SECRET

r P H Moberly

wes orola GRAN AREAS AND MODERNIZATION OF THEATRE NUCLEAR FORCE (TNF)

The Italian Ambassador came fishing on this subject yesterday. He implied reasonally delicately that he had only had a very sketchy he implied reasonably destrately that he had only had a very sketch briefing on the subject after Guadeloupe by Sir John Hunt and that obviously much ifirmer conclusions must have been reached by the Four at Guadeloupe without their being revealed to their partners. He emphasised that tally felt just as exposed to Soviet nuclear attack as Germany or the United Kingdom: that Italy had existing theatre nuclear weapons deployed on its soil, that this was at present broadly acceptable to Italian opinion - not least because very little was said about it. The Italian Government was just as sensitive to deployment of new or modernized weapon systems as as sensitive to deployment of new or modernized weapon systems as any of the other European countries. We needed to avoid another ERW type fiasco (again, the implication was that that fiasco was primarily American inspired: the next one would result from inadequate consultation by the Four with their less fortunate partners).

I told him that I thought he was in fact erecting unreal bogey men. I then took him through the establishment and nature of the work of the NATO High Level Group (he admitted at one point that he himself had rather lost touch with the working of NATO and it was clear that in fact he had not been briefed very effectively about the HLG). I said that the first phase of the Group's work had produced a consensus in favour of modernization and of some strengthening of NATO's longer-range theatre capability: the Group was now working on options for how to achieve this: and there was wide agreement that besides the purely military/technical considerations, a number of other factors had to be considered before the Alliance reached its decisions, including the need to which he had referred for careful public presentation, the need to keep costs down, the need for the widest possible Alliance participation and the appropriate role for arms control. There had been a useful discussion in the Alliance on Grey Areas in November: and as he had been told by Sir J Hunt no firm conclusions had been reached at Guadeloupe. There will have to be further detailed consultation in the Alliance, both on TNF modernization and on Grey Areas. I thought he was mistaken in believing that Italy was not fully associated with all these discussions.

The Ambassador beat something of a retreat at that point and expressed himself as both satisfied and grateful - but I have no doubt that he will revert regularly to his favourite theme.

LAST PAPER

Michael Palliser

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cc: Sir A Duff Mr Goodall, WED

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