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From the Private Secretary

7 November 1984

Dear Len,

Ballistic Missile Defence: United Kingdom Policy towards
the US Strategic Defence Initiative

The Prime Minister held a meeting this afternoon with the Foreign Secretary, Chancellor of the Exchequer, Defence Secretary, Minister of State in the Foreign and Commonwealth Office and the Minister of State for the Armed Forces to discuss United Kingdom policy towards the US Strategic Defence Initiative. Sir Robert Armstrong, Sir Antony Acland, Sir Clive Whitmore, Sir Percy Cradock, Chief of the Naval Staff, Mr. Goodall and Mr. Cartledge were also present.

The Foreign Secretary said that the Joint Paper which he and the Defence Secretary had circulated tried to make an overall assessment of the US Strategic Defence Initiative and its implications for British interests. It was clear that the original concept launched by President Reagan had undergone important changes. Ballistic Missile Defence was no longer seen as a foolproof system. There was a fuller recognition of both the financial and the political implications, in particular the potential impact on the European allies. The paper concluded that the balance of the arguments lay against the Strategic Defence Initiative in its full form, though the need for continuing research into the technology was recognised. It would be important to discuss the subject with the Americans in ways which did not provoke or amplify a row within the Alliance. The way in which the Prime Minister herself had raised it with Secretary of State Shultz was a good guide. President Reagan would probably give high priority to arms control in his second term, and limitations on weapons in space offered the most promising area for progress. The Foreign Secretary proposed that further studies should be prepared as a basis for discussion with the Americans.

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The Defence Secretary endorsed the Foreign Secretary's comments. The Prime Minister's discussions with Secretary Shultz had provided a point of departure for further talks. He would add two considerations. First, the Strategic Defence Initiative would need to be addressed in the context of arms control strategy as a whole. A study was needed which would survey the whole range of current and potential arms control negotiations and identify where progress was possible. Secondly, there were likely to be contacts with the French and the German Governments before the Prime Minister met President Reagan, at which the subject of the Strategic Defence Initiative would come up. We needed to be able to talk to our other allies, even if it were not with the same degree of frankness as with the Americans.

In discussion, it was agreed that the focus for further work and for discussion of the Strategic Defence Initiative with the US Administration should be the Prime Minister's proposed meeting with President Reagan. It was only at this level that our influence was likely to have its full impact on American decisions. But that meeting would need to be very carefully prepared by further papers and by discussions with the Americans at both official and ministerial level. The papers would need to be of the highest quality and should review arms control strategy as a whole. A point to be given particular emphasis was the scope for using Strategic Defence Initiative technology as leverage for progress in other arms control negotiations with the Soviet Union.

The possible impact of the Strategic Defence Initiative on the UK's Trident missile force was raised. Expert advice was said to be that it was of no immediate relevance. Even if Ballistic Missile Defence technology was pursued and systems were deployed, it would be at least 20 years before any consequences for Trident would be felt. Even then such consequences were likely to be limited to a need to harden the final stage of the missile.

The risks that research into Strategic Defence Initiative technology would generate its own momentum, leading to inexorable pressure from industrial lobbies for the deployment of a Ballistic Missile Defence system was acknowledged to be considerable, though it was recognised equally that it would be undesirable indeed impossible to cut off research altogether. It was agreed that a political decision to refrain from moving from the research stage to development and deployment would be a very difficult one.

It was agreed that, while preparing for discussions with the Americans, it was important for the UK to continue to develop contacts with the East European countries on the subject of arms control. In doing so, we should be careful

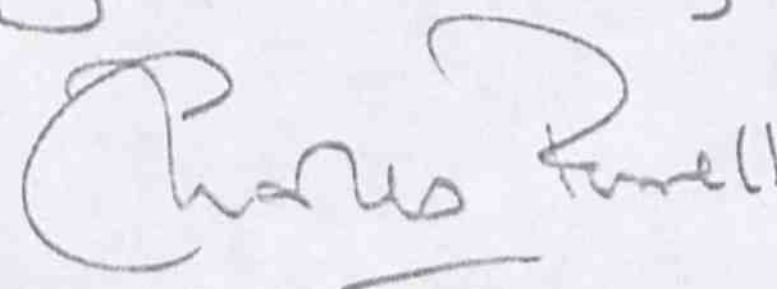
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to keep in step with the United States and be wary of Soviet attempts to divide the Alliance.

The Prime Minister concluded that the paper circulated by the Foreign Secretary and the Defence Secretary was accepted as a basis for further work which should now be put in hand, taking into account points made in discussion. The purpose of this work was to prepare for her own discussion of the Strategic Defence Initiative with President Reagan, probably in the first quarter of next year. In parallel there should be official level contacts with the US. Any opportunities to explore American thinking through Ministerial contacts should also be exploited. We should also be ready to discuss these matters with France and Germany in the course of regular high level consultations.

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Might I suggest that the Foreign Secretary and the Defence Secretary should jointly prepare an outline of the further studies to be put in hand and circulate it to those at the meeting, so that we are all clear about what more is needed. It would be helpful if this could be done by 16 November.

I am sending copies of this letter to Richard Mottram (Ministry of Defence), John Oughton (Mr. Stanley's office, MOD), Peter Westmacott (Mr. Luce's office, FCO), Richard Hatfield (Cabinet Office), Sir Antony Acland, Mr. Goodall, Sir Clive Whitmore and Chief of the Naval Staff.

yours sincerely,

Charles Powell

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Foreign and Commonwealth Office