Subject C. Muster Sek

RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND PRESIDENT REAGAN AT CAMP DAVID ON 22 DECEMBER 1984 AT 1030 HOURS

Present:

Prime Minister
Mr. C.D. Powell

President Reagan
Mr. P. Sommer

The Prime Minister congratulated President Reagan on his famous election victory and expressed her pleasure that he had kept most of the team from his first Administration. This would ensure continuity. President Reagan agreed that it had been a good idea, although some people had thought differently.

President Reagan commented that the Prime Minister had had an exciting time over the past few days. He would be grateful for an account, particularly of her meeting with Mr. Gorbachev. The Prime Minister said that Gorbachev was an unusual kind of Russian. He was less constrained in what he said than other Soviet leaders whom she had met. He had a considerable amount of charm. He spoke with authority. He did not stick to prepared statements but was able to discuss and debate easily. He was prepared to have points raised with him which, in her experience, would offend other Soviet leaders. He had a delightful wife.

The Prime Minister continued that she had tackled Gorbachev over lunch on the subject of emigration from the Soviet Union. Gorbachev had claimed that 89 per cent of those who had applied to leave had received permission to do so. The Prime Minister said that she did not believe this.

President Reagan did not either. The Prime Minister continued that she had made clear to Gorbachev that in her view it was a sign of the weakness of the Soviet system to have to keep

people in. She had also raised with him the fact that the Soviet Union had been supplying assistance to striking miners. President Reagan commented that this was a case of the sort of interference in internal affairs which the Soviet Union was always very quick to complain about. The Prime Minister said that she had also tackled Gorbachev on Soviet support for Communists in British trade unions. Gorbachev had replied in effect "your Communists are nothing to do with us". Their discussion had moved on to the Soviet economic system. Gorbachev had made plain that he was in favour of some decentralisation of government powers and was interested in the economic reforms being pursued in Hungary. The Prime Minister said that she had replied that the essence of a free society was not delegation of central government powers but limitation of government itself. She thought that no-one had spoken to Gorbachev in this fashion before and it had been salutary for him. But he had taken it in good part.

The Prime Minister said that she had told Gorbachev explicitly that there was no point in the Soviet Union trying to divide Britain from the United States in any way. They would never succeed. It was not just that Britain was part of the Western Alliance. We also had very special ties with the United States. But she had gone on to suggest that the Soviet Union and the West shared a number of common interests, for instance the avoidance of conflict and the improvement of contacts in order to build confidence. Each side was entitled to security which meant that there must be a balance of forces and armaments and that balance must be verifiable. Her main task had been to persuade Gorbachev that the United States was sincere in wanting arms reductions. The Prime Minister gave the President a detailed account of her remarks to Gorbachev on this point.

<u>President Reagan</u> said that what the Prime Minister had said to Gorbachev was very much on the same lines as he had followed in talking to Mr. Gromyko. He had pointed out to Gromyko that the Soviet Union and the United States each perceived themselves to be under threat from the other and

therefore needed to establish mutual confidence. He had referred to Chernenko's statement that the world would be better off with no nuclear weapons and challenged Gromyko to discuss how to give effect to this goal. President Reagan continued that his fear was that the Soviet Union, having lost the propaganda battle on arms control the first time round, was now trying to exploit the issue of weapons in space to gain a propaganda advantage. They might be planning to walk out of the Geneva negotiations on this point.

President Reagan, speaking with notable intensity, said that he wished to explain personally to the Prime Minister his thinking on the Strategic Defence Initiative (SDI). At present the only defence again nuclear weapons was retaliation with nuclear weapons which meant killing millions of people. He had therefore asked the question whether it was possible to find a weapon that would destroy other weapons rather than people. The Joint Chiefs of Staff had agreed that this question ought to be studied. As a result research into Ballistic Missile Defence was now being conducted. This would be a defensive system. If it was successful it could lead to the elimination of nuclear weapons. It would also offer protection if some mad man such as Gadaffi were to acquire nuclear weapons. It was not his intention to obtain for the United States some unilateral advantage. If the SDI concept succeeded, he would be ready to internationalise it so that it was at the service of all countries. He had told Gromyko this. Research to date had indicated that his goal was attainable. He wished to emphasise that the United States was not violating the ABM Treaty through its research programme. He saw negotiations on reduction in offensive nuclear weapons proceeding in parallel with this research. These should start with equal and verifiable reductions. But it was his long-term goal to get rid of nuclear weapons entirely.

The Prime Minister said that she agreed that the President had been right to go ahead with research on the SDI She had told Gorbachev this. She had pointed out to him that the Russians had been the first to acquire an ASAT capability

way

and that they must expect the Americans to match it. She also believed that the Russians had been doing extensive research on lasers and directed energy weapons. If they were to get ahead in this area, the strategic balance would be put at risk. However, looking further ahead, she foresaw grave difficulties with the deployment of Ballistic Missile Defence. In practice she believed that it would be too easy to neutralise or overwhelm such a system. President Reagan suggested that they should continue their discussion on this point in a wider circle.

The meeting ended at 1115 hours.

5.6.2

22 December 1984