PRIME MINISTER

MEETING WITH MR. GORBACHEV: SPEAKING NOTE

Offer you my congratulations on your appointment to your high post. It has been received with great public interest in Britain following your successful visit. In a short time you became a very well-known figure to our people as did Madame Gorbachova. There is a very widespread desire in Britain to wish you well in your new tasks.

I hope, too, that you and I can build on the discussions which we had at Chequers and remain in touch. I found these talks very useful and particularly welcomed the frank and direct way in which we were able to speak to each other. I hope that this will continue. I know that today you have to receive many visitors. But I hope we can resume our talks at greater length on another occasion.

One part of our conversation which I remember vividly was what you said over lunch about economic management. I shall be following the Soviet leadership's decisions in this field with particular interest.

Since we met I have been able to talk twice and at length to President Reagan. On the first occasion, at Camp David, we talked almost entirely about the Strategic Defence
Initiative. It is a subject on which he clearly feels very strongly although he looks at it in a long-term framework.
As I said to you at Chequers, it is a dream which he has: and like all dreams no-one can know whether it is capable of being realised. Of one thing I am certain and that is, in his mind, the Strategic Defence Initiative is something which would offer an alternative to the present system of security based on deterrence and would replace the need for nuclear weapons in both East and West. He does not see it

as a way to achieve unilateral advantage and superiority over the Soviet Union. His desire to press ahead with efforts to achieve measures of arms control is deep and genuine.

(2) Research

I put to President Reagan the importance of a very clear understanding of what could and could not be done in space under current international agreements. And at the end of our meeting in Camp David in December we agreed on four points of which I am sure your experts will have informed you. The essence of them is that research into the components of a possible Ballistic Missile Defence System should continue. Such research is permitted under the terms of the Anti-Ballistic Missile Treaty and of course is being conducted by the Soviet Union no less than the United States. In any case there are no practical means to verify that research on either side. But should that research lead to the conclusion that a viable defensive system could one day be deployed, then any such deployment would have to be negotiated under the terms of the ABM Treaty. That crucial point was explicitly accepted by President Reagan at the time and he repeated his acceptance of it at our later meeting in February. I know that not all members of the US Administration subscribe to this position publicly and at all times but it has the President's full authority behind

ABM Treets.

In the light of this, I hope that at Geneva both the Soviet Union and the United States will be ready to engage in a very thorough and sober discussion of space issues and of the implications which new defensive technologies may have for strategic stability and arms control. President Reagan has told me in a recent message that this is his aim and that he also wants to reverse the erosion of the ABM Treaty regime. I think that reaffirmation of this Treaty would be a positive point on which both sides could agree. It should also be possible to reach an understanding permitted under

the Treaty.

At the same time I would very much hope that negotiations would go forward in parallel on reductions in Strategic Nuclear Arms (SNA) and Intermediate Nuclear Forces (INF) which will lead us towards the goal on which you and I agreed at Chequers of finding security at a lower level of weapons and at lower cost. What I know of Americans intentions in this field convinces me of the seriousness of their purpose. We have to accept that nuclear weapons will continue for many, many years to provide the deterrence which has kept the peace since the 1940s, even though our long-term aim may be to remove them entirely. The stability given by deterrence must not lightly be tinkered with.

My talks with President Reagan also covered the Middle East and Central America, both areas of great potential dangers. It would be helpful if our Foreign Ministers were to discuss these further.

Recall that this year will be the 10th anniversary of the Helsinki Accords. I hope that when we come to review the progress made, we shall be able to reach some clear decisions on what more needs to be done to fulfil the ambitious aims established in Helsinki particularly in the field of freer movement of people. We also want to develop more regular and systematic bilateral discussions with your experts as a means to increase understanding. And of course we look forward to Mr. Gromyko's visit to London in May.

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