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RECORD OF A MEETING BETWEEN THE PRIME MINISTER AND PRESIDENT
REAGAN AT CAMP DAVID ON 22 DECEMBER 1984 AT 1120 HOURS

Present:

Prime Minister
HM Ambassador, Washington
Mr. F.E.R. Butler
Mr. C.D. Powell

President Reagan
Vice President Bush
Secretary of State Shultz
Ambassador Price
Mr. Macfarlane
Mr. Burt
Mr. Sommer

Strategic Defence Initiative

President Reagan reported briefly on his tête-à-tête with the Prime Minister. He had explained to her the reasons why he had decided that the United States should pursue research on the Strategic Defence Initiative (SDI). We owed it to the present generation to rid the world of weapons of such destructive possibilities as the existing nuclear arsenals of both the Soviet Union and the United States. He quoted from a letter from President Eisenhower: when we have weapons of such destructive power that they threaten to destroy mankind, itself, we have to find a better way to settle disputes.

The Prime Minister gave an account of her report to President Reagan on her discussions with Mr. Gorbachev. She continued that she agreed with President Reagan that it was essential to pursue research on a Ballistic Missile Defence (BMD) system. But if this research reached the point where a decision had to be made whether to produce and deploy weapons in space, very difficult problems would arise. Deployment would not be consistent either with the 1972 ABM Treaty, which was not limited in time, nor with the 1967 Outer Space Treaty.

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The former in particular was a keystone of the doctrine of deterrence and of existing arms control arrangements. Deployment of BMD would mean that both Treaties would have to be re-negotiated. The issue of SDI was likely to present itself at an early stage in the US/Soviet talks in Geneva. Her fear was that if the Soviet Union perceived that the United States were intending to acquire a BMD capability, they would insist on acquiring far more offensive nuclear weapons to counter it. This would mean that arms control negotiations were doomed to failure. It would be tragic if a concept whose objective was the reduction of nuclear weapons were to result in an increase of them.

The Prime Minister continued that another consideration was the effect of BMD on the doctrine of deterrence. The fact was that the existence of nuclear weapons had prevented both nuclear and conventional war and had brought Europe an unprecedented period of peace. There was a risk that deployment of a BMD system, particularly a partial one, would be destabilising, would undermine the existing doctrine of deterrence and would increase the risk of conventional, chemical or biological war. The period of transition from deterrence to defence would be particularly risky. Beyond this there were a host of technical ways in which a BMD system could be countered, overwhelmed or knocked out. A pre-emptive first strike against BMD systems would become an attractive option. Moreover any system would have to rely on automatic triggering. This would make crisis management even more difficult.

The Prime Minister acknowledged that we might not be fully informed of all the technical aspects of BMD. She would be happy to learn more. She did not want to find herself in a position at odds with that of the United States. Press stories to this effect were wide of the mark. Equally, it would be a mistake to pre-empt decisions on the SDI until the results of research showed what was actually possible. Otherwise there was a serious risk that arms control negotiations would reach deadlock rapidly and the West would find itself wrong-footed with public opinion.

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President Reagan said that the scientists who were working on the SDI had deemed it worth going forward. ✓ He acknowledged that the answers to many of the points which the Prime Minister had raised would depend on what the scientists eventually came up with. He recognised that decisions on production and deployment would need to take into account many of the difficulties which the Prime Minister had mentioned. In addition to the arguments in favour of the SDI which he had earlier put forward there was another consideration in his mind: that was the strain which keeping up with the United States would impose on the Soviet Union. There had to be a practical limit to how far the Soviet Government could push their people down the road of austerity. The Russians would face difficult choices. Were they ready to face defence expenditure far greater than the massive effort which they were already making? Or would they prefer to join the United States in substituting Ballistic Missile Defence for offensive nuclear weapons? The United States was not seeking superiority. But equally it would not allow the Soviet Union to have it. The fact was that in recent years the United States had been unilaterally disarming. For instance, President Carter had agreed to cancel the B1 bomber without seeking any counter concession from the Soviet Union. President Reagan continued that Russian scientists had joined the international community in recognising the risk of nuclear winter from the use of offensive nuclear weapons. He believed that realisation of the consequences of such use would bring them to see the SDI in a more favourable light. It would be possible to achieve adequate deterrence with only one third of the nuclear weapons currently available to each side.

The Prime Minister said that she wanted to work out a position on the SDI which she could use publicly to make clear that suggestions of a split between Britain and the United States on the issue were unfounded. There seemed to be several points on which she and President Reagan were agreed: the West was not seeking superiority but balance: that in the light of Soviet research into BMD, it was necessary for the United States similarly to pursue research to preserve

balance: but it was only research which was involved and this did not contravene any treaty: if the stage were reached when BMD appeared feasible there would have, in view of treaty obligations, to be negotiations: in the meantime talks should be renewed with the Soviet Union on the reduction of offensive nuclear weapons.

Secretary Shultz said that the problem went rather wider than the Prime Minister suggested. The conditions assumed at the time of the ABM Treaty and SALT I were not being fulfilled. Instead of the major reductions expected, the Russians had acquired many more offensive weapons than had been foreseen. While the United States had dropped the notion of defence even though it was permitted by the ABM Treaty, the Soviet Union had deployed a defensive system round Moscow and subsequently modernised it. They were now moving to the construction of a large phased array radar which would be in violation of the ABM Treaty. The Soviet Union had invested heavily in defence while the United States had relied on equal offensive strength. There was a real risk that the United States would be left behind on defence. The Prime Minister had pointed out that a BMD system would not necessarily be water tight. He did not dispute this. But even so, if such a system existed, the Soviet Union could not be sure how many of their offensive missiles would be intercepted and destroyed and would not know therefore what retaliatory strength the United States would retain. There was thus a good argument that BMD would enhance deterrence.

The Prime Minister acknowledged this argument but pointed out that deployment of BMD would also put a premium on a pre-emptive strike to eliminate BMD weapons. Despite recent statements casting doubt on the doctrine, she believed that deterrence remained vital. Her fear was that BMD would undermine it.

Mr. Macfarlane said that the Prime Minister had made some well-reasoned criticisms of the SDI concept. But her position rested upon presumption that offensive deterrence could

endure. Analysis of this proposition led one to ask whether it was true. We simply did not have full details of what the Soviet Union was up to, for instance in the development of mobile strategic weapons. There was a risk that the West might be taken by surprise and find the strategic balance upset to its disadvantage well before the end of the century. There were various options in the face of this risk. The United States could build more offensive systems. But this was difficult morally and hard to sell to public opinion. Alternatively, offensive systems on each side could be reduced. This was the preferred option. But the Soviet Union had shown no willingness to negotiate seriously about this during the last four years. The third option was for the United States to defend itself and its allies. The purpose of research into SDI was to discover whether this was possible. The Prime Minister interjected that the question to be answered was whether there was any absolute defence against nuclear weapons. Mr. Macfarlane acknowledged that no perfect defence existed. Nonetheless, he agreed with Secretary Shultz that acquisition of BMD could change the strategic calculus by increasing the risk and uncertainties of a first strike. It could thus add to deterrence. The Prime Minister had suggested that a BMD system could easily be overwhelmed. He had to say that remarkable strides had been made in the technology of space-based non-nuclear systems, including their survivability some of which had become known only in recent months. One had also to consider the costs of trade-offs. It might be cheaper for the United States to put up partial defence systems than for the Soviet Union to acquire the capability to overwhelm them. The Prime Minister said that the implication of this was that the United States was trying to acquire superiority. Any such suggestion would greatly weaken the Alliance's public image. Mr. Macfarlane continued that he did not think that the differences between the British and American positions were very extensive. The United States believed that a space-based defence system could contribute to enhancing deterrence. Equally they recognised that deployment of a BMD system would be a matter for negotiation with the Soviet Union. He also acknowledged that re-orientation of the

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United States' strategy towards space-based defence risked de-stabilising the strategic balance, unless it was done in negotiation with the Soviet Union. But he hoped that the Prime Minister shared the view that defence could contribute to stable deterrence.

Secretary Shultz said the point which he had been trying to make was that, by enhancing the survivability of American nuclear systems, BMD could contribute to deterrence. It could leave both sides with a capability to defend themselves if offensive forces were reduced. The Prime Minister asked whether BMD would be operative against Cruise missiles. Mr. Macfarlane said that the short answer was that it would.

The Prime Minister emphasised again that she was anxious to avoid any impression of a split in the Alliance on this issue. She would ask her officials to draw up a statement which she could use at her subsequent press conference which she hoped the President would approve. The text subsequently approved and used by the Prime Minister is attached to this record.