other way:

- the paper's main argument against BMD is that, after prodigious expenditure and prolonged strategic uncertainty, the outcome will be to leave the nuclear balance unchanged. But if this were the predictable and certain outcome, it would imply a degree of irrationality, profligacy and pig-headedness on the part of the US Administration in pursuing it which there is no reason to expect. If it could be demonstrated conclusively that this would be the outcome, then the US would certainly modify its aims. The paper caricatures BMD in order to make its point.
- it is argued sometimes that BMD is pointless because the threat to the US from air-breathing weapons would remain, at others that the protection given by BMD to the US would destroy European confidence in the Alliance and its strategy. Both cannot be correct.
- not enough weight is given in the argument to Soviet potential and capabilities, while the Annex shows them to be ahead of the US in important areas of research. Given what we know the Soviet Union are up to, it seems to me that the

Americans have no option but to push ahead in this area.

- the paper underestimates the dynamics of scientific progress. You can't disinvent DEW or KEW technology.

There's no question of choking BMD at birth as the paper seems to suggest. The goal should be to manage the new technology in as economical way as possible to add to the West's overall security. A cautiously positive approach to BMD is more likely to influence the US Administration than root and branch fault-finding; and we should not second-guess them on the technical aspects on which they know much more. None of this is incompatible with exploring the arms control implications.

In short, the case against BMD is not so open and shut as the paper suggests.

You will want to discuss the paper soon. The choices are OD or a more restricted group. The latter might be better, at least to start with.

Agree to discussion with Lord President, FCS, Defence Secretary, Chancellor, CDS, Percy Cradock and Bryan Cartledge?

CDR

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11 October 1984