

SECRET

BILATERAL DISCUSSION BETWEEN THE PRIME MINISTER AND HIS EXCELLENCY
SENATOR FANFANI AT 10 DOWNING STREET ON FRIDAY 25 FEBRUARY AT
1030 A.M.

Present:

Prime Minister

H.E. Senator Amintore Fanfani

Mr. F.E.R. Butler

H.E. Ambassador Remo Paolini

Two interpreters

* * * * *

East/West Relations and INF Negotiations

The Prime Minister said that she had made no public statement about President Reagan's latest speech on the zero option and deployment of INF missiles, but she regarded it as helpful. She regarded Vice-President Bush's visit as having been successful: there had been good talks in London and he had conveyed the impression that the Americans were both reasonable and keen to achieve a multi-lateral reduction of nuclear weapons. This was important because President Reagan had been wrongly presented in a harsh light, as if he wanted nuclear weapons for their own sake. This was of course wrong: the truth about the Cruise and Pershing missiles was that the Europeans had proposed their deployment in Europe in order to involve the Americans more closely in European defence. There were two aspects of the latest American position which were particularly helpful: the first was their clarification that the zero option was not the only option and that they were prepared to consider an intermediate position providing that equality was maintained; and the second was that Ambassador Nitze had been instructed to explore any reasonable Russian proposals. She suggested that Senator Fanfani and she might usefully stress these points at the Press Conference following their talks. The British Government had also suggested to Vice-President Bush that it would be helpful if agreement was reached on the timing of deployment of the Cruise missiles. It would suit the British Government, and she had the impression that it would suit the Germans, if there were no deployment before November, since the public were expecting that the majority of this year would be available for negotiation with the Russians.

SECRET

/She did not

SECRET

- 2 -

She did not propose any public statement about the timing, but it was important that the European allies should keep together on this aspect.

Senator Fanfani said that the Prime Minister's remarks reflected exactly the sentiments which the Italian Government had put to Vice-President Bush and more recently to President Reagan. They were in full agreement on the attitude to be taken to future missile bases. The zero option was the best objective, but intermediate objectives were worth pursuing, provided that a balance was maintained without the inclusion of the independent United Kingdom and French deterrents, but with the inclusion of any destabilising Soviet installations. The Italian approach was based on respecting the 1979 NATO agreement; and work was continuing in preparation for commissioning the missiles to be located in Italy. It was important that the West should from the start take a firm position with the Russians in order to encourage those in Russia (if any) who were in favour of meaningful negotiations. An important aspect in his view was the question of whether political or military opinion prevailed in Moscow.

The Prime Minister asked whether Senator Fanfani was saying that he thought that there was some schism between the two. Senator Fanfani recalled that when he met Mr. Krushchev in 1961 and Mr. Krushchev was criticising President Kennedy for escalating the US nuclear armoury, Senator Fanfani had defended President Kennedy by saying that he had to take account of the opinion of United States electors: Krushchev had made a reply which was very revealing and which Senator Fanfani still took as a point of reference: "I have to take account of the opinion of my Generals". The Prime Minister commented that she would have expected even the Russian Generals to have been given pause by their experiences in Afghanistan and Vietnam. They were in danger of creating the encirclement of Russia by disaffected satellite countries.

Senator Fanfani commented that on the invasion of Afghanistan the Generals had prevailed over Mr. Brezhnev: in the case of Poland Mr. Brezhnev's view had prevailed, but an exchange which he had had with Mr. Brezhnev, when he was President of the Senate, had indicated

SECRET

/ that

SECRET

- 3 -

that military considerations, in terms of the risk to military communications between Russia and East Germany, was an important element in their attitude to Poland. Senator Fanfani therefore thought that the Russian military leaders were very important and were likely to impede reductions of Russian missiles, lest they lost their cards of military supremacy.

Senator Fanfani said that negotiations with the Russians involved two duels, one public and one private. The private duel was the Geneva negotiations. It was essential that the West maintained their determination on this. The West must not forget that if the Russian military view prevailed it could bring us to the edge of the abyss: the Russians had no more than 18 months before supremacy returned to the West, and there was now evidence that they had been disturbed by the launch of the American Space Shuttle, which they regarded as drastically affecting the East/West balance. The public duel was over who captured public opinion in the West, and this was reflected in Russian efforts to gain the support of the World Peace Movement. The Western Governments could best counter that by showing their eagerness to achieve multi-lateral disarmament. The Russians were trying to isolate Western Governments from their people, and evidence for this was the effort that they were making within the churches. He recalled that he had been asked to speak at a conference to open the Centenary Year of St. Francis at the same time as the American Bishops had issued a statement of extreme pacifism. His own speech had been designed to show that St. Francis would not have been a pacifist and he would send a copy of this to the Prime Minister.

The Prime Minister commented that the Pope had taken a firm position. The debate in the British Synod had resulted in a majority of 3 to 1 against the unilateralists, despite the publicity which had been given to them beforehand. In her view this was because people knew in their hearts that only strength preserved their freedom. Senator Fanfani commented that history proved this right. President Kennedy only persuaded the Russians to withdraw their missiles from Cuba in 1961 because they had Jupiter missiles

SECRET

/ installed

SECRET

- 4 -

installed in Italy and Turkey which, with the agreement of the Italians and the Turks, were withdrawn in order to persuade the Russians to withdraw their weapons from Cuba.

The Prime Minister said that she regarded it as particularly important in this situation that the United States and the other Western allies should have no differences in their attitude to the Russians. A difficult area here was trade restrictions. Her experience was that trade restrictions were never effective. It was essential that they should be applied to equipment which had implications for Western security, but in respect of other goods she thought that the United States overestimated their effect. Since in any case the Americans continued to supply wheat, their stance was unconvincing. Another problem was extra-territoriality. The British Government's view was that overseas subsidiaries should follow the laws of the country in which they were located: it would be helpful to sort this out with the Americans. She was not proposing any weakening of the Western attitude to Russia, but it needed to be considered dispassionately whether trade restrictions were effective. In the long run she believed that the greatest danger to Russia was the circulation of ideas which could not be forever restricted there.

Senator Fanfani said that Cardinal Wyszynski had told him shortly before his death that he had much information about what was going on in Russia which indicated that not only the young but workers generally were critical of the incapacity and efficiency of the Russian system. Even so, no rapid developments in internal resistance in Russia were to be expected: it would take perhaps as many as ten years. The Prime Minister intervened to invite Senator Fanfani's view on why resistance had broken out in Poland but not in Russia: had the election of a Polish Pope and the fact that Poland was a Catholic country played a part in this? Senator Fanfani said that it had: the Catholic religion was an integral part of Polish life: in no city were more priests and sisters in habits to be seen than in Warsaw. Another aspect had been the Polish character and psychology, which was admirable but dangerously impetuous. That had been seen in the rash demands of Solidarity.

The Williamsburg Summit

SECRET

The Williamsburg Summit

The Prime Minister said that, in preparing for the Williamsburg Summit, it had to be considered whether a formal communique should be issued or whether the proceedings should be kept as informal as possible. She understood that the original intention of these summits was that they should be informal and that President Reagan wanted to return to that after the formality and lavishness of Versailles.

Senator Fanfani commented that he had heard President Mitterrand criticise the formality of the last summit in terms which had made him wonder whether Versailles was still in France! He thought that informal discussions between the leaders were essential, but the advantage of a formal communique was that it provided a shield against subsequent press comment which undermined what had been agreed. He had not himself reached a conclusion on where the balance should be struck, but he thought that the summit was well timed in relation to the deployment of Cruise and Pershing missiles later in the year and that the outcome of the summit had to be carefully considered in this respect.

The Prime Minister suggested that President Reagan should be advised to conduct the summit on two levels. There should be a level of quiet and informal talking, but some formal communique should be issued to prevent the press from interpreting its absence as a sign of lack of agreement and disarray. Ambassador Paolini intervened to say that he understood that the Americans were envisaging an announcement by President Reagan on jointly agreed points, rather than a joint communique: this idea would be discussed by the Personal Representatives in San Diego. The Prime Minister said that this might well

/prove

prove a satisfactory solution. One of the problems about the summit was that all the Heads of Government were accompanied by their press officers, and that a lot of informal press briefing went on during the meeting.

Anglo/Italian Round Table

Senator Fanfani invited Mrs. Thatcher's views on the proposal for a British/Italian round table to be held in 1983. The Prime Minister said that she welcomed it: she thought it a good idea to associate it with the centenaries of Newton and Galileo; but suggested that some form of cultural anniversary might be associated with it also.

F.R.B.

25 February 1983