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NOTE FOR THE RECORD

RECORD OF A MEETING BETWEEN THE DEFENCE SECRETARY
AND DR MANFRED WOERNER IN VILAMOURA, PORTUGAL AT
0900 A.M. ON WEDNESDAY 23RD MARCH 1983

Present:

The Rt Hon Michael Heseltine MP
Secretary of State for Defence

HE Dr Manfred Woerner
Federal Minister of Defence

HE Sir John Graham Bt KCMG
United Kingdom Permanent
Representative on the
North Atlantic Council

HE Dr Hans-George Wieck
Ambassador, Permanent
Representative to NATO

Mr J N Blelloch
Deputy Under Secretary for Policy
and Programmes

Dr Hans Ruehle
Chief Planning Staff

Mr R C Mottram
Private Secretary to the
Secretary of State for Defence

Major General Peter Tandecki
Assistant Chief of Staff for
Politico-Military Affairs

The Nuclear Issue

1. Dr Woerner said that the German election had been dominated by the competence of each of the parties in handling the economy rather than by the INF issue. The majority of West Germans were, however, clearly against the deployment of Pershing II and cruise missiles. The German peace movement consisted of some 1950 separate organisations, but the campaign was dominated by a small number of people. He understood that Mr Heseltine was taking the lead in the British Government's effort to deal with the peace campaign and he would be interested to know how this was being conducted.

2. The Secretary of State said that a Ministerial Group had been established bringing together the main Departments involved which met regularly to review the activities planned by Ministers in the



media, the events planned by the Campaign for Nuclear Disarmament, and how the Government might respond. The major preoccupation at present was how to deal with the large scale demonstrations planned for Easter. He had wondered about visiting Berlin which symbolised the divide between West and East and drawing attention to the absence of personal freedom and the right to demonstrate beyond the wall. He understood that this might be awkward for the German Government and the Berlin authorities at Easter and he wondered if Dr Woerner had any views. Dr Woerner said that Mr Heseltine would be very welcome. The proposal was a good idea but his visit should not be announced in advance to avoid provoking demonstrations in Berlin itself.

3. Dr Woerner asked if the British Government used advertising to put its message across. The Secretary of State said an advertising campaign had been in preparation when he had taken up his appointment. He would not be proceeding with it, though the Conservative Party might put out material used by an earlier Labour Government in the 1960s which would show how the Labour Party in opposition now took a very different line to that when it was in office.

INF Deployment

4. The Secretary of State said that it seemed unlikely that there would be an arms control agreement before the deployment date for cruise missiles. Dr Woerner agreed. The Secretary of State said that agreement had been reached with the US Administration on a timetable under which the sensitive items of equipment would not be deployed until the autumn. Dr Woerner said that his Government had been most concerned about the earlier deployment timetable and had raised the issue with both Mr Weinberger and the White House.

5. In response to a question from Dr Woerner, the Secretary of State explained the British Government's attitude towards an interim offer in the Geneva talks. Mr Bletloch said that we had suggested to the Americans that, if there was to be a further move, it might be on the basis of picking up the 300 systems figure and playing it back to the Russians as a limit of 300 warheads. Dr Woerner said that he favoured a proposal pitched as low as possible consistent with retaining Pershing II and shared deployment amongst a number of countries. The case for an interim offer was basically to show to public opinion that we were prepared to be flexible. He found it difficult to judge the likely US approach since there were clear divisions within the Administration.

US Speciality Metals Restrictions

6. The Secretary of State referred to Dr Woerner's letter to him about Speciality Metals Restrictions. He shared the German concern about US protectionism as Mr Pattie had made clear during his recent visit to the United States but he was not clear whether Dr Woerner wished us to take any specific action. Dr Woerner said that he had tackled

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this problem by lobbying Congressmen and Senators and making it clear that the ultimate European response would have to be a refusal to purchase US defence equipment. His Government's loss of interest in a second generation US combat helicopter had been interpreted in America as the first step in this process and caused a good deal of concern. The Secretary of State referred to another aspect of the problem in the British case of restrictions placed on British subsidiary companies in the United States tendering for American defence business. Dr Woerner said that this was not a similar problem for the Germans since their companies did not tend to have US subsidiaries.

Air Defence

7. Dr Woerner referred to German concern over the failure of the Belgian Government to proceed with its contribution to the Alliance's air defence belt. This would undermine the effectiveness of the belt. His Government were anxious that each of the Members of the Alliance should have equal rights and treatment but they had hinted to the Belgians that they could not expect this and for others to shoulder their share of the defence burden. The German Government in any case had its own financial difficulties and could not take on others tasks. The Secretary of State said that we supported this German concern and were making this clear within NATO.

Equipment Collaboration

8. The Secretary of State said that he was keen to work closely with both the German and French Governments in order to maintain a technologically advanced European industrial base. His own interest in this area went back to the creation of the European Space Agency in which he had persuaded the British Government to take part. He hoped there could be a regular exchange of view on these issues. Dr Woerner said that, under the Franco-German treaty, a Steering Committee had been established which looked at strategic and operational questions, and as part of this at equipment collaboration. He considered it important to begin by looking at broader defence needs rather than fixing on individual projects, such as the Franco-German tank. He would be happy to have arrangements to exchange views with the British Government. The Secretary of State commented that there might be a role for trilateral discussion rather than bilateral approaches. Dr Woerner said that his first reaction was that there would be no objection; but he did wonder whether there might be a risk of offending other members of the Eurogroup who would view close trilateral co-operation with suspicion. He would give this further thought.

Defence Sales

9. The Secretary of State said that he was anxious to promote the sale of Tornado to Greece and to Oman. Dr Woerner said his Government were supporting the sale to Greece. But arms sales were

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a very sensitive issue in Germany where the argument of the need to sustain jobs was not so important. He would discreetly do what he could to be helpful, as he had done over the sale of the RB 199 to India. Sales to the Middle East were particularly sensitive because of the need to avoid offending Israel, with whom the Government had taken steps in recent months to strengthen its contacts. He was not aware of a formal request up until now for agreement to the sale to Oman. He would look at how this might best be handled and speak privately to the Chancellor.

10. The Secretary of State suggested that these difficulties might be avoided if agreement could be reached on the MOU covering responsibilities for sales applying to Tornado and FH 70. Dr Woerner said that this could be difficult for his Government. The first step was to review whether they would continue to apply the rules on sales applied by the previous coalition which had been retained on an interim basis until the election.

11. The meeting ended at 1005 a.m.

Ministry of Defence

25th March 1983

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